



Internet Banking Agreement
www.fsb-iowa.com

GENERAL TERMS

This agreement (the "Agreement") made between you and us for accessing your Farmers Savings Bank accounts via Farmers Savings Bank's Internet Banking includes certain disclosures for electronic funds transfer and terms and conditions governing the use of available services offered through Farmers Savings Bank's Internet Banking. As used in this document, the words "we," "our," and "us" mean Farmers Savings Bank and the words "you" and "your" mean the account holder(s) and anyone else with authority to deposit, withdrawal, or exercise control over the funds in the account. By using the Farmers Savings Bank 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 Internet 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 originals or copies, absent proof of altered data or tampering.

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

Business Days/Hours: The term "business day" shall mean every day except Saturdays, Sundays, and federal banking holidays. Our business hours are 9:00 a.m. to 4:00 p.m. Central Time, Monday through Thursday and 9:00 a.m. to 6:00 p.m. on Friday.

THE SERVICE

1. Eligible Accounts

To assess your accounts through Farmers Savings Bank's Internet Banking, you must have at least one eligible account with us. For purposes of the Agreement, the term "Eligible Account" includes the 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 Farmers Savings Bank 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 Farmers Savings Bank. An account that requires two or more signatures to make withdrawals or with special withdrawal restrictions may not be designated as an Eligible Account.

The following are Eligible Accounts: Checking, Savings, Money Market Deposit, Certificate of Deposit, IRAs, Commercial, Installment, and Real Estate Loans.

2. Access Codes

To initially access Farmers Savings Bank Banking Service the Bank will assign you a temporary password. With your first access to Farmers Savings Bank you will be asked to designate a new password that has certain specifications. The Farmers Savings Bank instructions will explain the specifications. You will be required to change your Password periodically to enhance security.

You agree to keep your Farmers Savings Bank 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 secure place.

If you suspect your Password is lost or in the hands of an unauthorized user, tell us AT ONCE. Telephone customer service at 1-888-866-2640. We reserve the right to block your access to Farmers Savings Bank 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 Farmers Savings Bank's Services 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) 4.0 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 we be responsible for any errors or failures from the malfunction or failure of your equipment.

4. **Description of Services**

Account Information

You can specifically obtain the following information:

- 1) Obtain certain account history for the current and previous statement cycles and export this information directly to your computer in a variety of file formats such as Microsoft Money.
- 2) Obtain interest information on your interest bearing deposit account and loan accounts.
- 3) Obtain account-related information such as current balances, loan payment amounts, payment due dates, and time certificate of deposit maturity dates.

Funds Transfers

You may:

- 1) Transfer funds from checking to checking
- 2) Transfer funds from checking to savings
- 3) Transfer funds from savings to savings
- 4) Transfer funds from savings to checking
- 5) Make payments from checking to loan accounts with us.
- 6) Make payments from savings to loan accounts 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.

Transfers made after 5:00 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.

Duplicate Transactions: It will be the customer's responsibility to detect duplicate transactions. Farmers Savings Bank will pay all transactions initiated online by the customer unless there are insufficient funds or uncollected funds.

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 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, 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's Internet 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 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 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 make every effort to remedy the situation; however, we cannot assume any responsibility:

- 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.
- If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood or systems failure) prevent the transfer, despite reasonable precautions that we have taken.
- If the money in your account is subject to legal process, adverse claims, or other encumbrances restricting transfer.
- If you have not properly followed instructions on how to make a transfer.
- If we have placed a hold on funds in your account in accordance with our reasonable business procedures.
- 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's Internet Banking Service.

Bill Payer

If you elect to subscribe to Bill Payer Service, you may use Bill Payer to electronically direct us to make payments from a designated Transaction Account ("Account") on your behalf to third parties ("Payees") that you have selected in advance. You may make payments through Bill Payer to any business, merchant, etc., that generates a bill or invoice or to an individual on your behalf that has an address and telephone number that we can verify. Payments may only be made to Payees with an U.S. postal address. We reserve the right to decline to make payments to certain individuals or entities.

Personal Payee List. You must provide sufficient information about each payee as we may request from time to time, to properly direct a payment to that payee and permit the Payee to identify the correct account ("Payee Account") to credit with your payment. This information may include, among other things, the name and address of the Payee and your Payee Account number. We will provide you with an online list of the payees you have authorized when you use Bill Payer (your "Personal Payee List").

Scheduling Payments. You may use Farmers Savings Bank to electronically schedule payments with Bill Payer. To access Farmers Savings Bank and electronically schedule a payment you will be required to enter your (a) password, (b) the amount of your payment, and (c) the date on which you like your payment to be deducted from your Account, or for Recurring Payments (see the section on recurring payments below), the day of the month on which you would like such payments deducted each month. Individual payments may be in any amount not less than \$1.00 and not exceeding \$9,999.99.

Delivery of Your Payments. You may schedule payments or be deducted from your Account on the day that you enter the payment information, on a future date, or on the same date each month, subject to the restrictions in this Agreement. Although you can enter payment information through Bill Payer 24 hours a day, 7 days a week, payments can be deducted from your Account only on business days. The day on which you direct Farmers Savings Bank to initiate the bill payment process is the "Transaction Date". The date you enter as you "Payment Date" is the date on which the payment will be deducted from your Account, unless the date you enter as your payment date is not a business day, in which case the payment will be deducted from your account on the next business day. After funds are withdrawn from your Account, we may remit your payments by mailing your Payee a check drawn on an account we maintain for the purpose; by electronic funds transfer; or by other means. In order to provide sufficient time for payments to be received by your Payees, the Payment date for each payment must be at least 5 business days prior to the date your payment is due. Farmers Savings Bank will not be responsible for any loss you may incur as a consequence of late payment if your actual Payment Date is not at least five (5) business days prior to the due date for your payment. It is helpful if you allow additional time for a payment to be completed the first time you send a payment to a Payee through Bill Payer. This allows the Payee to adjust to the new form of payment. Accordingly, your first payment to a Payee should be scheduled with a Payment Date at least seven (7) days prior to the Due Date.

Insufficient funds Bill Payer Requests will be from the system after the first attempt and a notice of that action will be mailed to the customer.

Same Day Payments. You may schedule a payment to be initiated on the same day that you enter the payment information on Bill Payer. Same Day Payment must be scheduled by the normal cut-off time of 5:00 p.m. (Central Time) on any business day in order for the payment to be initiated for that business day.

Recurring Payments. You may schedule payments to particular Payees to be automatically initiated in a fixed amount on a weekly, bi-weekly, monthly, quarterly, semi-annual or annual basis. The date on which a transaction is scheduled to be initiated is referred to below as the "Recurring Payment Date". If the Recurring Payment Date falls on a day other than a business day, your payment will not be initiated (i.e. deducted from your Account) until the next business day. Thus, your actual Payment Date for any month may not be the Recurring Payment Date. For example, if you schedule a Recurring Payment to be initiated on the 5th of each month and August 5th is a Saturday; your payment for August would not be initiated until August 7th, which would be your actual Payment Date for August. Because differences in the days of the week can reduce the number of business days between your scheduled Recurring Payment Date and your payment Due Date, we recommend that you schedule the Recurring Payment Date 7-10 calendar days prior to your Payment Date. Please note that the Payment Guarantee described below does not apply to a Recurring Payment if, for that specific payment, the Payment Date does not fall at least 5 business days prior to the Due Date.

Notice of Varying Amounts. If these regular payments may vary in amount, the person you are going to pay will tell you 10 days before each payment, when it will be made, and how much it will be. In no event will we be liable for indirect, incidental, or consequential damages, except as otherwise stated in the payment guarantee under the Bill Payer section. See the section titled Limitation of Liability Relating to Farmers Savings Bank Services.

Payment Guarantee. If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement, we will reimburse you for any late payment fees or penalties you are charged, up to a maximum of \$25 per scheduled payment as a result of the failure of a Business Payee to receive a payment made through the Service by the Due Date provided you meet each of the conditions referred to in the above paragraphs.

Canceling or Changing Payments. Cancellation or changes to Bill Payer should be made through Farmers Savings Bank's Internet Banking anytime prior to 5:00 p.m. Central Time on the day prior to the payment date. You change both the payment amount and the Payment Date to cancel any scheduled payment. You will need to call Customer Service at 1-888-894-8677 if we are to recall a payment. There is a \$15 fee per recalled payment, but Farmers Savings Bank will not guarantee the ability to recall an item.

Reviewing Your Payments. You can review bill payments for the current and previous cycle. Your payee list will be maintained for a period of two years.

Bill Payer Fees. There is a \$4.95 monthly Bill Payer fee with each checking account from which you tell us to pay bills. With this monthly fee you may make ten (10) payments. After that, each bill payment is \$.50. The Bill Payer monthly fees cover service for the previous month and are effective upon enrollment. The monthly Bill Payer Fee will be charged to your payment account, whether or not bill payments are made in the month. If the payment account has insufficient funds to cover payment of the fees, the Bank may deduct the fee from any of your other accounts (in any order we choose). If the fee cannot be paid, we may cancel Bill Payer. After cancellation, Bill Payer may be reinstated by contacting Farmers Savings Bank Customer Service. Once sufficient funds are available in your account to cover all accrued Bill Payer fees and any other pending transfers or debits, Bill Payer service may be reinstated.

1. **Hours of Operation**

You can access banking services through Farmers Savings Bank's Internet Banking 24 hours a day, seven days a week. 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 Farmers Savings Bank, 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 Farmers Savings Bank before 5:00 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 5:00 p.m. Central Time on a business day will be posted to your account the same day. Transfers initiated on a Saturday, Sunday, or a federal holiday, will be posted on the next business day. Credits to loan accounts initiated through Farmers Savings Bank's Internet Banking may take up to two business days to post.

2. **Electronic messaging**

Sending electronic messages to us through Farmers Savings Bank's web site allows you to contact us with questions and the bank to contact you with notices and disclosures. However, e-mail is neither secure (encrypted) nor available after you log-on to Farmers Savings Bank's Internet 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 in the Error Notice section of this Agreement or send us an e-mail and we will provide you with a copy on paper.

3. **Limitation of Liability Relating to Farmers Savings Bank's Internet Banking**

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 Farmers Savings Bank 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 Farmers Savings Bank, Services, or of the Internet access provider used to access the available Farmers Savings Bank 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 of such event.

4. **Periodic Statements**

You will receive a monthly account statement from us for your checking and money market deposit accounts. You will receive a monthly account statement from us for your savings accounts that have the same account number as your checking account or if there are transfers from the savings account in particular month. In any case you will receive a savings statement at least semi-annually.

5. **Preauthorized Payments**

Right to stop payment and procedures for doing so. If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how:

Call Customer Service at 1-888-894-8677 or write us as Farmers Savings Bank, PO Box 1324, Marshalltown, IA 50158, in time for us to receive your request five (5) business days or more before the payment is scheduled to be made. If you call, we may require you to put your request in writing and get it to us within 14 days after you call.

6. **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 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.

7. **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 payments.

8. **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. If you tell us within two business days, you can lose no more than \$50. 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. 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 your 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 at 1-888-894-8677 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.

9. **Error Resolution**

In case of errors or questions about your electronic transfers, call or write to 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 the 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.
4. For a bill payment, tell us the checking account number used to pay the bill, payee name, date the payment was sent, payment amount, reference number, and payee number for the payment in question.

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 determine whether an error occurred within 10 business days (5 business days for Bank Easy Check Card point-of-sale transactions and 20 business days if the transfer involved a new account). After we hear from you we 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 new account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (5 business days for Bank Easy Check Card point-of-sale transactions and 20 business days if the transfer involved a new account) for the amount you think is in error, so that you will have the use of the 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. Your account is considered a new account for the first 30 days after the first deposit is made, unless each of you already has an established account with us before this account is opened.

We will tell you the results within 3 business days after completing our investigation. If we decide that there was no error, we will send you a written explanation.

You may ask for copies of the documents we used in our investigation.

Farmers Savings Bank
Operations Department
205 W Main St, PO Box 1324
Marshalltown, IA 50158
Business Days: Monday through Friday (excluding Federal Holidays)
Phone: 1-888-894-8677

*More detailed information is available on request.

10. **Termination**

This agreement continues in full force and effect until terminated. You may terminate this Agreement and your use of Farmers Savings Bank's Internet Banking at any time by calling Customer Service at 1-888-894-8677. Or by sending a written termination notice to Farmers Savings Bank, PO Box 1324, Marshalltown, IA 50158. 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 Farmers Savings Bank's Internet Banking at any time without cause or prior notice. This Agreement and your use of Farmers Savings Bank's Internet Banking will be terminated automatically if your Eligible Account(s) are closed or access to your Eligible Account(s) is restricted for any reason. This Agreement and your use of Farmers Savings Bank's Internet Banking may be terminated at any time without prior notice due to insufficient funds in one of your Eligible Accounts to cover any fees and other pending transfers or

debits. We reserve the right to temporarily suspend Farmers Savings Bank's Internet Banking in situations deemed appropriate by us, in our sole and absolute discretion, 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 Farmers Savings Bank's Internet Banking Service does not affect your obligations under the Agreement with respect to occurrences before termination.

11. Changes to Charges, Fee or Other Terms

We reserve the right to change the charges, fees or other terms described in this Farmers Savings Bank's Internet Banking Agreement. When changes are made to any fees, charges, or other material terms, we will electronically update this Farmers Savings Bank 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 transaction 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.

12. Security Procedures

By accessing Farmers Savings Bank's Internet Banking, you hereby acknowledge that you will be entering a protected web site owned by Farmers Savings Bank, 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 up-load 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.

13. Fees. Fee Schedule

The Farmers Savings Bank's Internet Banking is provided at no charge. The Bill Payer Service is \$4.95 per month for each checking account from which bills are paid. The Bill Payer monthly fee includes 10 payments after which payments are \$.50 per payment. (Bill Payer Recall or stop payment fee is \$15.00. Canceled Bill Payer Check Copy Fee is \$15.00 per hour with a \$15 minimum. See Normal Fee Schedule for Overdrafts.)



Online Banking Enrollment Form

Today's Date

Name

Social Security Number/Tax ID

Date of Birth

Address

City/State

Zip Code

Telephone

E-Mail Address

Bill Payer Option

Bill Payer Option (**new online account**): Yes No

Account number you wish to use for Bill Payer Option: _____

(\$4.95 plus tax per statement period)

____ I am already enrolled in FSB Online Banking and want to add the Bill Payer Option. *Please check if this applies-there is no need to fill out the rest of the form-just sign at the bottom and deliver to any Farmers Savings Bank location.*

Account Number you wish to use for Bill Payer: _____

(\$4.95 plus tax per statement period)

To confirm your identity, if you call for FSB help, provide a question we can ask that only you could generally answer (i.e. What was my first dog's, name? or What was my first car?)

Security Question: _____

Security Answer: _____

Which browser do you use for Internet Viewing:

Internet Explorer Netscape Navigator

What is your browser version number: (i.e. 4.0, 5.0, 6.0) _____

I have read and understand the Farmers Savings Bank Online Banking Agreement, am at least 13 years of age and agree to the terms and conditions.

Signature

Completed Enrollment Form must be delivered in person to any Farmers Savings Bank Location:

BEAMAN – 218 Main Street, Beaman, Iowa (641) 366-2640

MARSHALLTOWN – 205 W. Main St, Marshalltown, Iowa (641) 752-2525

GREEN MOUNTAIN – 402 Green Mountain Rd, Green Mountain, Iowa (641) 474-2241

For bank use only

Portfolio # _____

Name Line: 01 _____ 02 _____ Other _____

Account Cycle: _____

Activation Date: _____

User Code: _____ Initial Password: _____