

INTERNET BANKING AGREEMENT AND DISCLOSURE STATEMENT

The first time you access your accounts through Internet Banking, you agree to be bound by the terms and conditions of this Internet Banking Agreement (“Agreement”) and acknowledge its receipt and your understanding of its terms.

Introduction

This Agreement explains the terms and conditions for accessing accounts and conducting transactions at First National Bank Chisholm/Cook (“we”, “us”, and “our”) via our on-line Internet Banking site (“Internet Banking”). As used in this Agreement, the terms “you” and “your” refer to each person signing an Internet Banking Application.

Benefits of Internet Banking

Through Internet Banking, you can manage eligible accounts from your home or office on a personal computer. Internet Banking can be used to conduct any of the following “On-line Financial Services”.

- Obtain balances and transaction histories on all eligible accounts enrolled in Internet Banking (All account balances and transaction histories reflect activity through the close of the previous business day);
- Transfer money between eligible accounts (The number of transfers you can make from account is limited as described in the applicable account agreement. In addition, if a hold is placed on any funds deposited in an eligible account, you may not transfer the portion of funds being held until that hold expires);
- Transfer money to pay Institution consumer loans; home equity loans; and pay bills to any merchant;
- Initiate stop payments.

First National Bank may, from time to time, introduce new On-line Financial Services. By using those services when they become available, you agree to be bound by the terms contained in the Agreement, and its subsequent amendments.

Security & Protecting Your Account

We are strongly committed to protecting the security and confidentiality of our customer accounts information. We use several techniques to help secure our Internet Banking service, including the following:

- You can only access Internet Banking service with certain browsers that have a high security.
- Your account numbers are never displayed in full – only the last 4 digits can be viewed.
- You must have a valid Internet Banking ID and personal identification number (“PIN”) to logon.
- If no action is taken for 10 minutes, you will be automatically logged off the Internet Banking service.

Requirements

To access On-line Financial Services you must have Internet Explorer 5.0 or greater, Netscape Navigator 6.0 or greater, or compatible web browser and 128 bit data encryption.

In addition to a compatible software, you must have an Internet Banking ID, a personal identification number ("PIN") and maintain one or more of the following eligible accounts at Institution: Checking Account, Savings Account, or Money Market Account. Any account that requires two or more signatures to make withdrawals, transfers or other transactions is not eligible for On-line Financial Services.

On-line PIN

Your PIN will give you access to First National Bank accounts via Internet Banking. For security purposes, it is recommended that you memorize you PIN and do not write it down. We also recommend that you change your PIN regularly to try and avoid misappropriation by a third party. Your PIN can be changed at our Internet Banking site. You are responsible for keeping your PIN and account data confidential. When you give someone your PIN, you are authorizing that person to use Internet Banking and the On-line Financial Services. You are responsible for all transaction performed using your PIN, even if you did not intend or authorize them. In addition, fraudulent transactions initiated using your PIN will be charged against your account(s).

Accessibility

You can usually access On-line financial Services seven (7) days a week, twenty-four (24) hours a day. However, at certain times, some or all of Internet Banking or On-line Financial Services may not be available due to system maintenance or reasons beyond First National Bank's control. First National Bank does not warrant that Internet Banking or On-line Financial Services will be available at all times. When unavailable, you may use ****our telephone banking system,**** an automated teller machine ("ATM") or an Institution branch office to conduct your transactions. An On-line Financial Service transaction initiated prior to 2:00 PM (Central Time) on a banking day is posted to your account the same day. All transfers completed after 2:00 PM (Central Time), or on a non-banking day, will be posted the following banking day.

Fees and Charges

On-line banking and Bill Pay, at this time, are currently free services. This does not include regular fees associated with your account, such as stop payments fees or overdrafts fees.

Electronic Mail (E-mail)

Sending E-mail is a very good way to communicate with First National Bank regarding your accounts. However, your e-mail is actually sent via your own software and, as a result, is not secure. Because of this, you should not include confidential information, such as account numbers and balances in any e-mail to First National Bank. You cannot use e-mail to initiate transfers between accounts.

Virus Protection

First National Bank is not responsible for any electronic virus that you may encounter using the On-line Services. We encourage you to routinely scan your computer using reliable virus protection product to detect and remove viruses. If undetected and unrepaired, a virus can corrupt and destroy your programs, files, and hardware.

Bill Payment Services

The Bill Payment service allows you to schedule bill payments through Internet Banking. First National Bank does not provide the service directly. Instead, First National Bank entered into an agreement with a bill payment provider to provide the bill payment services to you directly. Subject to any regulatory or First National Bank imposed limitations on usage, you can arrange, at your option, for the payment of your current, future, and recurring bills from a checking account, money market savings account, or a savings account. There is no limit to the number of payments that may be authorized and you may pay any merchant or individual approved by the bill payment provider, however, the amount of any individual payment may not exceed \$9,999.99. While payments are initiated by you electronically, they are ultimately paid via an automated clearinghouse (ACH) network or by a paper check. Payments delivered over an ACH network are governed by the rules and performance standards of that network.

By furnishing the names of your payees/merchants and their addresses, you authorize First National Bank and its bill payment provider to follow the payment instructions you provide for those payee for those payees/merchants. When payment instructions are received, funds will be remitted from the selected account, to the appropriate payee on your behalf on the day that you request ("Payment Date"). However, there is no obligation to make requested payments unless your account has sufficient funds or credit availability to pay the bill as of the Payment Date. Funds for bill payments will be withdrawn from your account on the applicable Payment Date. A bill payment account ("Bill Payment Account"), separate from any account you hold at First National Bank, is established at the Bill Payment provider. When the Bill Payment provider receives notification of any return item, such as NSF or Account Closed, a block is placed on the Bill Payment Account for a minimum of five (5) business days. This prevents you from initiating any additional payments through the Bill Payment Account or from having any recurring or future dated payments made until the original return item has been paid. You may stop or change any scheduled payment, but you must do so by no later than 4:00 PM (Central Time) on the Payment Date. The Bill Payment provider is obligated to pay any late fees incurred by you because of late payments so long as you allow ten (10) business days for payments by check and at least four (4) business days for electronic payments.

First National Bank and its Bill Payment provider reserve the right, at their discretion, to implement security features to reduce risk of loss. These may include requiring pre-authorized drafts, verifying funds through an ATM network, and separating debits from credits so that payments are not sent until after good funds are received. First National

Bank and its Bill Payment provider also reserve the right to terminate your use of Bill Payment services at any time.

If, for any reason, you should ever wish to cancel Internet Banking, we strongly suggest that you cancel all future bill payments at the same time. This will ensure that future payments and transfers made by you will not be duplicated. We will automatically delete any outstanding payment orders (all individual payments and all recurring payments) once we have been notified that your Bill Payment service has been terminated. We will continue to maintain your accounts until you notify us otherwise.

Responsibility

First National Bank will not be liable for any transaction if:

- You do not have enough money in your account to complete the transaction;
- A legal order prohibit withdrawals from your account;
- Your account is closed;
- Transaction would cause your balance to go over the credit limit for any credit arrangement set up to cover overdrafts;
- Any electronic terminal, telecommunication device or part of the electronic fund transfer system is not working properly;
- You did not provide us with complete and correct payment or transfer information;
- You did not properly follow the instructions for use of Internet Banking or On-line Financial Services;
- You knew that Internet Banking and/or the On-line Financial Services were not operating properly at the time you initiated the transaction or payment;
- There is a postal delay;
- Circumstances beyond our control (such as fire, flood, or improper transmission or handling by a third party) that prevent, hinder or delay the transaction.

Unauthorized Transactions

You should notify First National Bank Chisholm at 218-254-3371 or First National Bank Cook at 218-666-5911 immediately if your PIN has been lost or stolen or if you suspect any fraudulent activity in your account(s). If your PIN has been compromised and you tell us within two (2) business days of discovering the loss or misappropriation, you can lose no more than \$50. If you do not tell us within the two (2) business day period, you could lose as much as \$500 if we could have stopped the use of your accounts had we received notice in a timely manner. You should contact us, or the bill payment provider, as applicable, as soon as you identify any errors or discrepancies in your statement, or if you need any information about a transaction listed on the statement. We must hear from you no later than sixty (60) days after we have sent the first statement on which the problem or error appeared (if you notify us verbally, we may require that you send us your complaint or question in writing within ten (10) business days). If you fail to notify us within the sixty (60) day period, you may not recover any of the money you lost if we can establish that the loss could have been avoided had you notified us on time.

When you report a problem or discrepancy, we will tell you the results of our investigation within ten (10) business days, or twenty (20) business days in the case of

point of sale, after we hear from you. However, we may take up to forty-five (45) days, to investigate your complaint or question. If we determine that there was no error, we will send you a written explanation within three (3) business days after we conclude our investigation. You may request copies of any documents that we use in our investigation.

Damages and Warranties

In addition to the terms previously disclosed, First National Bank is not responsible for any losses, errors, injuries, expenses, claims, attorney's fees, interest or other damages, whether direct, indirect, special, punitive, incidental or consequential, (collectively, "Losses") caused by Internet Banking or the use of the On-line Financial Services or in any way arising out of the installation, use or maintenance of your personal computer hardware or software. In addition, First National Bank disclaims any responsibility for any electronic virus(es) customer may encounter after installation or use of Internet Banking or On-line Financial Services. Without limiting the foregoing, neither First National Bank nor its suppliers shall be liable for any: (I) failure to perform or any Losses arising out of an event or condition beyond their reasonable control, including but limited to communications breakdown or interruption, acts of God or labor disputes; or (II) the loss, confidentiality or security of any data while in transit via the Internet, communication lines, postal system or ACH network. First National Bank and its suppliers provide Internet Banking and the On-line Financial Services from their own sites and they make no representation or warranty that any information, material or functions included in Internet Banking or On-line financial Services, you do so on your own initiative and are solely responsible for compliance with applicable local laws and regulations. Neither First National Bank nor its suppliers warrant the adequacy, accuracy or completeness of any information provided as a part of Internet Banking, the On-line Financial Services, or contained in any third part sites linked to or from First National Bank's web site. FIRST NATIONAL BANK MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE ACCURACY, FUNCTIONALITY OR PERFORMANCE OF INTERNET BANKING, ON-LINE FINANCIAL SERVICES, OR ANY SOFTWARE THAT MAY BE USED IN CONNECTION WITH SAME. FIRST NATIONAL BANK DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES, INCLUDING ANY WARRANTIES OR MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR ERROR-FREE OPERATION.

Termination and Changes in Terms

First National Bank reserves the right to amend or terminate this Agreement or to change the charges, fees or other terms described in this Agreement at any time. When changes are made we will notify you by physical mail at the address shown in our records; and/or update of our website.

Termination

You may terminate this Agreement and your Internet Banking and/or On-line Financial Services at any time upon giving written notice to us. First National Bank reserves the right to terminate your Internet Banking and/or On-line Financial Service privileges, if you do not comply with this Agreement. Your Internet Banking Service may be terminated, if we believe that unauthorized use of your ID, PIN, or account may be

occurring. If we terminate your Internet Banking service, we reserve the right to make no further transfers or payments from your account, including any transactions you have previously authorized.

Waiver

First National Bank shall not, without giving notice or taking other action, be deemed to have waived any of its rights under this Agreement. No waiver by First National Bank of a breach of this Agreement shall constitute a waiver of any prior or subsequent breach of this Agreement.

Disclosure of Account Information

You agree that we may disclose information about your accounts or transactions you make through your accounts to third parties when the following apply:

- Where it is necessary to complete transactions;
- To verify the existence and condition of your account to a third party, such as a credit bureau;
- In order to comply with court orders or government agency;
- Upon your written permission.

Your Agreement to these Terms, Conditions, and Disclosure

Your registration for Internet Banking and On-line Financial Services with First National Bank, confirms that you acknowledge you have received, reviewed, and understood the terms of the Agreement.