Electronic Fund Transfer

First National Bank of Milaca
190 2nd Ave SW, PO Box 38
Milaca MN 56353
(320) 983-3101
WWW.FNBMILACA.COM

Electronic Fund Transfer Your Rights and Responsibility

Indicated below are types of electronic fund transfers we are capable of handling, some of which may apply to your account. Please read this carefully because it tells you your rights and obligations for the transactions listed. You should keep this notice for future reference.

Electronic Fund Transfer Initiated by Third Parties

You may authorize third party to initiate electronic fund transfers between your account and 3rd 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 Automatic Clearing House (ACH) or other payments network. 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 transfer to an electronic funds 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 the receipt). In all cases, these third-party transfers will require you to provide the third party with your account number and financial institution information. This information can be found on your check as well as on the deposit or withdraw slip. Thus, you should only provide your financial institution and account information (whether over the phone, the Internet, or via some other method) trusted third parties whom you have authorized to initiate these electronic transfers. Examples of these transfers include, but are not limited to:

- ***Preauthorized Credit.***
  You may make arrangements for certain direct deposits (for example, from Government, Employer, other Financial Institutions) to be accepted into your checking or savings accounts.
- ***Pre Authorized Payments.***
  You may make an arrangement to pay certain reoccurring bills from your checking or savings accounts.
- ***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.
- ***Electronic Return 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.

Audio Response/ Telephone Banking Transactions

You may access your account by telephone using your touch tone telephone, account numbers, and personal identification number (PIN) to:

- transfer funds from checking to savings
- transfer funds from savings to checking
- make payments from checking to loan
- make payments from savings to loan
- get balance information about checking, savings, and loan account(s)
- get transaction history about your checking, savings, and loan account(s)

You may access your account by telephone at the following number and during the following hours:
877-983-1301, 24 hours.

Automated Teller Machine (ATM) Card Transactions

You may access your account(s) by ATM using your (Automated Teller Machine (ATM) card and your personal identification number (PIN) to:

- withdraw cash from your checking or savings account
- transfer funds from checking to savings
- transfer funds from savings to checking
- get balanced information about your checking and savings

Some of these services may not be available at all terminals. Daily withdrawal limits apply. See ATM Operator/Network Fees.

Debit Card Transactions

You may access your checking account(s) by debit card to conduct transactions that participating merchants will accept, including:

- to purchase goods (in person, online, or by phone)
- pay for services (in person, online, or by phone)
- get cash from a participating merchant or financial institution

Foreign Currency Conversion and Cross-Border Transactions

If you initiate a transaction with your MasterCard ®debit card in a currency other than the US Dollars, MasterCard will convert the charge into a US dollar amount. The MasterCard currency conversion procedure is based on rates observed in a wholesale market or, where applicable, on government-mandated rates. The currency conversion rate MasterCard generally uses is the rate for the applicable currency that is in effect on the date the transaction occurred. However, in limited situations, particularly when MasterCard transaction processing is being delayed, MasterCard may instead use the rate for the applicable currency in effect on the date the transaction is processed. MasterCard charges us a Currency Conversion Assessment of 20 basis points (.2% of the transaction) for performing the currency conversion. In addition, MasterCard charges us an Issuer Cross-Border assessment of 90 basis points (.9% of the transaction) on all cross-border transactions regardless of whether there is a currency conversion. As a result, we charge you a Currency Conversion fee of .2% and a Cross-Border fee of .9%. A cross-border transaction is a transaction that occurs at a card location in a different country from the country in which the card was issued. This means a cross-border transaction can occur even though the transaction is made when you are not in a foreign country. For example, a transaction made online with a foreign merchant is a cross-border transaction even though made while you are physically in the United States.

Advisory Against Illegal Use

You agreed not to use your card(s) for illegal gambling or other illegal purposes. Display of a payment card logo by, for example, an online merchant does not necessarily mean the transactions are lawful in all jurisdictions in which the card holder may be located.

Online Access Plan

You may access your account online at www.fnbmilaca.com using your computer or similar compatible device having online access to:

- transfer funds from checking to savings
- transfer funds from savings to checking
- make payments from checking to loan
- make payments from savings to loan
- make payments to third parties in the U.S.
    - Some payments made by paper check will not be subject to this Electronic Fund Transfer disclosure. See your service agreement for details.
- get balance information about checking, saving, certificate of deposits and loan account(s)
- get transaction history about your checking, savings, and loan account(s)

Mobile Banking Transfers

You may access your account for mobile banking services at www.fnbmilaca.com using your mobile phone, our mobile banking application (provided separately), your username, password and responses to multi-factor authentication questions.

You may use this service to:

- transfer funds from checking to savings
- transfer funds from savings to checking
- make payments from checking to loan
- make payments from savings to loan
- make payments to third parties in the U.S.
    - Some payments made by paper check will not be subject to this Electronic Fund Transfers disclosure. See your service agreement for details.
- get balance information about checking, savings, certificate of deposits, and loan account(s)
- get transaction history about checking, savings, and loan account(s)

Web access is needed to use this service. Check with your cell phone provider for details on specific fees and charges.

Limits and Fees

Please refer to the following: There is no charge for ATM services at machines owned by us or designated a MoneyPass machine. If you use an ATM not owned by us or a designated MoneyPass machine, you will be charged 50 cents per transaction. Except as indicated elsewhere we do not charge for direct deposits to any type of account, and we do not charge for preauthorized payments from any type of account. See individual sections for information about fees and limitations that may apply to these 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 balance inquiries even if you do not complete a funds transfer).

Security Limitations

For security reasons, there are limits on the number of transfers you may make using our terminals point-of-sale transfers, and computer transaction services. See your card Account Service Application for your card limits. Restricted usage applied per law and regulation.

Termination and Amendments

You may terminate the electronic funds transfer agreement by written notice to us. We may terminate the electronic funds transfer agreement by written notice to you. You agree we may amend or cancel this agreement and the use of the ATM card, POS card or Audio Response services if: You breach this or any other agreement with us; We have reason to believe that there has been an unauthorized use of your ATM /POS card PIN or audio response PIN; We notify you or any other person on your account that we have cancelled or will cancel this agreement. We reserve the right to amend any of the terms in this disclosure upon giving written notice to you within a reasonable period of time in advance of the effective date of the amendment.

Documentation

Terminal Transfers: You can get a receipt at the time you make a transfer to or from your account using an automatic teller machine or point of sale terminal. However, you may not get a receipt if the amount of the transfer is $15 or less.

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 320-983-3101 to find out whether or not the deposit has been made.

Periodic Statements. You will get a monthly account statement from us for your checking or your savings account(s) with electronic activity in the account(s).

You will get a quarterly account statement from us for your savings account(s) if the only possible electronic transfers to or from the account are preauthorized credits.

Preauthorized Payments

Right to Stop-Payments and Procedure for Doing So.

If you have told us in advance to make a regular payment out of your account, you can stop any of these payments. Here is how:
Call or write us at the telephone number or address listed in this disclosure in time for us to receive your request three 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. If you do not, your stop-payment may not bind us after the 14 days.

Notice of Varying Amount.

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.)

Liability for Failure to Stop-Payment of Preauthorized Transfers.

If you ordered us to stop one of these payments three 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

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:

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

Confidentiality

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

1. where is it necessary for completing transfers; or
2. in order to verify the existence and conditions of your account for a third party, such as a credit bureau or merchant; or
3. in order to comply with government agencies or court orders; or
4. if you give us written permission.

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). We will be liable for all unauthorized transfers unless the unauthorized transfer was due to a loss or theft of your card and/or code. If due to the loss or theft of your card and/or code, and you notify us within 60 days of when the unauthorized transfer appears on the statement you can lose no more than $50 if someone used your card and/or code without permission.

If you do **NOT** notify us within 60 days after the unauthorized transfer appears on your statement, and we prove that we could have stopped someone from using your card and/or code without your permission if you had told us within 2 business days of when you discovered the loss or theft of your card and/or code, you could lose as much as $500 for unauthorized transfer that appear on the statement.

Also, if your statement shows transfers that you did not make, including those made by card, 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 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 hospital stay) kept you from telling us, we will extend the time period.

Additional Limits on Liability for Mastercard® Cards.

You will not be liable for any unauthorized transactions using your MasterCard card if:

1. you can demonstrate that you've exercised reasonable care in safeguarding your card from the risk of loss or theft, and
2. upon becoming aware of loss or theft, you promptly report the loss or theft to us.

In the event these additional limits do not apply (e.g., if you failed to exercise reasonable care or failed to promptly notify us) the liability limits of Regulation E (described above) apply.

(MasterCard is a registered trademark, and the circles design is a trademark of Mastercard International Incorporation.)

(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 in this disclosure. You should also call the number or write to the address listed in this disclosure if you believe a transfer has been made using the information from your check without your permission.

Right to Bring Civil Action

You may bring a civil action against any person violating any provision of Minnesota Statutes section 47.69 (governing consumer privacy and unauthorized withdrawals). If you prevail in such an action, you may recover the greater of your actual damage or $500. You may also be entitled to recover punitive damages, your court costs, and reasonable attorney's fees.

Point- of -Sale Transactions

Payment for goods or services made in this manner shall not affect any of the rights, protections or liability in existing law concerning a cash or credit sale by means other than through the use of a terminal.

You cannot reverse a point-of-sale transaction.

Time Needed to Complete Transactions

Withdrawals made at a terminal will normally be completed and charge to your account the business day we receive your withdrawal request.

Deposits made at a terminal will normally be credited to your account the business day we receive your deposit.

Transfers between accounts will normally be completed the business day we receive your request.

Error Resolution Notice

In case of errors or questions about your electronic transfers.

Call or write us at the telephone number or address listed in this disclosure, 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 (20 business days if the transfer involves 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 involves a new account, point of sale transaction, or a foreign initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (20 business days if the transfer involves a new account) for the amount you think is an error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account. Your account is considered a new account for the first 30 days after the first deposit is made, unless each of you already has an established account with us before this account is opened.

We will tell you the results within 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.

If you have inquiries regarding your account or need more information regarding our error resolution procedures, please contact us at:

FIRST NATIONAL BANK OF MILACA
190 2nd AVE SW
PO BOX 38
Milaca MN 56353

PHONE: (302) 983-3101
EMAIL: webmaster@fnbmilaca.com
WEBSITE: www.fnbmilaca.com

BUSINESS DAYS: Monday through Friday, Federal Holidays are not included.

Additional Terms

Mobile Banking Transfers made after 4 p.m. Central Time (USA) will not be available until the next business day.

Notice of ATM/Night Deposit Facility User Precautions

As with all financial transactions, please exercise discretion when using an automatic teller machine (ATM) or night deposit facility. For your own safety, be careful. The following suggestions may be helpful.

- Prepare your transactions at home (for instance, by filling out a deposit slip) to minimize your time at the ATM or night deposit facility.
- Mark each transaction in your account record, but not while at the ATM or night deposit facility. Always save your ATM receipt. Don't leave them at the ATM or night deposit facility because they may contain important account information.
- Compare your records with the account statements you receive.
- Don't lend your ATM card to anyone.
- Remember, do not leave your card at the ATM. Do not leave any documents at a night deposit facility.
- If you lose your ATM card or if it is stolen, promptly notify us. You should consult the disclosures you have received about electronic fund transfers for additional information about what to do if your card is lost or stolen.
- Protect the secrecy of your personal identification number (PIN). Protect your ATM card as though it were cash. Don't tell anyone your PIN. Don't give anyone information regarding your ATM card or PIN over the telephone. Never enter your PIN in any ATM that does not look genuine, has been modified, has a suspicious device attached, or is operating in a suspicious manner. Don't write your PIN where it can be discovered. For example, don't keep a note of your PIN in your wallet or purse.
- Prevent others from seeing you enter your PIN by using your body to shield their view. Don't accept assistance from anyone you don't know when using an ATM or night deposit facility. When you make a transaction, be alert to your surroundings. Look out for suspicious activity near the ATM or night deposit facility, particularly if it is after sunset. At night, be sure that the facility (including the parking area and walkways) is well lit. Consider having someone accompany you when you use the facility, especially after sunset. Defer your transaction if circumstances cause you to be apprehensive for your safety. You might consider using another ATM or night deposit facility.
- If you notice anything suspicious or if any other problem arises after you have begun an ATM transaction, you may want to cancel the transaction, pocket your card and leave. You might consider using another ATM or coming back later.
- Don't display your cash; pocket it as soon as the ATM transaction is completed and count the cash later when you are in the safety of your own car, home, or other secure surroundings.
- At a drive-up facility, make sure all car doors are locked, and all windows are rolled up, except for the driver’s window. Keep the engine running and remain alert to your surroundings.
- We want the ATM and night deposit facility to be safe and convenient for you. Therefore, please tell us if you know of any problems with the facility. For instance, let us know if a light is not working or there is any damage to the facility. Please report any suspicious activity or crime to both the operator of the facility and the local law enforcement officials immediately.