

Farmers Savings Bank & Trust

Online Banking Agreement

Must be 18-years or older to participate in the Online Banking

General Terms

This agreement (the "Agreement") made between you and us for accessing your Farmers Savings Bank & Trust accounts via FSB's Online Banking includes certain disclosures for electronic funds transfer and terms and conditions governing the use of available services offered through Farmers Savings Bank Online Banking. As used in this document, the words "we", "our," and "us" mean Farmers Savings Bank & Trust and the words "you" and "your" mean the account holder(s) and anyone else with authority to deposit, withdraw, or exercise control over the funds in the account. By using the Available Online Services, you agree to abide by the terms and conditions of this Agreement and acknowledge your receipt and understanding of the disclosures contained in this Agreement. Please read this Agreement carefully and keep a copy for your records.

This agreement is in addition to other agreements between you and us, including the applicable deposit account disclosure agreement(s) and terms and conditions, and our rules and regulations as well as your loan agreements with us. If there is a conflict between the terms and conditions of this Agreement and the terms and conditions of any other agreements between you and us, as it relates to Internet Banking, this agreement will control.

Your use of FSB's Online Banking Services may be made by use of certain numbers, codes, marks, signs, passwords (PINs), public or private keys or other means which are acceptable to us to establish your identity and acceptance of the electronic communications. All electronic communications that meet these requirements will be deemed to be valid and authentic and you intend and agree that those electronic communications will be given the same legal effect as written and signed paper communications. You agree that electronic copies of communications are valid and you will not contest the validity of the original or copies, absent proof of altered data or tampering.

We may, from time to time, introduce new FSB Online Banking Services. We will notify you of the existence of these new FSB Online Banking Services. By using new FSB Online Banking Services when they become available to you agree to be bound by the rules governing these new Online Banking Services.

Business Days/Hours: The term "business day" shall mean every day except Saturdays, Sundays and federal banking holidays. Traer business hours are Monday through Thursday 8:00 a.m. to 3:00 p.m., Friday 8:00 a.m. to 6:00 p.m., and Saturday 8:00 a.m. to 10:00 a.m. Vinton business hours are Monday through Thursday 8:30 a.m. to 4:00 p.m., Friday 8:30 a.m. to 6:00 p.m., and Saturday 8:30 a.m. to 12:00 p.m. (Central Standard Time)

The Service

1. Eligible Accounts

To access your "Eligible Account" you must have a checking or savings account with Farmers Savings Bank & Trust. For purposes of this Agreement, the term "Eligible Account" includes the following types of deposit and credit accounts that are identified below. If you have more than one Eligible Account, we will "link" the relationships together unless you request certain accounts not be linked. Accounts that are linked under the Available Online Banking Services will have one common owner and signer. Any signer, acting alone, must be authorized to access a linked account. Any non-linked account will not be accessible through FSB's Online Banking. An account that requires two or more signatures to make withdrawals or with special withdrawal restrictions may not be designated as an Eligible Account.

2. Access Codes

To initially access Farmers Savings Bank & Trust Online Banking Services you will use a temporary personal identification number (PIN). With your first access to Online Banking, you will be asked to designate a user code and Password that has certain specifications. Passwords must be a minimum of 8 characters, up to a maximum of 17 characters, which must consist of at least two (2) numeric characters, and two (2) alpha characters (all lower case). For example, your password may be: 123signup. You will be prompted to answer three security questions, and choose a secure image and pass phrase that will be unique to you. This image and phrase will be displayed each time you sign on, indicating you are signing on to the secure FSB online banking.

You agree to keep your FSB Online Password confidential to prevent unauthorized access to your accounts and to prevent unauthorized use. For security purposes, we recommend that you memorize your Password. If you choose to write it down, store it in a safe place.

If you suspect your Password is lost or in the hands of an unauthorized user, tell us at once. Telephone Customer Service Traer at (319) 478-2148 or Vinton at (319) 472-2373. We reserve the right to block your access to Online Banking Services to maintain or restore security to our web site and systems, if we reasonably believe your Password has been or may be obtained or is being used or may be used by an unauthorized person(s).

3. Equipment and Software

To access FSB's Online Banking you must have an active account with an Internet Service Provider (ISP), an Internet browser software program from software publisher(s) (Internet Explorer or Netscape) with version number(s) 5.0 and above with a 128 bit encryption that we may specify from time to time. You are responsible for, at your expense, obtaining, installing, maintaining and operating all Equipment you use. We do not warrant nor will be responsible for any errors or failures from the malfunction or failure of your Equipment.

4. Description of Services

a. Account Information

You can specifically obtain the following information:

Obtain certain account history of the current and previous statement cycles and export this information directly to your computer in a variety of file formats such as Microsoft Money.

Obtain interest information on your interest bearing deposit accounts and loan accounts.

Obtain account-related information such as current balances, loan payment amounts, payment due dates, and certificate of deposit maturity dates.

b. Funds Transfers

You may:

Transfer funds from checking to checking.

Transfer funds from checking to savings.

Transfer funds from savings to savings.

Transfer funds from savings to checking.

Make payments from checking to loan accounts or demand deposit loan with us.

Make payments from savings to loan accounts or demand deposit loan with us.

All transfers between deposit accounts will occur at the earliest possible time.

You may make arrangements for payments to loan accounts described above to occur at the earliest possible time, at a date in the future, or on a recurring basis. Payments set up as recurring can be stopped by deleting the scheduled transfer from the Transfer List any time prior to the payment due date.

Transfers made after 6:00 p.m. Central Time will normally not be credited until the next business day.

You will be provided a confirmation number with each transfer.

Please write down this number when you receive it. It helps us resolve any questions you may have concerning your transactions.

Holds: If a hold has been placed on deposits made to an account from which you wish to transfer funds, you cannot transfer the portion of the funds held until the hold expires.

You agree that you will instruct us to make a transfer only when a sufficient balance is or will be available in the designated account at the time of the transfer. You understand that we will not act on any transfer instructions from you if sufficient funds are not available in the account that you designated.

Your ability to make transfers from your savings accounts and money market accounts is restricted by Federal Reserve Board Regulation D. For each of your savings accounts, you are prohibited from making more than six pre-authorized transfers per month. For your money market account, you are prohibited from making more than six pre-authorized transfers per month, no more than three of which may be payable to third parties, such as checks, ACH transfers or debit card entries. Pre-authorized transfers include transfers made through Farmers Savings Bank & Trust Online Banking Service. The following transfers do not count towards your limit: (1) transfers from your savings account or money market account to repay any amounts owed to Farmers Savings Bank & Trust for loans and associated expenses; (2) transfers made by mail, messenger, ATM or in person, or; (3) withdrawals authorized by you by telephone or online if the funds are mailed to you by check. Once a savings account or money market account has violated the Regulation D limits, Farmers Savings Bank & Trust will notify you and may convert the account to a transaction type account.

Failure to make transfers. If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for actual damages as a result of our failure to make an electronic funds transfer to or from your account, except for the following circumstances:

1. If through no fault of ours, you do not have enough money in your account to make a transfer or if your account has been closed.
2. If you have an overdraft line and the transfer would go over the credit limit.
3. If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
4. If circumstances beyond our control (such as fire or flood or systems failure)

prevent the transfer, despite reasonable precautions that we have taken.

5. If the money in your account is subject to legal process, adverse claims, or other encumbrances restricting transfer.
6. If you have not properly followed instructions on how to make a transfer.
7. If we have placed a hold on funds in your account in accordance with our reasonable business procedures.
8. If we have a reasonable basis for believing that unauthorized use of your Password has occurred or may be occurring, if you are in default under this agreement with us, if we or you terminate the Agreement, or if we have suspended your use of Farmers Savings Bank & Trust-Vinton Online Banking.

c. Online Bill Pay

1. Bill pay services will be offered by Farmers Savings Bank & Trust, through CheckFree Services Corporation. Online Bill Pay is free for the first six months. After six months, users must pay at least one bill online per month or incur a monthly fee of \$4.95 plus tax.
2. You must accept the terms and conditions of Online Bill Pay on the Farmers Savings Bank & Trust website. You will be able to print a copy of these terms and conditions before you accept them to keep for your records. The terms and conditions will always be available under the "Help" tab of Online Bill Pay. A paper copy of these terms and conditions will also be available for your viewing upon request from the bank.

5. Hours of Operation

You can access Online Banking Services through FSB's Online Banking seven days a week, 24 hours a day. However, at certain times, some or all of the service may not be available due to system or Internet maintenance. If we need to change the scope of our Online Banking Services, we will attempt to provide prior notices of such interruptions and changes, but cannot guarantee that such notice will be provided.

A transfer between deposit accounts initiated through Online Banking before 6:00 p.m. Central Time on a business day will be posted to your accounts on the same day. We cannot ensure that a transfer between deposit accounts after 6:00 p.m. Central Time on a business day will be posted to your account on the same day. Transfers initiated on a Saturday, Sunday or a federal holiday, will be posted on the next business day.

6. Electronic Messaging

Sending electronic messages to us through FSB&T's secure web site allows you to contact us with your questions and the bank to contact you with notices and disclosures protected by encryption. However, e-mail is not available after you log-on to Online Banking. Therefore, we ask that you not use e-mail to initiate banking transactions.

You agree that we may send you or make available to you notices, disclosures, and other information electronically including, but not limited to, notices, disclosures, and other information required under the Electronic Funds Transfer Act and Regulation E of the Federal Reserve Board. If you have given us an e-mail address or postal address, we are entitled to rely on that address and assume that messages sent to that address are received by you until you give us notice in writing or by e-mail that the address is no longer valid. If we send you a notice or disclosure electronically, and you wish to download or print it and are unable to do so, contact us at the mailing address or telephone number address in the Error Notice section of this Agreement

or send us an e-mail and we will provide you with a copy on paper.

7. Limitations of Liability Relating to Available Online Services

Except as otherwise provided in this agreement or otherwise expressly provided by applicable law or regulation, you agree that neither we nor any party that provides Internet access or provides equipment used to access the Online Banking Services or any agent, independent contractor, or subcontractor of any of the foregoing will be liable for any loss, injury, or damage including without limitation, direct, indirect, incidental, special, consequential, or punitive damages, whether under a contract, tort or any other theory of liability, arising in any way of the installation, use or maintenance of the Online Banking Services or of the Internet access provider used to access FSB's Online Banking Services, including, without limitation any loss, injury, or damage relating to any failure of performance, error, omission, interruption, defect, delay in operation or transmission, computer virus, line failure or unauthorized interception or access to your communications with us, even if we or the Service Providers are aware of the possibility or such event.

8. Periodic Statements

You will receive a monthly account statement from us for your checking and money market deposit accounts.

You will receive a monthly statement from us for your savings accounts, unless there is no activity in a particular month. In any case, you will get a statement quarterly.

9. Confidentiality

We will disclose information to third parties about your account or the transfers you make:

- 1) Where it is necessary for completing transfers;
- 2) In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
- 3) In order to comply with laws, government agency rules or orders, court orders, subpoenas or other legal process, or in order to give information to any government agency or official having legal authority to request such information
- 4) If you give us written permission.

10. Authorization to Obtain Information

You agree that we may obtain and review your credit report from a credit bureau or similar entity. You also agree that we may obtain information regarding your Payee Accounts in order to facilitate proper handling and crediting of your transactions.

11. Unauthorized Access

Tell us AT ONCE if you believe your PIN or Password has been lost or stolen. Prompt notification is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum line of Demand Deposit Loan). If you tell us within two business days, you can lose no more than \$50.00. If you do NOT tell us within 2 business days after you learn of the loss or theft of your PIN or Password, and we can prove we could have stopped someone from using your PIN or Password without your permission if you had told us, you could lose as much as \$500.00. Also, if your statement shows transfers that you did not make, tell us AT ONCE. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have prevented someone from taking the money if you had told us in time. If you believe your PIN or password has been lost or stolen, or that someone has transferred or may transfer money from your account without your permission, call Customer Service Traer at (319) 478-21481 and Vinton at (319) 472-2373 during normal business hours listed in this Agreement. WE CANNOT ACCEPT NOTIFICATION OF LOST OR STOLEN PINS OR PASSWORDS OR UNAUTHORIZED TRANSFERS VIA E-MAIL.

12. Error Resolution

In case of errors or questions about your electronic transfers, call or write us at the telephone number or address listed below as soon as you can if you think your statement or receipt is wrong, or if you need more information about a transfer listed on your statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

1. Tell us your name and account number (if any)
2. Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information.
3. Tell us the dollar amount of the suspected error.

If you tell us verbally, we may require that you send us your complaint or question in writing within 10 business days following the date you notified us. We will tell you the results of our investigation within 10 business days (20 business days if the transfer involved a point of sale transaction or a foreign-initiated transfer) after hearing from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a point of sale transaction or foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (20 business days if the transfer involved a point of sale transaction or a foreign-initiated transfer) for the amount you think is in error, so that you will have the use of your money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account. If we decided that there was no error, we will send you a written explanation within 3 business days after we finish our investigation. You may ask for copies of the documents we used in our investigation.

Farmers Savings Bank & Trust-Vinton
401 B Ave. P.O. Box 112
Vinton, Iowa 52349-0112
Business Days: Monday through Friday
(excluding Federal Holidays)
Phone: (319) 472-2373

Farmers Savings Bank & Trust - Traer
611 Second Street – P.O. Box 435
Traer, Iowa 50675-0435
Business Days: Monday through Friday
(excluding Federal Holidays)
Phone: (319) 478-2148

13. Termination

This agreement continues in full force and effect until terminated. You may terminate this Agreement and your use of FSB's Online Banking Services at any time by calling Customer Service Traer at (319) 478-2148 and Vinton at (319) 472-2373 or by sending a written termination notice to Farmers Savings Bank & Trust at one of the addresses listed above. Your termination notice will be confirmed by mail. You authorize us to complete fund transfers until we have had a reasonable opportunity to act upon your termination notice.

We may terminate this Agreement and your use of the Available Online Services at any time without cause or prior notice. This Agreement and your use of the Available Online Services will be terminated automatically if your Eligible Account(s) are closed or access to your Eligible Account(s) is restricted for any reasons. This Agreement and your use of the Available Online Services may be terminated at any time without prior notice due to insufficient funds in one of your Eligible Accounts. After termination on such basis, you may again reenroll once sufficient funds are available in your FSB accounts to cover any fees and other pending transfers or debits. We reserve the right to temporarily suspend Online Banking Services in situations deemed appropriate by us, in our sole and absolute direction, including when we believe a breach of system security has occurred or is being attempted. We may consider repeated incorrect attempts to enter your PIN or Password as an indication of attempted security breach. Termination of the Services does not affect your obligations under this Agreement with respect to occurrences before termination.

14. Changes to charges, Fees and Other Terms

We reserve the right to change the charges, fees or other terms described in this Online Banking Agreement. When changes are made to any fees, charges, or other material terms, we will electronically update this Online Access Agreement or send an e-message notice to you at the address shown on our records at least thirty (30) days in advance of the effective date of any additional fees for online transactions, or of any stricter limits on the type, amount or frequency of transactions or any increase in your responsibility for unauthorized transactions, unless an immediate change is necessary to maintain the security of the system. If such a change is made, and it can be disclosed without jeopardizing the security of the system, we will provide you with electronic or written notice within thirty (30) days before the change. As always, you may choose to accept or decline changes by continuing or discontinuing the accounts or services to which these changes relate. We also reserve the option, in our business judgment, to waive, reduce or reverse charges or fees in individual situations. Changes to fees applicable to specific accounts are governed by the applicable Account Disclosure Statement.

15. Security Procedures

By accessing the Online Banking, you hereby acknowledge that you will be entering a protected web site owned by Farmers Savings Bank & Trust, which may be used only for authorized purposes. The Bank may monitor and audit usage of the System and all persons are hereby notified that use of the Services constitutes consent to such monitoring and auditing. Unauthorized attempts to upload information and/or change information on these web sites are strictly prohibited and are subject to prosecution under the Computer Fraud and Abuse Act of 1986.

16. Fees, Fee Schedule

See Common Feature Disclosure for current fee structures.

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FSB Online Banking Enrollment Form

Last Name: _____ First Name: _____ Middle Initial: _____

Business Name (if applicable): _____

SSN# _____ - _____ - _____ DOB _____ TAX ID # _____ - _____

Address: _____

City: _____ State: _____ Zip: _____

Home Telephone: _____ Work Telephone: _____

E-mail address: _____

Accounts you would like to view:

1) _____ 3) _____

2) _____ 4) _____

For security purposes, please provide a question that generally only you could answer. (For example: "What is my dog's name? Or "Where was I born?") You will be asked this question when you call for FSB Online Banking help.

Security Question: _____

Security Answer: _____

Would you like to access FSB&T's Bill Pay? Yes No

Would you like to receive your monthly statements via our secure E-Statement Service?: Yes No

I have read and understand the FSB Online Banking agreement, am at least 18-years of age and agree to the terms.

Signature _____

For Bank use only :

Portfolio #: _____
Name Line: 01 _____ 02 _____ other _____
Initial User Code: _____
Activation Date: _____
Initial Password: _____

Farmers Savings Bank & Trust
611 2nd Street 401 B Avenue
Traer, Iowa 50675 Vinton, Iowa 52349
Telephone: (319) 478-2148 Telephone: (319) 472-2373
Fax: (319) 478-2023 Fax: (319) 472-3544
Email: fsb.t@fsb-traer.com Email: bank@fsb-vinton.com