



First National Bank

"A community bank serving you better"

Internet Banking Agreement

Revised 2018-03-27

Contact Information: First National Bank 302 S. Main Street
P. O. Box 248 Cloverdale, IN 46120
Phone: 888-277-6506 (toll free)
Email at FNOnlineSupport@fnb-bank.com

Please read the entire Agreement carefully before enrolling in FNOnline or initiating any transactions. To have a copy of this agreement emailed to you or to get a paper copy mailed to you, please email your request to FNOnlineSupport@fnb-bank.com. Please include your name and address.

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1) Scope of this Agreement

This Agreement between you and First National Bank governs your use of our Internet Banking and Bill Pay Services (also known as "FNBOOnline"). This product permits our customers to perform a number of banking functions on accounts linked to FNBOOnline through the use of a personal computer. OUR INTERNET BANKING AND BILL PAY SERVICES ARE INTENDED FOR INDIVIDUALS 18 YEARS OF AGE OR OLDER.

2) Accepting the Agreement

After you have carefully read this Agreement in its entirety, you will be asked to consent to (accept) the terms and conditions of this Agreement.

You should save a copy of this Agreement for your records.

If you have any questions about this Agreement, please contact our Operations Department. You can obtain a paper copy of this Agreement at any time.

When you sign the FNBOOnline Logon Request, you agree to the terms and conditions of this Agreement.

3) Governing Law and Relation to Other Agreements

Accounts and services provided by this financial institution may also be governed by separate agreements with you. This Agreement supplements any other agreement(s) or disclosures related to your account (s) and provided to you separately.

4) Fees

FNBOOnline is available to our consumer customers at no monthly charge for all account information services and transfers with the exception of the Bill Pay (NetPay) service.

NetPay is an optional service available only for checking accounts. On the Logon Request form, you must specifically request to have the NetPay service added. You can also request this service at any time after enrollment by clicking the NetPay tab and agreeing to the terms and conditions. There is no fee for using the Service if you remain an active NetPay user. If a Consumer NetPay user's Service moves into a Dormant Status (Six months of inactivity) then a monthly Service Charge of \$10.00 will be charged to your First National Bank Account. If a Business NetPay user's Service moves into a Dormant Status (Three months of inactivity) then a monthly Service Charge of \$10.00 will be charged to your First National Bank Account.

Any applicable fees will be charged regardless of whether NetPay was used during the billing cycle.

5) Definitions

You or Your - Refer to the person(s) subscribing to or using FNBOOnline.

We, Us, or Our - Refers to First National Bank and any agent, independent contractor, service provider, licensor, designee, or assignee First National Bank may involve in the provision of Internet Banking.

Business Day - Refers to any calendar day other than Saturday, Sunday, or any holidays recognized by First National Bank. Bill payments are processed on all business days that the Federal Reserve Bank is operating and open for business. The Federal Reserve is closed for the observance of the following holidays; New Year's Day, Martin Luther King Day, Presidents Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day and Christmas Day.

Business Day Cutoff - Refers to the cut-off time for posting purposes. Our cut-off time is based on our business days and the Eastern Standard Time Zone. For posting purposes, we will process all transactions completed by 6:00 PM on that business date. Transactions completed after 6:00 PM will be processed on the following business day. This excludes the FNBOOnline Commercial Banking product and NetPay. The NetPay bill payment cutoff time is 11:45AM.

Consumer / Customer - Refers to a natural person who has an eligible account at our Financial Institution with respect to which FNBOOnline is requested primarily for personal, family, or household purposes.

Electronic Funds Transfers (EFTs) - Refers to any transfer of funds initiated through FNBOOnline instructing, or authorizing us to debit or credit your consumer account. EFTs do not include bill pays or debits which are originated by check, draft, or similar paper instrument. Bill Payments made electronically or via an EFT will be so designated within FNBOOnline. If we authorize your account(s) for EFTs through FNBOOnline, you have certain rights and responsibilities under the EFT Act (Reg E) which are further detailed in section 20 of this Agreement.

Eligible Accounts - You must have an existing account with us to enable FNBOOnline. An eligible account means any one of your account(s) to which we may allow access via FNBOOnline under this Agreement. Only a Checking or NOW account may be eligible for bill payment privileges. We may make additional accounts available for bill pay from time to time as allowed by law.

To be an eligible account for FNBOOnline, the account must be titled in your name either individually or jointly. In addition, if you want to initiate bill payments, or transfer requests from an eligible account(s) through FNBOOnline, you will also need the required withdrawal authority over the account in order to complete the transaction. If your account(s) require two signatures for withdrawal, we may only grant view privileges to your eligible accounts through FNBOOnline.

When using FNBOOnline, you agree to maintain one or more eligible accounts with us and to keep sufficient balances in any account to cover any transaction and fees that are ultimately approved by or related to FNBOOnline.

Joint Accounts - If the accounts added to FNBOOnline are jointly held or have multiple signers, you agree that access to the information and all transactions initiated by the use of your FNBOOnline ID and FNBOOnline Password are authorized unless we have been notified to cancel FNBOOnline.

Service Hours - You can use FNBOOnline seven days a week, 24 hours a day although some or all features may not be available occasionally due to emergencies or scheduled system maintenance. In addition, access to FNBOOnline may be slower at times due to high Internet traffic or other factors beyond our control. We are not responsible for any delays or difficulties you may have in accessing FNBOOnline or certain features.

6) Featured Internet Banking Services

Our service will allow you to access your eligible accounts. The following features are currently available.

- a) Transactional detail and history, including images of paper items
- b) Account Inquiries for balances, rates, etc.
- c) Initiate a Stop Payment for checks
- d) Regular Payments to loans at this financial institution
- e) One-time or recurring transfers between your accounts at this financial institution
- f) Transaction downloads (excluding Quicken)
- g) For customers who select Bill Payment, you can make one-time payments, occasional payments, and fixed or variable recurring payments.

We may add or remove certain features and/or functionality available from time to time.

7) Requirements for Enrolling in FNBOOnline

Prior to enrolling in FNBOOnline and accepting this Agreement, you should verify that you have the required hardware and software necessary to access FNBOOnline. You will need the following:

- a) An eligible account with this financial institution
- b) Internet Access
- c) A Computer with a modem and Internet browser that can support SSL, 128-bit encryption. Microsoft Internet Explorer 8.0 or later should support this level of encryption.

If we revise hardware and software requirements, we will notify you of these changes 30 days in advance and provide you an opportunity to cancel FNBOOnline.

Virus Protection: You should routinely scan your PC and diskettes using a reliable and updated virus detection product. Undetected or unrepaired viruses may corrupt and destroy your programs, files, and even your hardware. Additionally,

you may unintentionally transmit the virus to other computers.

You are solely responsible for the maintenance, installations, and operation of your computer. This financial institution shall not be responsible for any errors, deletions, or failures that occur as a result of any malfunction of your computer or software, nor will we be responsible for any computer virus that affects your computer or software while using FNBOOnline.

With your acceptance and your use of FNBOOnline, you agree that we shall not be liable for any indirect, incidental, or consequential costs, expenses, or damages (including lost savings or profit, lost data, business interruption, or attorney's fees) resulting from any errors or failures from any malfunction of your computer or any virus or computer problems that you may encounter related to the use of FNBOOnline.

8)Secure Messages

When you enroll in FNBOOnline, we may send you a "Welcome" message. We will also send you secure messages through FNBOOnline regarding important Internet Banking matters and/or changes to this Agreement. We must maintain your current email address in order to deliver this information to you.

You can notify us of email address changes through the "Options" menu in FNBOOnline. You can also contact us regarding such changes via telephone, in person, or handwritten letter.

You can send information to us at: PO Box 248, Cloverdale, IN, 46120

Or contact us at this phone number: 765-795-5711 or 888-277-6506 (toll free)

9)Privacy

Privacy Statement - We understand how important privacy is to our customers. We have taken steps to protect the privacy and security of your personal information as well as your financial transactions with us. You should read our privacy notice before completing the enrollment process for FNBOOnline. Our customer privacy notice can be obtained from our website at www.fnb-bank.com/PrivacyNotice.

10) Internet Security

FNBOOnline utilizes a comprehensive security strategy to protect your accounts and transactions conducted over the Internet. Prior to activating your access to FNBOOnline, our Operations department will verify your identity and authorization against information associated with the eligible account(s) that you request to be tied to FNBOOnline. The approval process may include an inquiry into your past banking relationships as well as a review of your credit history.

FNBOOnline IDs and FNBOOnline Passwords - One of the main security features protecting FNBOOnline is the unique combination of your FNBOOnline ID and FNBOOnline Password. After the first logon, you determine your own FNBOOnline Password, which is encrypted in our database. No one at this financial institution has access to this information.

Because your FNBOOnline Password is used to access your accounts, you should treat it as you would any other sensitive personal data. You should carefully select a FNBOOnline Password that is hard to guess. All FNBOOnline Passwords must have six characters or more and contain at least 1 alpha and 1 numeric character.

Keep your FNBOOnline Password safe. No Financial Institution employee will contact you via telephone or via email requesting your FNBOOnline ID or FNBOOnline Password. If you are contacted by anyone requesting this information, please contact us immediately. Memorize your FNBOOnline Password and do not write it down. You will need to change your FNBOOnline Password every 90 days. This can be done at any time from the "Options" menu after you log on to FNBOOnline.

If you disclose your FNBOOnline Password to anyone, and/or if you allow them to use the FNBOOnline Password to access your accounts, you are authorizing them to act on your behalf and you will be responsible for any use of the system by them (i.e., such as when you provide this information to a joint account holder and/or an aggregation service provider).

By accepting the terms of this agreement you acknowledge your responsibility for protecting the confidentiality and security of your FNBOOnline Password and FNBOOnline ID and you agree to change it periodically.

You agree that we are authorized to act on instructions received under your password and you understand that we will not be liable for any losses resulting from your permitting other persons to use your FNBOOnline ID and FNBOOnline Password to access FNBOOnline. If you notify us that the person is no longer authorized, transactions that are performed after the time you notify us are considered unauthorized.

Log-On Security - To help prevent unauthorized access to your accounts your online session will end if we detect no activity for 10 minutes. This is to protect you in case you accidentally leave your computer unattended after you logged on. When you return to your computer, you will be prompted to re-enter your FNBOOnline Password.

In addition, your account will be disabled after three unsuccessful login attempts within a 24 hour period. Your account may only be reactivated by contacting your local First National Bank office.

Encryption - FNBOOnline uses the Secure Socket Layer (SSL) encryption technology for everything you do while using FNBOOnline. Your browser automatically activates this technology when it attempts to connect to FNBOOnline. FNBOOnline currently supports 128-bit key length.

Whenever SSL is securing your communications, the browser will typically indicate this *secure session* by changing the appearance of a small icon of a padlock at the bottom of the screen from open to locked. What this means to you is that your communications are scrambled from your browser to our servers at all times so no unauthorized party can read the information as it is carried over the Internet.

In addition to the security features described above, there may be other security related notices posted on our website or Internet Banking Service from time to time. It is your responsibility to read all security notices.

11) Enrollment Process

You must complete the enrollment process to use FNBOOnline. You can enroll in any of our offices.

After receiving a completed and signed Logon Request, our Operations department will verify the information you submit for accuracy and proper authorizations. Within a few days, you will receive a confirmation letter in the mail with additional information regarding your account activation and how to activate FNBOOnline. You may begin using FNBOOnline only after it has been activated.

12) Account Balances:

Balances shown in your accounts may include deposits subject to verification by us. The balance may also differ from your records due to deposits in progress, outstanding checks, or other withdrawals, payments or charges. A transfer request may not result in immediate availability because of the time required to process the request. Transfers will be processed within one business day of the completed transfer request if the request is made after 6:00 PM.

The balances are updated periodically and the system will display the most current "as of" date on the "accounts" summary page. There may be situations that cause a delay in an update of your balances. The system will use the most current balance available at the time of a transaction to base our approval for bill pays and account transfers.

13) NetPay and Business NetPay

a. Service Definitions

"Service" means the Bill Payment Service offered by First National Bank

"Agreement" mean these Terms and Conditions of the Bill payment Service

"Payee" is the person or entity to which you wish a bill payment to be directed or is the person or entity from which you receive electronic bills, as the case may be

"Payee Information" is the information provided by you to the Service for a bill payment to be made to the Payee (such as, but not limited to, Payee name, Payee account number, and Scheduled Payment Date).

"Billing Account" is the checking account from which bill payment will be debited

"Business Day" is every Monday through Friday, excluding Federal Reserve holidays.

"Process Date" is the day you want your Payment Amount to be debited from your account and processed, unless the Scheduled Payment Date falls on a non-Business Day in which case it will be

considered to be the previous Business Day.

“Deliver by Date” is the date reflected on your Payee statement for which the payment is due. It is not the late date or grace period. Your payment will be debited 2 days prior to the Due Date entered if electronic. Your payment will be debited based on payment history and location of the payee, so plan on from 3-7 days until Payee history has been established.

“Scheduled Payment” is a payment that has been scheduled through the Service but has not begun processing.

b. Access Methods

The Service is accessible through FNBOOnline Internet Banking and eligible mobile devices as determined by First National Bank. To use the Services, you must obtain, at your own expense, the necessary hardware and software. Please note feature availability and navigation will differ between FNBOOnline Banking and the mobile versions of the Service.

c. Scope of the Service

Except as noted below, you may make payments through the Service to: (a) any person or entity that generates a bill or invoice via U.S. mail or electronic bill for products or services provided to you or on your behalf; or (b) to any business, merchant or professional that does not generate a bill or invoice; as well as (c) any individual, family member or friend. You cannot use the Service to make payments to recipients located outside the U.S. All of the foregoing must have valid U.S. mailing addresses we can verify.

The Service is not intended for use to make payments for alimony, child support, any type of taxes or other government fees or court-directed payments. You acknowledge that if you submit a payment to one of these restricted vendors through the Service, First National Bank will not assume any liability for penalties, cancellation of coverage or any other expense, claim or damage related to nonpayment upon the processing or completion of such a payment. Any such payments are done at your own risk. While you are still able to submit such payments through the Service, they will not be covered under the Payment Guarantee in Section 13-m.

d. Your Personal Payee List

You must provide sufficient information about each Payee (“Payee Information”) to properly direct a payment to such Payee and permit the Payee to identify the correct account (“Payment Account”) to credit with your payment. This Payee Information, which is subject to change from time to time, may include, but is not limited to, the name and address of the Payee and your Payee Account number and for Payees that provide electronic bills, your service address. We will store Payee Information, Payee Account numbers, and other information related to your use of the Service. Additions, deletions and modifications to Payee Information may be entered directly through the Service.

In order to facilitate payments to each Payee, we may modify or delete some or all of the Payee Information you have entered with information provided to us by or on behalf of the Payee. This information may include, but is not limited to, routing information required for electronic payments, payments sent to a centralized address or payments sent without coupons.

e. FNBOOnline Username and Password

To use the Service, you must log in to your FNBOOnline Internet Banking account using your username and password. You authorize us to follow any instructions that you have entered through the Service using your username and password. You should treat this information with the same degree of care and secrecy that you use to protect your other personal identification numbers and personal financial information. You agree not to give your username or password, or make them available, to any person not authorized to access your account(s) or information accessible through the Service. No First National Bank employee will ever ask you for your password. If you believe your username or password has been lost or stolen or may have been used without your permission in connection with the Services, you agree to notify First National Bank immediately as described in Section 13-w.

f. Electronic Bill Feature

There are two ways of managing your bill payments with the Service.

First, you can schedule payments for any Payee who has sent you a bill by mail or other written format. Second, you can take advantage of the electronic bill feature (“eBill”) by directing participating Payees to send you your bills electronically, and then paying those bills through the Service. When Payees send you your bills electronically, they are received within the Service.

The bills you receive through eBill will contain the transaction information and other detail necessary to pay your bills through the Service. If we restrict your access to the Service, you are responsible for paying your electronic bills by other means (see Section 13-y). The list of participating Payees will expand periodically, so you should check the feature from time to time to see if there are more Payees from which you can receive electronic bills.

You can choose to get electronic bills from the participating Payees and stop receiving paper bills, or you may be able to choose to continue to get paper bills from the participating Payees in addition to your electronic bills. If you have chosen to get an electronic bill only, that will be your only notice that a bill has arrived. You are solely responsible for keeping your email address information within the Service current, receiving your bill and arranging for a payment to be made. We will not be responsible for your failure to access the Service or to schedule payment of your electronic or other bills. You may choose to pay an electronic bill that you receive through the Service by other means than using the Service, but if you do, that payment will not be automatically reflected on the Service. You may, however, mark such bills as paid manually.

g. Types of Payments

The Service supports two types of payments: "Single Payments" and "Recurring Payments". Single Payments are payments for which you enter all required information such as amount and date each time you make a payment. Recurring Payments are payments which once entered will automatically be processed in a fixed amount on a fixed-frequency (e.g., weekly, monthly, etc.) you determine.

h. Entering Payment Information ("Payment Instructions")

With the exception of periods of periodic maintenance, you can enter Payment Instructions through the Service 24 hours a day, 7 days a week. You are solely responsible for the accuracy of the Payment Instructions that you enter through the Service.

i. Scheduling Information

Payments can only be processed on Business Days, as defined in Section 13-t of this Agreement. When scheduling a payment, you will select a Scheduled Payment Date which is the date you want the Payee to receive your payment.

If a Deliver by Date for a Recurring Payment does not exist in a certain month, or is a Non-Business Day, the Deliver by Date will default to the previous Business Day. For example, if you schedule a payment for the 31st of a month, the Deliver by Date for your payment for the month of September (which has only 30 days) will be the 30th of September assuming that it is a Business Day.

First National Bank reserves the right to select the method in which to remit funds on your behalf to your Payee. These payment methods include, but may not be limited to, an electronic payment or a laser draft check payment. A laser draft check is similar to a personal check and is printed with "Signature on File" in place of your signature. Your bank account is immediately debited and the Payee receives funds when the Payee receives the check for deposit.

When scheduling payments you must select a date that is no later than the actual due date ("Due Date") reflected on your Payee statement unless the Due Date falls on a non-Business Day. If the actual Due Date falls on a non-Business Day, you must select a date that is at least one (1) Business Day before the actual Due Date. Deliver by Dates must be prior to any late date or grace period.

The Service will not allow you to enter a duplicate payment. A duplicate payment is one that is scheduled to be made to the same Payee on the same day for the same amount.

j. Payment Limits

Consumer Maximum Transaction Amounts are \$10,000

Business Maximum Transaction Amounts are \$100,000

Business Caps per Processing Day are \$250,000

Email Payments Maximum Transaction Amounts are \$2,500

Individual Payments Maximum Transaction Amounts are \$1,000

k. Delivery of Payments

By providing the Service with Payment Instructions including but not limited to Payee information of Payees to whom you wish to direct payments, you authorize First National Bank to follow the Payment Instructions that it receives through the payment

system.

By submitting a Payment Instruction, you shall be deemed to have authorized First National Bank to debit your checking account and remit funds on your behalf so that the funds arrive as close as reasonably possible to the Deliver by Date designated by you. In certain instances, your payment may be sent via laser draft check when it otherwise would have been eligible for electronic payment. You also authorize First National Bank to credit your checking account for returned payments, e.g. by the Payee. If a Payee has been paid but we are unable to debit your checking account for any reason (for example, there are insufficient funds to cover the transaction), the transaction will not be completed. In some instances, you will receive a return notice. In such case, you agree that:

- i. You will reimburse First National Bank immediately upon demand for the transaction that has been returned for any reason associated with your checking account. This may include automatic reversal of any payments made electronically;
- ii. You will reimburse First National Bank for any fees incurred as a result of the return;
- iii. You will reimburse First National Bank for any fees incurred in attempting to collect the amount of the return from you; and,
- iv. First National Bank is authorized to report the facts concerning the return to any credit reporting agency if deemed necessary.

l. Failure to Complete Payments

We will complete any payment processed through the Service which complies with the terms of this Agreement. If we do not complete such a payment, including deleting a payment which complied with Section 13-n of this Agreement, we will reimburse you for your losses or damages. However, there are some exceptions. We will not be reimburse you, for instance, if:

- i. Through no fault of ours, your payment did not comply with Section 13-i of this Agreement.
- ii. The Service or your communication line, PC, modem, Internet Service Provider (ISP), or mobile device was not functioning properly and you knew about the malfunction when you started the payment.
- iii. A Payee mishandled or delayed handling payments properly sent by us for any reason.
- iv. You did not properly initiate a payment or provide us with correct Payment Instructions including but not limited to Checking Account information, Payee Information, Payee Account number, Recurring Deliver By Date, or payment amount.
- v. Circumstances beyond our control (such as fire, flood or a delay in the transmittal of a payment by mail or otherwise) prevented the proper completion of the payment despite reasonable precautions by us to avoid these circumstances.
- vi. The funds were subject to legal or other process restricting or delaying such payment.
- vii. A Payee has failed to make a bill available at all or in a timely manner.
- viii. Your First National Bank Account has been restricted which will automatically deactivate the service.

EXCEPT AS SET FORTH IN THIS AGREEMENT OR LIMITED BY APPLICABLE LAW, THE LIABILITY OF THE SERVICE FOR ITS FAILURE TO MAKE PAYMENTS ON TIME OR IN THE CORRECT AMOUNT IS LIMITED AND YOUR EXCLUSIVE REMEDY. IN NO EVENT SHALL THE SERVICE BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES, INCLUDING LOST PROFITS (EVEN IF ADVISED OF THE POSSIBILITY THEREOF) ARISING IN ANY WAY OUT OF THE USE OR MAINTENANCE OF THE SERVICE.

THE SERVICE AND RELATED DOCUMENTATION ARE PROVIDED "AS IS," WITHOUT ANY WARRANTY OF ANY KIND, EITHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

m. Payment Guarantee

Subject to the conditions specified in Section 13-m, we will reimburse you for any late payment fees or penalties you are charged by a Payee, up to a maximum of \$50 per payment, as a result of such Payee's failure to receive a payment made through the

Service by the Due Date if you meet each of the following conditions:

- I. The Payee and payment type is within the scope of the Service as described in Section 13-c.
- II. You scheduled a payment that is no later than the actual Due Date reflected on your bill.
- III. You provided us with the correct Payment Instructions including but not limited to Payee Information, Deliver By Date, and payment amount.
- IV. On the Deliver By Date, your First National Bank Account contained a sufficient balance to complete the payment, and the payment complied with Section 13-i of this Agreement.
- V. The late payment fee or penalty, or the method of its calculation, was published in writing by the Payee prior to the Due Date.
- VI. Upon request, you provided First National Bank a copy (either by mail or fax) of the Payee's statement showing the late payment fees or penalties posted to your Payee Account.

n. Deleting or Modifying Payments

You can delete or modify payments through the Service. Once a payment has begun processing, it cannot be deleted or modified. If we make a payment that should have been deleted pursuant to this Section, we will reimburse you for your losses or damages subject to the conditions set forth in Section 13-L of this Agreement. The initiation by you of certain electronic fund transfers from your Account will effectively eliminate your ability to stop payment of the transfer.

UNLESS OTHERWISE PROVIDED IN THIS AGREEMENT, YOU (THE CONSUMER) MAY NOT STOP PAYMENT OF ELECTRONIC FUND TRANSFERS; THEREFORE, YOU SHOULD NOT EMPLOY ELECTRONIC ACCESS FOR PURCHASES OR SERVICES UNLESS YOU ARE SATISFIED THAT YOU WILL NOT NEED TO STOP PAYMENT.

o. Reviewing Payments

You can review all pending payments through the Service on FNBOOnline/Up to 18 months of payment history is available on FNBOOnline.

p. Statements

All payments made through the Service will appear on your monthly First National Bank Account statement(s). The Payee name, payment amount, and Deliver by Date will be reflected for each payment made through the Service.

q. Fees

There is no fee for using the Service if you remain an active NetPay user. If a Consumer NetPay user's Service moves into a Dormant Status (Six months of inactivity) then a monthly Service Charge of \$10.00 will be charged to your First National Bank Account. If a Business NetPay user's Service moves into a Dormant Status (Three months of inactivity) then a monthly Service Charge of \$10.00 will be charged to your First National Bank Account.

r. Equipment

We are not responsible for any loss, damage or injury resulting from (i) an interruption in your electrical power or telephone service; (ii) the disconnecting of your telephone line by your telephone company or deficiencies in your line quality; (iii) any defect or malfunction of your PC, modem or telephone line, or (iv) any failure of your ISP or the Internet that results in the interruption of your access to the Service.

s. Business Days/Hours of Operation

Business Days are Monday through Friday, excluding bank holidays. With the exception of periodic maintenance, the Service is available 24 hours a day, 7 days a week. While payments can be scheduled anytime the Service is available, payments can only be processed on Business Days.

t. Notice of Your Rights and Liabilities

Tell us promptly if you believe your password has been lost or stolen or if someone may be using the Service without your

permission. Telephoning is the best and fastest method to notify us and help minimize your possible losses.

If you tell us within two (2) Business Days after you discover that your password has been lost or stolen, you can lose no more than \$50.00 if your password is used without your permission. If you fail to give us notice of your lost or stolen password within two (2) Business Days after you learn of the loss or theft of your password and your password is used without your permission you could lose as much as \$500.00.

Also, if your periodic First National Bank Account statement shows payments that you did not authorize, tell us promptly. If you do not tell us within sixty (60) days after the first statement was mailed to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time.

In extenuating circumstances First National Bank may extend such time periods. If you believe your password has been lost or stolen, or that someone has accessed or may access your First National Bank Account through the Service without your permission:

Call: 888-277-6506;

Or Write to us at:

First National Bank, P.O. Box 248, Cloverdale, IN 46120-0248

u. Disclosure of Information to Third Parties

- i. We will not disclose information about you or your First National Bank Account or use of the Service to any person, organization or agency except:
- ii. Where it is necessary for completing payments, or
- iii. To verify the existence and condition of your First National Bank Account for a third party such as a Payee, or
- iv. To comply with government agency or court orders, or
- v. If you give us your permission in writing or by an e-mail message such authorization to automatically expire forty-five (45) days after receipt by First National Bank.
- vi. For other purposes in accordance with First National Bank's privacy statement.

v. In Case of Errors or Questions About Your Bill Payments; Error Resolution Procedures

If you think your First National Bank Account statement is wrong with regard to your use of the Service or if you need more information about payments listed on your statement:

Call: 1-888-277-6506 or 866-500-4740,

Or Write to us at: First National Bank, P.O. Box 248, Cloverdale, IN 46120-0248, promptly.

We must hear from you no later than sixty (60) days after we send you the FIRST statement on which the problem or error appeared.

To notify us, you must:

- i. Tell us your name and account number.
- ii. Describe the error or the payment you are unsure about (including the date of such error or payment), and explain as clearly as possible why you believe it is an error or why you need more information.
- iii. Tell us the dollar amount of the suspected error.
- iv. If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) Business Days of discovering the suspected error.
- v. We will tell you the results of our investigation within ten (10) Business Days* after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we may credit your account within ten (10) Business Days* 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 ten (10) Business Days, we may not credit your account.
- vi. If we decide there was no error, or that an error occurred in a different manner or amount from that described by you, we will send you a written explanation within three (3) Business Days after we finish our investigation.

w. Agreement Modification and Amendment

Unless otherwise required by applicable law, we may modify or amend this Agreement at any time without giving you prior notice. However, reasonable notice of any modification or amendment to this Agreement may be delivered to you in writing or electronically, to the extent practicable. If you do not agree to the modification or amendment, you must notify us immediately and cancel your access to the Service. Your access or use of the Service after the effective date of any such modification or amendment indicates your agreement with such modification of amendment. First National Bank has the right to discontinue this Service with notification. We also reserves the right to refuse to grant you access to the Service, or to suspend or terminate your ability to use the Service at any time, for any reason.

x. Continuing Enrollment in the Service

Access to the Service is available as long as you maintain your First National Bank Account. The Service will continue to be available to you until you request to deactivate the service. First National Bank reserves the right to restrict your account under certain circumstances which will deactivate the Service from your checking account.

In such cases, all pending, future-dated and recurring payments including payments for electronic bills are cancelled and the Service is disabled for access in such account. We will attempt to notify you electronically if the service is deactivated.

y. Joint Accounts

If your First National Bank Account is one with joint registration, each of you agrees that any account holder has authority to use the Service. First National Bank is authorized to follow the instructions related to the Service of any such account holder. You both agree to be jointly and severally liable under the terms of this Agreement and the Customer Agreement which governs your First National Bank Account and which is incorporated herein by this reference. You should refer to your Customer Agreement for additional terms and conditions governing your use of the Service.

z. Electronic Fund Transfer Confirmation

Any documentation provided to you which indicates that an electronic fund transfer was made will be admissible as evidence of the transfer and will constitute prima facie proof that the transfer was made.

aa. Governing Law

This Agreement shall be governed by the laws of the State of Indiana and the United States of America.

bb. Use of First National Bank Bill Pay on Health Savings Accounts

The First National Bank NetPay service is intended to be used for the payment of Qualified Medical Expenses ("QMEs") as defined by the IRS. If you use First National Bank NetPay for expenses other than QMEs out of your Health Savings Account, the amount of the distribution is includable in your gross income, and subject to a 20% penalty except for distributions made after your death, disability, or attainment of age 65. First National Bank will not be liable for loss of tax benefits or any tax penalties imposed on the account holder if your Health Savings Account is used for any purpose other than is legally authorized.

Note: Please keep this First National Bank Bill Pay Service Agreement for your files.

14) Other Features Available through FNBOOnline

a. Stop Payment Feature

The stop payment feature within FNBOOnline should not be used to cancel Internet transfers and bill payments.

The stop payment feature within FNBOOnline is only for stopping payments on checks that you have written. This feature is accessible through the "ACCOUNT", "Select Activity" menu and it provides you a means to securely forward your stop payment requests to us for processing. You will need to print the request, sign it, and return it to First National Bank within 14 days.

There would typically be a stop payment fee associated with this service. Please refer to our fee schedule for additional information on fees and service charges associated with stop payments. Additional terms of acceptance or disclosures may apply on the Stop Payment service and these disclosures will be made at the time you complete the request.

b. Secure Messages

These services are also currently available. The secure message feature (Contact tab) provides a means for you to forward various types of requests to us in a secure manner. Generally, requests received through the secure message feature of FNBOOnline will be processed within one to two business days using procedures that we would use to handle similar requests received by mail or fax. For urgent requests, such as those for NetPay bill pay stop payments sent by paper check, we recommend that you contact us directly by telephone or in person.

15) Reg E Disclosures

The EFT Act, most commonly known as Regulation E, provides consumers with certain rights and responsibilities with respect to EFTs initiated through our Internet Banking Service. Please read the following EFT disclosures carefully. You should print a copy of this information for future reference.

a. Errors or questions regarding EFT transactions

In case of Errors or Questions about your electronic transfers contact us:

- by telephone at 765-795-5711 or 888-277-6506(toll free) or
- in writing at PO Box 248, Cloverdale, IN 46120 or
- by initiating a payment inquiry through the **Contact** link in FNBOOnline

Contact us as soon as you can if you think your statement or account history is wrong, or if you need more information concerning an EFT transaction in your statement and/or history. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

If you believe your FNBOOnline ID, or FNBOOnline Password has been compromised, lost, or stolen, or that someone has transferred or may transfer money from your account without your permission, contact us immediately via any of the methods noted above.

Please include the following information in your notification:

- Name
- Account Number and your FNBOOnline ID
- Description of the error or the EFT transaction you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the amount of the error and the date of the transaction.

For a NetPay bill payment error tell us:

- The account number used to pay the bill
- Payee name
- Date the payment was scheduled
- Date the payment was due by the payee
- Confirmation number
- Payment amount
- Payee account number for the payment in question
- The person whose name is on the account with the payee

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days 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.

For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

We will tell you the results within three 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 that we used in our investigation.

b. Consumer Liability for Unauthorized Transfers

Tell us IMMEDIATELY if you believe your FNBOOnline ID or FNBOOnline Password has been lost or stolen. Contacting us by telephone is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit).

If you believe your FNBOOnline Password has been compromised, lost or stolen and you tell us within two business days after you learn of the loss or theft, you may only lose a maximum of \$50 if someone did indeed use your FNBOOnline Password without your permission.

If you do NOT tell us within two business days after you learn of the loss or theft of your FNBOOnline Password and we can prove that we could have prevented someone using your FNBOOnline Password without your permission if you had contacted us within the two business days, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, tell us immediately. If you do not tell us within 60 days after the statement was mailed to you, you may not be refunded for any money you lost after the 60 days if we can prove that we could have prevented someone from transferring the funds if you had contacted us within the 60 days.

If a valid reason (such as a long trip or a hospitalization) kept you from telling us, we will extend the time periods on a case by case basis.

If you believe your FNBOOnline Password has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call or write to us pursuant to section 15. (a) - Errors and Questions.

Please remember that when you give someone your FNBOOnline ID and FNBOOnline Password, you are authorizing that person to use FNBOOnline and you are responsible for all transactions the person performs using FNBOOnline with your FNBOOnline ID and FNBOOnline Password. All transactions performed by that person, including transactions that you did not intend or want performed, are authorized transactions. If you notify us that the person is no longer authorized, then transactions that person performs after the time you notify us are considered unauthorized.

Transactions that you or someone acting with you initiates with fraudulent intent are also authorized transactions. For your protection, safeguard your FNBOOnline ID and FNBOOnline Password and sign-off after every Internet Banking session.

A consumer has no liability for erroneous or fraudulent transfers initiated by an employee of a financial institution.

c. Other Problems

If you believe an error, other than an EFT problem or unauthorized transaction has occurred, you can call us at:

- 765-795-5711 or 888-277-6506(toll free) or
- You can also report a problem through the **Contact** link within FNBOOnline (*note that this method of sending information is secure within our system so confidential information may transmitted*).

d. Disclosure of Account Information to Third Parties

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

- Where it is necessary for completing transfers, or
- In order to verify the existence and condition of your account to a third party such as a credit bureau or merchant.
- In order to comply with a governmental agency or court order.
- If permission is given to us by you, which we may require in written form.
- It is necessary to assist us in the collection of information for internal use.
- It is necessary for the security purposes of our service providers, our servicing agents, and/or

contractors providing our Internet Banking and electronic funds transfer service.

- It involves a claim by or against us concerning a deposit to or withdrawal from your account.

Please refer to our privacy notice <http://www.fnb-bank.com> for additional detail on disclosure of account information.

e. Our Liability for Failure to Complete Transactions

If we do not complete a transaction to or from your account on time, or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable if any of the following occurs:

- If through no fault of ours, you do not have enough money in your account to make the bill payment or transfer.
- If the account has been closed.
- If the bill payment or transfer would go over the credit limit on your overdraft line of credit, or if the overdraft line of credit has been closed.
- If your computer, software, telecommunication lines were not working properly or were temporarily unavailable, and this problem should have been apparent to you when you attempted the transfer or bill payment.
- If you had knowledge of or questions about the possible malfunction of our system when you initiated the transaction.
- If circumstances beyond our control such as fire or flood or other uncontrollable circumstances (mail delays, telecommunication outages, power failures, etc.) prevent proper completion and delivery of transactions despite reasonable precautions that we have taken.
- If you provide incomplete or inaccurate information to us regarding the account or transaction.
- It can be shown that the merchant or payee received the payment within the normal delivery timeframe and failed to process the payment through no fault of this financial institution and/or our service providers.
- If your account has been tied up by legal proceedings (court order, garnishment) or other actions that prevent us from making a payment or transfer.
- Other applicable laws and/or regulations exempt us from liability.

In no event shall we be liable for damages in excess of your actual loss due to our failure to complete a Timely Payment and we will not be liable for any incidental, special, or consequential damages. There may be other exceptions stated in our deposit account agreements with you.

We will be liable for damages, as specified below in part (f) where the system caused a bill payment delay or failed to process a bill payment by the tenth business day following the date your account was charged for the payment.

f. Payment Guarantee

We will reimburse you up to \$50 per payment for any late payment fees or penalties you are charged as a result of the Payee/Vendor not receiving a payment by the Due Date if all the following apply:

- If you scheduled the payment to be sent on a scheduled payment date at least 7-business days prior to the due date.
- If correct information was provided to us about the payee (name, address, account number and amount).
- If your account had sufficient funds to complete the payment or transfer on the scheduled payment date.
- If the payee was a business payee.
- If the payee assessed late payment fees or penalties due to the delay of this payment.
- If you did not receive notice from us, our service provider, or the payee at least 10 days prior to your scheduled payment that would have alerted you to a problem processing payments from our service.

g. Documentation And Verification Of Payments And Transfers

Information regarding Internet Banking transactions will be reflected in the account detail and account

history sections of FNBOOnline and in your regular monthly account statement(s).

16) Termination/Inactivity

At any time, we may cancel all or part of FNBOOnline services that we generally offer. Access to FNBOOnline may be cancelled in whole or part without prior notice due to insufficient funds in one of your accounts or other circumstances that may create an unanticipated liability to us. If your account(s) is closed or restricted for any reason, or if there has not been any Internet Banking or Bill Payment activity for a period of four (4) consecutive months, Internet Banking/FNBOOnline accessibility will automatically terminate.

You will remain responsible for all transactions approved by the system prior to the cancellation, and for any other fees associated with FNBOOnline. After cancellation, service may be reinstated once sufficient funds are available in your accounts to cover any fees and other pending transfers or debits. In order to reinstate services, you must call our Operations department.

You may terminate the use of our Service by contacting us via US mail, e-mail, personal delivery or telephone. If you terminate the Bill Pay service, you authorize us to continue making payments and other previously authorized transactions until we have a reasonable opportunity to act upon your termination notice; you also agree to pay all applicable fees and charges. Once we have acted on your notice, we have no further responsibility to make any payments or previously authorized transactions.

17) Assignment

You may not assign this agreement to any other party. We may assign or delegate, this agreement in part or whole, to any third party.

18) Ownership of Material

Our service is a product of Jack Henry and Associates, Inc.

19) Amendments

We will provide notice of all future amendments to the Internet Banking Agreement by posting them on our website for at least 90 days. If the changes have an adverse affect on you or FNBOOnline, we will provide you at least 30 days prior notice in writing or by email.

Amendments or changes to term(s) and/or condition(s) may be made without prior notice if it does NOT result in higher fees, more restrictive service use, disclosure of additional account information to third parties or increased liability to you. Also, if a change in term(s) or condition(s) is necessary to maintain or restore the security of our system or your account(s), no advance notice is required. Upon notification of any change in terms, if you do not agree with the change(s), you must notify us in writing or via email to cancel your access to FNBOOnline. Your continued use of the affected change in Service constitutes your agreement to the amendment(s).

20) Disputes

In the event of a dispute regarding FNBOOnline, you and First National Bank agree to resolve the dispute by looking to this Agreement. You agree that this Agreement is the complete and exclusive statement of the agreement between you and First National Bank which supersedes any proposal or prior agreement, oral or written, and any other communications between you and First National Bank relating to the subject matter of this Agreement. If there is a conflict between what is stated by a First National Bank employee and the terms of this Agreement, the terms of this Agreement shall control.

21) Entire Agreement

This Agreement is the complete and exclusive agreement between you and First National Bank related to FNBOOnline

and supplements any other agreement or disclosure related to your Account. In the event of a conflict between this Agreement and any other agreement or disclosure related to your Account or any statement by our employees or agents, this Agreement shall control.

22) Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Indiana, without regard to its conflicts of laws provisions.

23) No Signature Requirements

When any payment or other on-line service generates items to be charged to your account, you agree that we may debit the designated account, or the account on which the item is drawn, without requiring your signature on the item and without any notice to you.