

ELECTRONIC FUND TRANSFERS YOUR RIGHTS AND RESPONSIBILITIES

The Electronic Fund Transfers we are capable of handling for consumers are indicated below, some of which may not apply to your account. Some of these may not be available at all terminals. Please read this disclosure carefully because it tells you your rights and obligations for these transactions. You should keep this notice for future reference.

TYPES OF TRANSFERS, FREQUENCY, AND DOLLAR LIMITATIONS

- (a) Prearranged Transfers**
- Preauthorized credits. You may make arrangements for certain direct deposits to be accepted in your checking and/or savings account(s).
 - Preauthorized payments. You may make arrangements to pay certain recurring bills from your checking and/or savings account(s).
 - _____

- (b) Telephone Transfers.** You may access your account(s) by telephone at 765-795-2265 or 866-500-4740 using a touch tone phone, your account numbers, and _____
Phone Banking PIN Number _____ to:
- Transfer funds from checking and savings
 - Transfer funds from savings to checking
 - Transfer funds from _____ to _____
 - Transfer funds from _____ to _____
 - Make payments from checking to loan accounts with us
 - Make payments from savings to loan account
 - Make payments from _____ to _____
 - Get checking account(s) information
 - Get savings account(s) information
 - Get loan account(s) information
 - _____
 - _____

- (c) ATM Transfers.** You may access your account(s) by ATM using your ATM or Debit Card _____ and personal identification number to:
- Make deposits to checking accounts
 - Make deposits to savings accounts
 - Get cash withdrawals from checking accounts you may withdraw no more than _____ per _____
 - Get cash withdrawals from savings accounts you may withdraw no more than _____ per _____
 - Transfer funds from savings to checking
 - Transfer funds from checking to savings
 - Transfer funds from _____ to _____
 - Make payments from checking account to _____
 - Make payments from _____ to _____
 - Get checking account(s) information
 - Get savings account(s) information
 - The limit for ATM Withdrawals is \$300.00 per day.
 - _____
 - _____

- (d) Point-Of-Sale Transactions.**
Using your card:
- You may access your checking account _____ account(s) to purchase goods (in person, by phone, by computer), pay for services (in person, by phone, by computer), get cash from a merchant, if the merchant permits, or from a participating financial institution, and do anything a participating merchant will accept.
 - You may not exceed more than \$1,000.00 in transactions per day
 - _____
 - _____

- (e) Computer Transfers.** You may access your account(s) by computer by _____
www.fnb-bank.com after registering and authenticating and using your _____ computer _____ to:
- Transfer funds from checking to savings
 - Transfer funds from savings to checking
 - Transfer funds from _____ to _____
 - Transfer funds from _____ to _____
 - Make payments from checking to loan accounts with us
 - Make payments from savings to loan accounts
 - Make payments from _____ to _____
 - Get checking account(s) information
 - Get savings account(s) information
 - Get certificate of deposit information
 - _____
x Pay bills
 - Get loan information
 - _____
x Get safe deposit box information

- (f) Mobile Banking Transfers.** You may access your account(s) by web-enabled cell phone by _____ authenticating and registering _____ and using your mobile device _____ to:
 - Transfer funds from checking and savings
 - Transfer funds from savings to checking
 - Transfer Funds from _____ to _____
 - Transfer Funds from _____ to _____
 - Make payments from checking to loan accounts with us
 - Make payments from _____ savings to _____ loan accounts
 - Make payments from _____ to _____
 - Get checking account(s) information
 - Get savings account(s) information
 - Get CD information _____
 - Get loan information _____
 - Get Safe Deposit Box information _____
 - Pay bills _____
- You may be charged access fees by your cell phone provider based on your individual plan. Web access is needed to use the service. Check with your cell phone provider for details on specific fees and charges.

- (g) Electronic Fund Transfer Initiated By Third Parties.** You may authorize a third party to initiate electronic fund transfers between your account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearing House (ACH) or other payments networks. Your authorization to the third party to make these transfers can occur in a number of ways. For example, your authorization to convert a check to an electronic fund transfer or to electronically pay a returned check charge can occur when a merchant provides you with notice and you go forward with the transaction (typically, at the point of purchase, a merchant will post a sign and print the notice on a receipt). In all cases, these third party transfers will require you to provide the third party with your account number and financial institutions information. This information can be found on your check as well as on a deposit or withdrawal slip. Thus, you should only provide your financial institution and account information (whether over the phone, the internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic fund transfers. Examples of these transfers include, but are not limited to:

- Electronic check conversion.** You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or pay bills. You may:
 - Not exceed more than _____ payments by electronic check per _____.
 - Make payments by electronic check from _____ Payments are limited to _____ per _____.
- Electronic Returned Check Charge.** You may authorize a merchant or other payee to initiate an electronic fund transfer to collect a charge in the event a check is returned for insufficient funds. You may:
 - Make no more than _____ payments per _____ for electronic payment of charges for checks returned for insufficient funds.
 - Make electronic payment of charges for checks returned for insufficient funds from _____. Payments are limited to _____ per _____.
- We, First National Bank, allow electronic check transactions to post to your checking account _____

General Limitations

In addition to those limitations on transfers elsewhere described, if any, the following limitations apply:

- Transfers or withdrawals from a Money Market Sav account to another account of yours or to a third party by means of preauthorized or automatic transfer or telephone order or instruction, computer transfer, or by check, draft, debit card or similar order to a third party, are limited to _____ per _____. If you exceed the transfer limitations set forth above, your account shall be subject to closure.
- The limit for ATM withdrawals is \$300.00 per day.

Fees

- We charge \$4.95 each month to our customers whose accounts are set up to use _____ bill pay (net pay) please see page 5 for details,
- We charge _____ each _____ but only if the _____ balance in the _____ falls below _____ during the _____.
- Non-proprietary ATM charge of \$1.00 per transaction
- We will charge you \$5.00 to replace a lost ATM or Debit Card

Except as indicated above, we do not charge for Electronic Fund Transfers.

ATM Operator / Network Fees: When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer).

DOCUMENTATION

- a) **Terminal Transfers.** You can get a receipt at the time you make a transfer to or from your account using a(n)
 - Automated teller machine
 - Point-of-sale terminal You may not get a receipt if the amount of the transfer is \$15.00 or less

- b) **Preauthorized Credits.** If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at the telephone number listed below to find out whether or not the deposit has been made.

- c) **In Addition,**
 - You will get a monthly account statement from us, unless there are no transfers in a particular month. In any case you will get a statement at least quarterly.
 - You will get a quarterly statement from us on your savings account if the only possible electronic transfer to or from the account is a preauthorized credit.
 - If you bring you passbook to us, we will record any electronic deposits that were made to your account since the last time you brought in your passbook.
 - _____
 - _____
 - _____
 - _____
 - _____
 - _____

PREAUTHORIZED PAYMENTS

- a) **Right to stop payment and procedure for doing so.** If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here's how:

Call or write us at the telephone number or address listed in this disclosure, in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.

- We charge \$30.00 for each stop payment.

- b) **Notice of varying amounts.** If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead 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.)

- c) **Liability for failure to stop payment of preauthorized transfer.** If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

FINANCIAL INSTITUTION'S LIABILITY

- 1) **Liability for failure to make transfers.** If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- If, through no fault of ours, you do not have enough money in your account to make the transfer.
- If the transfer would go over the credit limit on your overdraft line.
- If the automated teller machine where you are making the transfer does not have enough cash.
- If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- There may be other exceptions stated in our agreement with you.

CONFIDENTIALITY

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

- 1) Where it is necessary for completing transfers; or
- 2) In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or
- 3) In order to comply with government agency or court orders; or
- 4) If you give us written permission.
 As explained in the separate Privacy Disclosure.

UNAUTHORIZED TRANSFERS

- a) **Consumer Liability.** Tell us at once if you believe your card and / or code has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning 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 tell us within 2 business days after you learn of the loss or theft of your card and / or code, you can lose no more than \$50 if someone used your card and / or code without your permission. Also, if you do NOT tell us within 2 business days after you learn of the loss or theft of your card and / or code, and we can prove we could have stopped someone from using your card and / or code without your permission if you had told us, you could lose as much as \$500. Also, if your statement shows transfers that you did not make, including those made by care, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you 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 period.

- Visa ® Debit Card.** Additional Limits on Liability for

Unless you have been grossly negligent or have engaged in fraud, you will not be liable for any unauthorized transactions using your lost or stolen Visa card. This additional limit on liability does not apply to ATM transactions or to transactions using your Personal Identification Number which are not processed by Visa. Visa is a registered trademark of Visa International Service Association.

MasterCard® Debit Card. Additional Limits on Liability for _____.
You will not be liable for any unauthorized transactions using your MasterCard debit card, when used for point-of-sale transactions, if: (i) you can demonstrate that you have exercised reasonable care in safeguarding your card from the risk of loss or theft, (ii) you have not reported to us two or more incidents of unauthorized use within the prior twelve-month period, and (iii) your account is in good standing. If any of these conditions are not met, your liability is the lesser of \$50 or the amount of money, property, labor, or services obtained by the unauthorized use before notification to us. "Unauthorized use" means the use of your debit card by a person, other than you, who does not have actual, implied, or apparent authority for such use, and from which you receive no benefit. This additional limit on liability does not apply to ATM transactions or to transactions using your Personal Identification Number which are not processed by MasterCard. MasterCard is a registered trademark of MasterCard International Incorporated.

b) **Contact in event of unauthorized transfer.** If you believe your card and / or code has been lost or stolen, call or write us at the telephone number or address listed at the end of this disclosure. You should also call the number or write to the address listed at the end of this disclosure if you believe a transfer has been made using the information from your check without your permission.

ERROR RESOLUTION NOTICE

In Case of Errors or Questions About Your Electronic Transfers, Call or Write us at the telephone number or address listed below, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

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

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 (5 business days if involving a Visa® point-of-sale transaction processed by Visa or 20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate your complaint or question. If we decided to do this, we will credit your account within 10 business days (5 business days involving a Visa point-of-sale transaction processed by Visa or 20 business days if the transfer involved a new account) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account. An account is considered a new account for 30 days after the first deposit is made, if you are a new customer.

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.

ADDITIONAL INFORMATION:

Beginning November 1, 2013, customers registering for bill pay will receive the first 3 months free of charge. After 3 months you will need to maintain an average ledger balance of \$500.00 or greater to avoid the monthly bill pay fee and the additional item fee of .30 per item over 10 items. The monthly fee for Bill Pay (Net Pay) is \$4.95 which includes up to 10 items. Beginning with item 11 there is an additional per item fee of .30 each. This fee is in addition to a monthly service charge you may be incurring based on the type of account you have.

By signing below customer acknowledges receipt of pages 1, 2, 3, 4, and 5 of this notice:

Signature

Date

INSTITUTION (name, address, telephone number, business days)

For problem resolution call or write:

First National Bank
302 S Main St - PO Box 248
Cloverdale, Indiana 46120
(765) 795-4221

Our Business Days are Monday through Friday
(Holidays not included)