

# Online Banking Agreement & Disclosure

## Definitions

This Agreement applies to your use of Personal Online Banking (the "System"), Bank's Internet banking portal, which permits you to access your accounts with us via the Internet for services selected by you and agreed upon by us. This Agreement applies to all persons that are parties to the accounts. When used in this Agreement, the terms "you" and "your" refer to each depositor on the account(s) accessible by the System, and the terms "us," "we," and "our" refer to First Independent Bank.

## Access

The System is a service provided solely for use by our clients. You will need an access ID and password to gain access to your accounts using the System. During enrollment you will create and confirm a password which you will use to gain access to the System, in conjunction with your assigned access ID. You should protect your password at all times and change it on a regular basis. You agree to keep the password safe and to not record, disclose or make the password available to anyone. Anyone who has access to your password will have full access to your accounts and the services you can perform on the System. You have no ability to limit any such person's authority. If anyone uses your password with your permission (an "Authorized User"), you will be responsible for any transactions performed by that person.

## Your Password

For security purposes, you are required to change your password upon your initial login to the System. You determine what password you will use; the identity of your password is not communicated to us. You agree that we are authorized to act on instructions received under your password. You accept responsibility for the confidentiality and security of your password and agree to change your password regularly. After an unsuccessful attempt to use your password, you will be able to try again in 5 minutes. Upon five unsuccessful attempts to access the System, your access will be revoked. To re-establish your authorization to use the System, you must contact us to have your failed login attempts cleared or to obtain a new temporary password.

## Security Information (Our Procedures)

Our System utilizes a comprehensive security strategy to protect accounts and transactions conducted over the Internet. In addition to our login security which incorporates multi-factor authentication (i.e. access IDs, passwords, questions, digital security keys or a personal identification number ("PIN")), we use secure socket layer ("SSL") encryption technology for everything done in the System.

Your browser automatically activates this technology when it attempts to connect to our System and it will support the 128-bit key lengths. Whenever SSL is securing your communications, the browser will typically indicate the "secure session" by changing the appearance of a small padlock icon in the URL task bar from open to locked. An extended validation certificate is indicated by the URL bar turning green. Your communications are encrypted from your browser to our servers at all times, so no unauthorized party can read the information as it is carried over the Internet. Additionally, our servers have been certified by a "Certificate Authority" to assure you that you are actually talking to our servers instead of someone pretending to be us.

There is a 20-minute default time limit on any screen, regardless of the keystrokes that you use. Under the default time limit, if 20 minutes elapse without you doing anything on the screen, then you will be taken back to the login screen where you will be prompted to re-enter your access ID and password.

Data transferred through the System is encrypted in an effort to provide transmission security. The System utilizes identification technology to verify that the sender and receiver of System transmissions can be appropriately identified by each other.

You agree that these procedures are a commercially reasonable method of providing security against unauthorized payment orders or other transactions and that these procedures are not for detection of errors. We reserve the

right to change any process from time to time to implement new measures that are recommended in the industry to respond to new or increased threats.

#### Security Information (Your Obligations)

You understand the importance of your role in preventing misuse of your accounts through the System, and you:

- Agree to promptly examine any statement you receive or that we make available to you for each of your accounts in a timely manner;
- Agree to protect the confidentiality of your account, and expressly assume responsibility for any transaction conducted by an Authorized User or any Losses that result from the actions (or inactions) of you or an Authorized User;
- Understand that certain identification information by itself or together with information related to your account may allow unauthorized access to your accounts;
- Acknowledge that, notwithstanding our efforts to ensure that the System is secure, the Internet is inherently insecure and that transmission of electronic mail occurs openly on the Internet and can potentially be monitored and read by others;
- Understand and acknowledge that we cannot and do not warrant that email transmitted to and from us, will not be monitored or read by others;
- Understand and agree that we are not responsible for any electronic virus or viruses that you may encounter;
- Agree to routinely scan your computers and diskettes using a reliable virus detection product to detect and remove any viruses, but understand and acknowledge that there are certain viruses, malware, etc., which may not be detectable by commercially available software and agree that the Bank shall have no liability for any such intrusions, except as otherwise set forth herein;
- Agree to install, maintain, update and utilize industry standard security products that are appropriate for you, including, without limitation, firewalls, anti-virus protection software, anti-spyware protection, operating systems and applications with the latest patches, and a browser product that indicates the web site you are on; and
- Agree to comply with the password requirements set forth herein, as such password requirements may be changed from time to time, and to employ reasonable steps in selecting, maintaining, and protecting passwords and other codes and access devices related to the System, the services and your accounts.

#### **Lost or Stolen Password**

If you believe your password has been lost or stolen, or someone has transferred money or may transfer money from your account without your permission, you should notify us immediately. Calling us at 1.507.823.4391 is the best way of minimizing your potential losses; however, you may write to us at the address provided under the Contact Information section of this Agreement. You could lose all the money in your account (plus your maximum overdraft line of credit, if any).

The following rules established by Regulation E govern your liability unless the laws of the state governing your account impose lesser liability on you.<sup>1</sup> If you tell us within two (2) business days after you learn of the loss or theft of your password, you can lose no more than \$50.00 if someone used your password without your

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<sup>1</sup>

permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your password, and we can prove we could have stopped the unauthorized transactions if you had told us, you could lose as much as \$500.00.

Also, if your statement shows transfers that you did not make, including those made by use of your password or other means, and you do not tell us within sixty (60) days after the statement was made available 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.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

### **Hours**

The System is available 24 hours a day, seven days a week for purposes of electronic transactions, and our business days are Monday through Friday, excluding holidays as determined by us. All transaction requests initiated through the System and received after 3:00 p.m. (Central Standard Time) Monday through Friday will be processed the next business day. Any transactions initiated on non-business days, or holidays will be processed the next business day.

### **System Services**

You can use the System to perform any of the following:

- Transfer Funds between accounts
- View & download account information
- View and print statements
- View images of paid items and deposit tickets
- Elect to receive eStatements
- \*\*Setup mobile banking parameters
- Initiate bill payments
- Communicate with us via e-mail
- Place stop payment orders on checks

### **Transfer Limitation**

Under federal regulations, you may not make more than **six (6) transfers** and withdrawals, or a combination of such transfers and withdrawals, per month from a savings or investment savings account that you maintain with us to another account you maintain with us or to a third party by means of a preauthorized or automatic transfer, or telephone (including data transmission) agreement, order or instruction, or by check, draft, debit card, or similar order made by you and payable to third parties. Each electronic fund transfer initiated through the System from your savings or investment savings account is counted as one of the six limited transfers you are permitted each month.

**\*\*Bill Payment Service;** Popmoney<sup>SM</sup> Payments Service; Account-to-Account (“A2A”) <sup>SM</sup> Transfer Service  
Using the System, you may access the Bill Payment Service, the Popmoney<sup>SM</sup> Payments Service, and the Account-to-Account (“A2A”) <sup>SM</sup> Transfer Service (collectively, the “Payment Services”). The Payment Services allow you to initiate and receive payments electronically (the Bill Payment Service can be used to initiate payments only) from and to your account(s) with us. Your use of the Payment Services is governed by this Agreement as well as a separate agreement that will be made available to you through the System prior to your initial use of the Payment Services. In the event that any term or condition of this Agreement conflicts with a term or condition of the separate agreement, the term or condition of the separate agreement shall control.

### **Cancel a Pending Electronic Funds Transfer**

You may cancel or change a pending electronic fund transfer that was initiated in the system by selecting the transfer and changing or deleting the amount and date fields. The instruction to cancel or change the transfer must be completed by 3:00 p.m. If the change is not made by that time, we may process the transaction.

**Confirmation of Preauthorized Electronic Fund Transfers (Deposits)**

If you have arranged to have electronic deposits made to your account from the same payor at least once every sixty (60) days, you can find out if your deposit has been received through the System or by calling 1.507.823.4391.

**Notice of Varying Preauthorized Electronic Fund Transfers (Withdrawals)**

If your recurring electronic payments may vary in amount, the person or company you intend to pay should tell you, ten (10) days before each electronic payment, the date the payment will be made and how much it will be. The person or company that you are paying may choose to give you the option to get this notice only when the payment would differ by more than a certain amount from the previous payment or when the amount would fall outside certain limits that you set. You should contact the person or company you are paying with any questions about these notices.

**Stop Payment Orders**

You may place stop payment orders on checks using the System. When placing a stop payment order, you agree to indemnify us and hold us harmless for all losses incurred by us due to our refusal to pay the check. You acknowledge that, under the law, there are some situations where a check can be enforced against you even though you ordered us to stop payment. In such instances, we will not be liable to you for refusing to enforce your stop payment order. We will not have a duty to stop payment until you have given us the number, the exact amount of the item and the name of the payee. In addition, we must have had a reasonable opportunity to act on your stop payment order prior to the earlier of our payment of it or one hour after the opening of the next business day after the business day we received it. The information we require you to submit in connection with your stop payment order must be exactly correct to enable our computer system to match the payment to be stopped to your stop payment order.

A stop payment order on a check is effective for six months unless you renew the notice in writing within that time, in which case the stop payment order will be effective for an additional six month period. At our option, we may continue stop payment orders beyond these time periods unless cancelled by you. Stop payment orders received after regular banking hours or on a holiday shall be deemed received at the opening of business on the next business day.

If we pay an item despite your timely stop payment order, the following rules will apply: (a) you will have to prove to us that you have suffered a loss and, if so, the amount of the loss; (b) we will be able to enforce any rights that the original payee or any other person who held the check had against you; (c) we will not re-credit your account until you prove your loss and we are satisfied that we are required by law to do so; and (d) if we re-credit your account, you agree to sign a statement describing the dispute with the payee or other holder of the check, to transfer to us all of your rights against the payee or other holder of the check, and to assist us in legal action taken against that person. A stop payment order will be released only upon written request from the account owner who authorized the stop payment order to be placed.

**Overdrafts**

When you schedule an electronic funds transfer using the System, you authorize us to withdraw the necessary funds from your account with us. We deduct the amount of your funds transfer from your account on the date we process your instruction. Each instruction to us to withdraw or transfer funds from your account is an order to us to make the payment from that account at that time or on a later date, if any, indicated in the instruction. We may charge payments you instruct us to make to your account even though the charge creates an overdraft, or we may refuse to make the payments if the charge creates an overdraft. If you overdraw your account, you agree to immediately pay us the overdrawn amount, together with any applicable fees. If the account is maintained in connection with an overdraft credit plan, any overdraft will be made in accordance with the agreement or rules governing that account rather than this Agreement.

**Fees**

If you submit a-stop payment request to us, we will charge your account the fee for such service specified on our current fee schedule, as amended from time to time.

### **Statements**

Your System account activity will appear on the account statements we make available to you. We will make available to you an account statement each month in which an electronic fund transfer is made to or from your account. If there are no transfers in a particular month, you will receive your account statement at least quarterly.

### **In Case of Errors or Questions About Your Electronic Transfers**

Telephone us at 1.507.823.4391, write us at PO Box 360 Russell, MN 56169 or email us at [info@fibmn.com](mailto:info@fibmn.com) 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 made available to you the FIRST statement available on which the problem or error appeared.

1. Tell us your name and account number (if any).
2. Describe the error or the transfer in question, and explain why you believe it is an error or why you need more information.
3. The dollar amount of the suspected error.
4. The date on which it occurred.

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.

### **Limitation of Liability**

We will be liable to you for damages proximately caused by our failure to make a properly requested electronic fund transfer, in accordance with the terms and conditions of this Agreement, in the correct amount or in a timely manner. Notwithstanding the foregoing, unless required by law, we will not be liable to you if:

- \*The error results from any malfunctions of your browser, Internet service provider, computer, computer virus or other problems relating to the computer equipment you use with the Internet service, including, without limitation, your inability to access Internet service or any part of Internet service.
- \*Through no fault of ours, your account does not contain sufficient collected funds to make the transfer.
- \*The money in your account is subject to legal process or other encumbrances restricting the transfer.
- \*The transfer would go over the credit limit on your overdraft credit plan, if any.
- \*The transfer system was not working properly and you knew about the breakdown when you started the transfer.
- \*An act of God or circumstances beyond our control (such as fire or flood) prevent the transfer or use of Internet service despite reasonable precautions that we have taken.
- \*Incomplete or inaccurate information is forwarded to us by you or through an automated clearinghouse.
- \*You have not provided us with complete and correct payment information, including without limitation the name, address, account number and payment amount for the payee on a bill payment.
- \*You have not properly followed the instructions for using the Internet service.

\*Your operating system is not properly installed or functioning properly.

If any of the circumstances listed above should occur, we will assist you with reasonable efforts in taking appropriate corrective actions to reprocess the transactions that may not have been completed or to correct any incorrect transactions that may have been processed. Unless otherwise required by law, our sole responsibility for an error directly caused by us in transferring funds will be to correct the error. In no case will we be liable for any indirect, special, incidental or consequential damages in connection with or in any way related to Internet service.

#### **Other Limitations**

Access to accounts through the System will be limited to inquiry only for the following account ownership types: Guardianship, Conservatorship, Representative Payee, and Custodial. Trusts accounts where the trustees do not have ownership of the account may also be limited to inquiry access only.

#### **Other Agreements**

In addition to this Agreement, the terms and disclosures you received at the time your accounts were opened with us remain in full force and effect. In the event of a conflict between this Agreement and any other account rules and agreements that apply to your accounts, this Agreement shall control.

We may change your System status to inactive if you do not sign on to the service or have any transaction scheduled through System during any consecutive 180 day period. If your account is considered inactive, you must contact us to have the System activated before you could use the service again.

#### **Disclosure of Information to Third Parties**

We may disclose information to third parties about your account or the transfers you make, as permitted by law, including, without limitation: where it is necessary for completing or tracing transfers or resolving errors or claims; to verify the existence and condition of your account for a third party, such as a credit bureau or merchant or other financial institution; to comply with court orders or other legal process; to comply with subpoenas, summonses, search warrants or requests from government agencies; to other companies affiliated with us; to others with your consent; and whenever required by law.

#### **System Support**

You understand that some support and services relating to the System, are provided by third parties other than us, and you authorize us to contract with third parties to provide such support and service.

#### **Termination**

We may modify, suspend or terminate your privilege of using the System and may withhold approval of any transaction, at any time, without prior notice to you. In the event we terminate Internet service, we will try to notify you in advance but are not required to do so. You will be notified as soon as practicable. Any one person who can use the account accessible with Internet service may terminate Internet service. Termination shall not affect the rights and obligations of the parties for transactions made with the Internet service before we have had a reasonable time to respond to your termination request. Your termination of your Internet service will automatically terminate any pending transfers and payments.

#### **Amendments**

We reserve the right, at our sole discretion, to amend this Agreement or change the services provided to you pursuant to this Agreement at any time. Unless an immediate modification or change is necessary to ensure the security of the services or your accounts with us, we will send you notice to the mail address or e-mail address for you reflected in our records at least twenty-one (21) days before the effective date of any modification or change if required by law.

#### **Contact Information**

You can contact us by one of the following methods:

1. By initiating an e-mail through the Online Banking System
2. By calling 1.507.823.4391, 8:00 a.m. to 4:00 p.m. Monday through Friday (Central Standard Time)
3. By writing a letter and sending it to us at the following address:

First Independent Bank  
ATTN: Online Banking Specialists  
P.O. Box 360  
Russell, MN 56169

\*\*Upcoming future enhancements