Online Banking Service Agreement and Electronic Disclosure

Updated: May 25, 2022

I. General Description of Online Banking Service Agreement

A. Definitions

"First National Bank of Osakis", "we", "us", "our" or "the Bank" refers to First National Bank of Osakis, and "you" and "your" refers to each depositor, borrower, authorized signer, or authorized user for an account with First National Bank of Osakis.

B. What This Agreement Covers

This Agreement between you and First National Bank of Osakis governs the use of Online Banking services. These services permit First National Bank of Osakis customers (consumers, sole proprietorships and other business customers) to perform a number of banking functions on accounts linked to the service through the use of a personal computer, mobile device or tablet. Unless indicated otherwise by the context, "linked First National Bank of Osakis accounts" or "linked accounts" refers to all of your accounts with First National Bank of Osakis or its affiliates that you have linked to Online Banking. You may not perform withdrawals or transfers from linked accounts that require two or more signatures for such withdrawals or transfers.

C. Accepting the Agreement

When you use any of the Online Banking services described in this Agreement, or authorize others to use them, you agree to the terms and conditions of the entire Agreement.

D. Relation to Other Agreements

Your use of Online Banking services may also be affected by the agreements between us for your linked First National Bank of Osakis accounts. When you link an account to Online Banking services, you do not change the agreements you already have with us for that account. For example, when you use Online Banking services to access a loan account, you do so under the terms and conditions we gave you in the agreement and disclosure for the loan account. You should review those agreements for any applicable fees, for limitations on the number of transactions you can make, and for other restrictions that might impact your use of an account with Online Banking services.

E. User ID and Password

ID and Password; Confidentiality of Password. All First National Bank of Osakis Online Banking transactions or inquiries must be initiated by use of your First National Bank of Osakis Online Banking Identification (User ID) and Password. During the first initial logon session, you will be required to create a user ID and password. For use with all future logins, you will need to either establish a phone number to receive a security code text or call to be sent to you. Going forward, passwords for First National Bank of Osakis Online Banking can be changed online at any time. Online passwords are case sensitive and must be at least 8 characters, including a minimum of one number, one alpha character and one special character. We recommend that you change your Password frequently to prevent unauthorized use of your account. It is recommended that you do not use your social security number, birthdays, names, or other codes that may be easy for others to determine as your Password.

YOU AGREE TO KEEP YOUR PASSWORD CONFIDENTIAL. USE OF THE PASSWORD BY YOU OR BY ANY OTHER PERSON WITH YOUR AUTHORIZATION WILL BE CONSIDERED THE SAME AS YOUR WRITTEN SIGNATURE AUTHORIZING US TO COMPLETE ANY TRANSACTION OR REQUEST COMMUNICATED THROUGH FIRST NATIONAL BANK OF OSAKIS ONLINE BANKING.

If you authorize another person to use your Password, that person can use First National Bank of Osakis Online Banking to view any information or initiate any transaction on any of the accounts to the same extent as you, including viewing information or initiating transactions on accounts to which that person does not otherwise have access. As such, your sharing of your Password is strongly discouraged by the Bank, and done at your own risk.

If a third party should gain access to your Password, you alone are responsible for changing the Password so as to deny the third party's access to your banking information. Given the electronic nature of these transactions, the Bank shall have no liability to you in the event a third party should gain access to your Password through no fault of the Bank.

You should always exit First National Bank of Osakis Online Banking after you finish viewing your accounts. Never leave your computer unattended while accessing First National Bank of Osakis Online Banking. If you do, a third party may be able to access your accounts from your terminal, without ever needing to use your Password.

II. Online Banking Services

A. Online Banking for Consumers and Businesses

You may use Online or Mobile Banking to:

- Transfer funds between your linked First National Bank of Osakis accounts on either a one-time or recurring basis, including a payment to a linked installment loan or mortgage
- View current balance information for your linked First National Bank of Osakis accounts
- Review available transactions for your linked accounts
- Perform self-service account maintenance and change your User ID and Internet Password
- Send us secure email messages and questions regarding your accounts and Online Banking service
- View images of deposits and paid checks
- View bank statements
- Pay Bills through Bill Pay
- Person to Person payments through Bill Pay. Perform Cash Management Services for Business Customers
- Make deposits from checks.

Some of the above services may not be available for certain accounts or customers.

Security: First National Bank of Osakis Online Banking transmits data using SSL (Secure Socket Layer) technology that supports 256 bit key encryption. If your browser does not support 256-bit encryption, you will not be able to access Online Banking. The First National Bank of Osakis web server does not connect directly to the Internet. It is buffered from the Internet through the use of firewalls and a service provider interface. All access from outside the bank must go through these firewalls, which screens the requests and allows only valid http traffic to reach the server.

Hardware and Software Requirements. To be able to use Online Banking, you must provide your own personal computer, mobile device or tablet with Internet access. Online Banking can be accessed through a basic web browser like Microsoft Internet Explorer and should always have the latest version (See Security above for encryption requirements.) You should also have current appropriate anti-virus and spyware software. You are and will remain solely responsible for the purchase, hook-up, installation, loading, operation, and maintenance of your own personal computer and for all related costs. You are solely responsible for scanning the Hardware and the Software for computer viruses and other related problems before you use them.

B. Bill Pay Services

In addition to the Online Banking features listed above, if you are a First National Bank of Osakis customer with a deposit account you may also:

- Make one-time or recurring payments online from your linked checking account(s) to companies or individuals (payees) you select.

C. Online Banking Alerts

We provide voluntary Account Alerts.

1. Account Alerts must be activated by you.
    - Account Alerts allow you to choose alert messages for your accounts. We may add new alerts from time to time.
    - Each alert has different options available, and you will be asked to select from among these options upon activation of your alerts service.
2. Account Alerts are subject to the following.
    - Electronic alerts will be sent through phone messaging or to the primary email address you have provided for Online Banking. If your phone or email address changes, you are responsible for informing us of that change.
    - You understand and agree that your alerts may be delayed or prevented by a variety of factors. We do our best to provide alerts in a timely manner with accurate information. We neither guarantee the delivery nor the accuracy of the contents of any alert. You also agree that we shall not be liable for any delays, failure to deliver, or misdirected delivery of any alert; for any errors in the content of an alert; or for any actions taken or not taken by you or any third party in reliance of an alert.
    - Because alerts are not encrypted, we will never include your Password or full account number. However, alerts may include your name and some information about your accounts. Depending upon which alerts you select, information such as your account balance or the due date for your loan payment may be included. Anyone with access to your email will be able to view the contents of these alerts.

III. Description of Online Banking Services

A. Transfers

- Processing of Transfer Requests
    - Transfers can be made in 2 ways; on a one-time basis or a recurring basis. One-time transfers may be immediate

or scheduled for a future date. The recurring transfer feature may be used when a set amount is transferred at regular intervals. For example, a $200 transfer from a checking to a savings account which occurs every month.
    - One-time immediate transfers can be made from a First National Bank of Osakis checking, savings, or money market account to most linked First National Bank of Osakis accounts..
    - Scheduled and recurring transfers can be made from a First National Bank of Osakis checking, savings or money market account to a linked checking account, savings account, or loan account..
    - Transfers from a deposit account are reflected in that account's available balance on the day the transfer is to take place.
- Scheduled and Recurring Transfers
    - Transfers scheduled for a weekend or a non-bank business day will be processed on the next bank business day. All other scheduled and recurring transfers will be processed from the funding account at the beginning of the business day.
- Transfers to Credit Accounts (Loans held at the Bank)
    - Funds transferred as a payment to an installment loan at the Bank before 7:00 p.m. Central Time on a bank business day will be credited with the date the payment is submitted. Transfer payments submitted after 7:00 p.m. Central Time or on a non-bank business day will be credited the next bank business day Funds transferred as a payment to a line of credit before 7:00 p.m. Central Time on a bank business day will be credited with the date the payment is submitted. Transfer payments to a line of credit after 7:00 p.m. Central Time or on a non-bank business day will be credited the next bank business day. Updates to account balances, funds availability, and transaction posting may take up to one (1) bank business day.
- Transfers to Deposit Accounts
    - Funds transferred to a deposit account held at the Bank prior to 7:00 p.m. Central Time on a bank business day will appear with the same day's date in the deposit account transaction history and are available to cover payments withdrawn from the deposit account overnight (such as checks and direct debits). Transfers submitted after 7:00 p.m. Central Time or on a non-bank business day will appear with the following bank business day's date in the deposit account transaction history and are available to cover payments withdrawn from the deposit account on the following business day.
    - All transfers submitted to a deposit account held at the Bank (such as checking, savings, money market) are immediately reflected in that account's available balance.
- Additionally for transfers to accounts held at another Financial Institution, both accounts must be owned by the same account owner. Crediting times for transfers will vary based on the receiving Financial Institution.

B. Online Banking Bill Pay Processing

First National Bank of Osakis customers with a consumer deposit account may use the Bill Pay product in the following manner:

- Payments can be scheduled from linked checking accounts.
- Payments can be entered as a 1-time transaction up to a year in advance, recurring transactions or as payments that are automatically scheduled upon the receipt of an electronic bill (e-Bill).
- Payments entered on our system before 1:00 p.m. Central Time on a bank business day will be scheduled and begin processing on the same bank business day. Payments that are entered after this cut-off time or on a day that is a non-bank business day will be scheduled and processed the next bank business day.
- Scheduled recurring payments that fall on a weekend or a non-bank business day will be processed on the next bank business day.
- You authorize us to make payments in the manner we select from the following methods:
    - Electronic transmission. Most payments are made by electronic transmission.
    - Paper check - This is a check drawn on your account based on your authorization under this Agreement.
- Scheduling Bill Pays
    - The scheduled delivery date is the date you enter for the payment to be delivered to the payee. The payment amount will be debited from, or charged to the account that you designate on the scheduled processing date, if payment is by electronic transmission. If payment is made by check, it will process through your account once it is cashed or deposited, just like any other check that you have written. If the scheduled delivery date is a weekend or non-bank business day, then the delivery date will be the next bank business day.
    - When you attempt to schedule a payment, we will inform you of the earliest available delivery date. To assure timely payment you must schedule payments and your account must be in good standing at the time of processing. If you do not, or if for any reason your account is not in good standing, you will be fully responsible for all late fees, finance charges or other action taken by the payee. If we are unable to complete the payment because of insufficient funds in your account or some other reason, we will send you an alert to the email address you have provided with this Agreement. We will also notify you if your account is no longer in good standing and eligible to be used for Bill Pay.

C. Limitations and Dollar Amounts for Transfers and Payments

Transfers and Payments made using Online Banking are subject to the following limitations:

- Bill Pays can be for any amount between $1.00 and $10,000.00.

- P2P payments through Bill Pay are limited to $2500.00. For security reasons, specific limitations are not disclosed here. Contact us for more information on those limits.
- Scheduled and recurring transfers between linked First National Bank of Osakis accounts can be for any amount over $1.00.
- All transfer limits are subject to temporary reductions to protect the security of customer accounts and/or the transfer system.
- At our discretion we may refuse to process any transaction that exceeds any of the above limits. In this case, you are responsible for making alternate arrangements or rescheduling the payment or transfer within Online Banking.

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D. Transfer/Payment Authorization and Sufficient Available Funds

- You authorize First National Bank of Osakis to withdraw, debit or charge the necessary funds from your designated account in order to complete all of your designated transfers and payments.
- You agree that you will only transfer money from an account owned by you. Any attempt to transfer money from an account not owned by you may be illegal and considered fraudulent if not authorized by the owner of that account, and may be reported to law enforcement.
- You agree that you will instruct us to make a withdrawal only when a sufficient balance is or will be available in your accounts at the time of the withdrawal.
- The completion of a transfer or payment is subject to the availability of sufficient funds (including any overdraft protection plans) at the time the transaction is posted. If enough funds to complete the transfer or payment are not available, we may either (i) complete the transaction and overdraw the account or (ii) refuse to complete the transaction. In either case, we may charge a non-sufficient funds (NSF), returned item, overdraft, or similar fee. Please refer to the applicable account agreement and fee schedule for details.
- At our option, we may make a further attempt to issue the payment or process the transfer request.
- First National Bank of Osakis is under no obligation to inform you if it does not complete a payment or transfer because there are non-sufficient funds or credit in your account to process the transaction. In this case, you are responsible for making alternate arrangements or rescheduling the payment or transfer within Online Banking.

E. Canceling Transfers and Payments

- Bill Payments and transfers through Bill Pay
  In order to cancel a payment or transfer you must log onto Online Banking and follow the directions provided on the Bill Pay screens. Future dated payments or transfers can be cancelled prior to 1:00 p.m. Central Time on the same bank business day prior to the scheduled processing date.

- Transfers
  You can cancel a one-time immediate transfer after it has been submitted in Online Banking by calling us before 3:00pm Central time that day. Future dated and recurring transfers can be canceled prior to 3:00 p.m. Central Time on the bank business day prior to the date the transfer is scheduled to be made. If the transfer's status is processed, you can no longer cancel it.

In order to cancel a scheduled or recurring payment or a future-dated transfer, you must login to your online banking account.

F. Our Liability for Failure to Cancel or Stop the Transfer or Payment

If you attempt to cancel a payment or transfer in complete accordance with the above instructions and we do not do so, we will be liable for your losses or damages.

G. Accounts Linked to Your Online Banking Services

When you first set up your Internet User ID, we will link all of your eligible First National Bank of Osakis accounts. If you open an additional eligible account at a later date, we will link your new account to Online Banking, unless you instruct us not to do so. If you want to limit the accounts linked, please call us at 320-859-2101.

IV. Other Terms and Conditions

A. Monthly Service Charge

Access to the First National Bank of Osakis website and Online Banking are furnished at no charge to the customer. This includes viewing your accounts, current transactions, viewing a range of transactions between dates, transferring funds from one account to another and viewing previous statements.

You will be solely responsible for all tariffs, duties, or taxes imposed by any government or governmental agency in connection with any transfer made pursuant to this Agreement and for all telephone charges, Internet access service charges, tools tariffs, and other costs for Internet sessions initiated by you. There may be other costs and charges associated with your accounts, such as overdraft charges. Please refer to the Schedule of Fees for details.

There is no monthly charge for Bill Pay.

B. Other Charges

You should note that depending on how you access Online Banking, you might incur charges for:

- Normal account fees and service charges.
- Any Internet service provider fees.
- Purchase of computer programs.
- Additionally, fees may be assessed for added self-service features available through Online Banking customer service. Please consult your deposit account agreements to see if your accounts are subject to these fees.
- An NSF-fee, returned item, overdraft or similar fee may also apply if you schedule payments or transfers and your available balance is not sufficient to process the transaction on the date scheduled.
- We may charge you a research fee of $15.00 per hour for an inquiry about a transaction that occurred more than 180 days before the date you make the inquiry. This fee will be waived if we determine that an error occurred.

C. Service Hours

Online Banking services are available 365 days a year and 24 hours a day, except during system maintenance and upgrades. Online Banking Customer Service is available during our normal business hours by calling 320-859-2101. You may also write us at:

First National Bank of Osakis
211 Central Ave, P. O. Box 580
Osakis, MN 56360

D. Business Days

For Online Banking services, our business days are Monday through Friday, excluding bank holidays.

E. Participation by Payees

Occasionally a payee may choose not to participate in Bill Pay, or may require additional information before accepting payments. We will work with these payees to encourage them to accept an electronic or check payment from the Bank. If we are unsuccessful, or if we determine that the payee cannot process payments in a timely manner, we may decline future payments to this payee. In the unlikely event that this occurs, we will promptly send you a notice. Any obligations that you wish to pay through Online Banking with Bill Pay must be payable in U.S. dollars to a payee located in the United States. We reserve the right to restrict categories of payees to whom payments may be made using the service. You should not use the service to make:

- Tax payments
- Court-ordered payments
- Payments to settle securities transactions

F. Canceling Your Online Banking

If you choose to cancel your Online Banking services, any unprocessed payments will be canceled. We recommend that you cancel any scheduled payments prior to notifying us that you are discontinuing the service. First National Bank of Osakis will cancel any scheduled payments within two (2) bank business days from the date we receive your request to discontinue the service. If you close your primary checking account, or if it's no longer linked to your service, your Online Banking service will end, and any unprocessed payments will be canceled.

G. Joint Accounts

When your Online Banking service is linked to one or more joint accounts, we may act on the verbal, written or electronic instructions of any authorized signer.

H. Changes to Agreement

We may change this agreement at any time. For example, we may add, delete or amend terms or services. We may notify you of such changes by mail or electronic message. If you initiate any transfer of funds or Bill Pay through your Online Banking services after the effective date of a change, you indicate your agreement to the change.

I. Cancellation

Your Online Banking services remain in effect until they are terminated by you or First National Bank of Osakis. You may cancel your service at any time by notifying us of your intent to cancel in writing, through Online Banking secure mail, or by calling Online Banking customer service at 320-859-2101. This cancellation applies to your Online Banking services and does not terminate your First National Bank of Osakis accounts. We recommend that you cancel any scheduled payments prior to notifying us that you are discontinuing the service.

We may terminate your participation in Online Banking services for any reason, including inactivity, at any time. We will try to notify you in advance, but we are not obliged to do so.

J. Use of External Email Address

With Online Banking services we may send messages to your external email address and notify you that responses to your payment

inquiries or customer service inquiries are available, or as otherwise described within the Online Banking services. We cannot act on instructions sent by you from an external email address. You should use Online Banking secure mail to send instructions to First National Bank of Osakis. If, for any reason your external email address changes or becomes disabled, please contact First National Bank of Osakis immediately so that we can continue to provide you with automated messages. You may notify us of any changes to your external email address through your Online Banking service.

K. Contact by First National Bank of Osakis or Affiliated Parties

No First National Bank of Osakis or payee employee, nor any company affiliated with First National Bank of Osakis Online Banking will contact you via email or phone requesting your Internet User ID or Internet Password. If you are contacted by anyone requesting this information, please contact us immediately.

L. Reporting Unauthorized Transactions

Please call us at 320-859-2101 to report any unauthorized transactions.

M. Initiating Payment Inquiries

To initiate a payment inquiry, you may use Online Banking services to send the request via secure Internet mail. Or you may contact Online Banking Customer Service by calling 320-859-2101.

N. Disclosure of Account Information

We may disclose information to third parties about you or your account or your transactions in the following instances:

- When it's necessary for completing transfers or Bill Pay, or to investigate or resolve a problem related to a transfer or payment
- To verify the existence and condition of your account for a third party, such as a credit bureau or merchant
- To comply with a government agency or court orders, or in connection with fraud prevention or an investigation
- If you give us your permission
- With our affiliates as permitted under Federal and applicable state laws
- On a closed account, if we reasonably believe you have mishandled it

For more information about our privacy and security practices and a link to our Privacy Policy for Consumers go to our Web site at www.fnbosakis.com

O. Account Statements

We report your Online Banking transactions on the monthly statements for your linked accounts. A description of each transaction, including whom you paid, and the date and amount of the transaction will appear on your statement.

V. <u>Additional Provisions Applicable Only to Consumer and Sole Proprietorship Accounts</u>

A. In Case of Errors or Questions About Your Electronic Transactions

In case of an error or question about your electronic transactions, send us a secure Internet mail message or call us at 320-859-2101. You may also write us at:

First National Bank of Osakis
211 Central Ave, P.O Box 580
Osakis, MN 56360

Contact us immediately if you think:

- Your statement or transaction record is wrong
- You need more information about a transaction listed on your statement
- An unauthorized person has discovered your Online Banking Password
- Someone has transferred or may transfer money from your account without your permission
- Bill Pay transactions have been made without your authorization

We must hear from you no later than 60 days after we have sent the FIRST statement on which the problem or error appeared (or 90 days if the problem or error relates to a Bill Pay from an account maintained at another financial institution).
If you tell us verbally, we may require you to send us your complaint or question in writing or via email within ten (10) bank business days (Online Banking customers may use secure Internet mail). When you contact us, please provide the following information:

- Your name and account number
- The date and dollar amount of the transaction in question
- The name of the payee if the transaction in question is a payment
- The transaction number assigned by Online Banking, if available
- A description of the transaction about which you are unsure

Please explain as clearly as you can why you believe there is an error or why you need more information.

We will tell you the results of our investigation within 10 bank business days (5 bank business days for debit card point-of- sale transactions and 20 bank business days if the transfer involved a new account) after we hear from you, and we will promptly correct any error we have made. If we need more time, however, we may take up to 45 bank business days (90 bank business days if the transfer involved a new account, a point-of-sale transaction or a foreign-initiated transfer) to investigate your complaint or question. In this case, we will provisionally credit your account within 10 bank business days (5 bank business days for debit card point-of-sale transactions and 20 bank business days if the transfer involved a new account) for the amount you think is in error, so that you 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 your letter in 10 bank business days, we reserve the right not to provisionally credit your account.

If we conclude there was no error, we will send you a written explanation within three (3) bank business days after we complete our investigation. You may request copies of the documents that we used in our investigation.

B. Limitation of Liability

If we do not complete an electronic fund transfer to or from an account in a reasonable amount of time or in the correct amount according to our agreement with you, we will only be liable for your direct losses or actual damages, except in the following instances:

- If, through no fault of ours, you do not have enough money in the account (or any linked account) to make the electronic fund transfer or the electronic fund transfer would go over the credit limit on the account.
- If you have not completely and properly followed the terms of this Agreement or instructions provided regarding how to make an electronic fund transfer or the data or instruction transmitted via First National Bank of Osakis Online Banking are inaccurate or incomplete.
- If any part of the First National Bank of Osakis Online Banking system was not working properly and you knew about the breakdown when you started your electronic fund transfer.
- If circumstances beyond our control prevent or delay the electronic fund transfer, despite reasonable precautions that we have taken.
- If your funds are subject to legal proceeding or if any other claim restricts the transaction.
- If your Password has been reported lost or stolen or if we have any other reason to believe that an electronic fund transfer may be erroneous or unauthorized.
- If you, any joint holder, or an authorized cosigner on a Deposit Account has requested that we stop payment of the electronic fund transfer.
- If you have exceeded the limitations on the number of withdrawals or transfers allowed during the statement period for the type of Deposit Account you have with us
- If the Deposit Account has been closed.

To the fullest extent permitted by applicable law, you agree that we will have no liability whatsoever for any loss, damage, or claim arising out of any delay or failure in the performance of any First National Bank of Osakis Online Banking service in accordance with the terms of this Agreement, including but not limited to, that resulting from our negligence. Our duties and responsibilities to you are strictly limited to those described in this Agreement, except with respect to any provisions of the law applying to electronic fund transfers that cannot be varied or waived by agreement. In no event will the Bank be liable for any consequential, special, or punitive damages or for any indirect loss that you may incur or suffer in connection with the service (even if we have been informed of the possibility of such damages), including, without limitation, attorneys fees. The Service Provider is an Independent contractor and not our agent. Our sole duty shall be to exercise reasonable care in the initial selection of the Service Provider. YOU ACKNOWLEDGE THAT NO EXPRESS OR IMPLIED WARRANTY, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS OR A PARTICULAR PURPOSE, IS MADE BY FIRST NATIONAL BANK OF OSAKIS WITH RESPECT TO ANY FIRST NATIONAL BANK OF OSAKIS ONLINE BANKING SERVICE OR THE SOFTWARE, AND GLENWOODSTATE BANK HEREBY DISCLAIMS ALL SUCH WARRANTIES. The only warranties are those provided by the licensor of the Software and set forth on the Software package. To the fullest extent permitted by applicable law, and without limiting the generality of the foregoing, we shall not be liable at any time to you or any other person for any loss, charge, fee, penalty, expense or other damage resulting from any failure or delay of the performance of our responsibilities under this Agreement which is caused or occasioned by any act or thing beyond our reasonable control, including, without limitation, legal restraint, interruption of transmission or communication facilities, equipment failure, electrical or computer failure, war, emergency conditions, acts of God, fire, storm, or other catastrophe, or inability to obtain or delay in obtaining wire services or Internet access, or refusal or delay by the

Service Provider or another bank or financial institution to execute any bank transfer or stop payment. In addition, we shall be excused from any failure or delay in executing a bank transfer or stop payment, if such execution would result in the violation of any applicable state or federal law, rule, regulation or guideline. To the fullest extent permitted by applicable law, you agree that we shall not have any liability whatsoever for any loss caused by the act, error, or omission of you or any other person, including, without limitation, the Service provider. Any Internet access service provider, any federal reserve bank or transmission or communications facility or any intermediary or receiving financial institution and no such person shall be deemed our agent.

Indemnification

Except to the extent of our liability pursuant to the terms of this Agreement or any other agreement or notice that otherwise governs your Account, you agree to indemnify and hold us, our directors, officers, employees and agents harmless from any and all loss, liability, claims, demands, judgments and expenses (including attorney's fees) arising out of, or in any way connected with, your use or misuse of Online Banking Service. This indemnification is provided by you without regard to whether our claim for indemnification is due to the use of Online Banking Service by you, or your Authorized Representative.

Tell us at once if you believe your Online Banking Password has been compromised or if someone has transferred or may transfer money from your account without your permission. The best way to minimize your loss is to call us immediately. The unauthorized use of your Online Banking services could cause you to lose all of your money in your accounts, plus any amount available under your overdraft protection.

You will have no liability for unauthorized transactions if you notify us within 60 days after the statement showing the transaction has been mailed to you (or 90 days if the transaction was from an account maintained at another financial institution). If you do not, you may not get back any of the money you lost from any unauthorized transaction that occurs after the close of the 60-day period (or 90 days if the transaction was from an account maintained at another financial institution), if we can show that we could have stopped the transaction if you had notified us in time. If a good reason (such as a long trip or hospital stay) kept you from telling us, we may extend the time periods.

When you give someone your Online Banking User ID and Password, you are authorizing that person to use your service, and you are responsible for all transactions that person performs while using your service. All transactions that person performs, even those transactions you did not intend or want performed, are authorized transactions. If you notify us that the person is no longer authorized, then only 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, sign off after every Online Banking session and close your browser to ensure confidentiality.

VI. <u>Additional Provisions Applicable Only to Business Accounts (other than Sole Proprietorships)</u>

A. Protecting Your Password

You agree that we may send notices and other communications, including Password confirmations, to the current address shown in our records, whether or not that address includes a designation for delivery to the attention of any particular individual. You further agree that First National Bank of Osakis will not be responsible or liable to you in any way if information is intercepted by an unauthorized person, either in transit or at your place of business. You agree to: 1) keep your password secure and strictly confidential; and 2) immediately notify us and select a new password if you believe your password may have become known to an unauthorized person. First National Bank of Osakis **will have no liability to you for any unauthorized payment or transfer made using your password that occurs before you have notified us of possible unauthorized use and we have had a reasonable opportunity to act on that notice.** We may suspend or cancel your password even without receiving such notice from you, if we suspect your password is being used in an unauthorized or fraudulent manner.

B. Acknowledgment of Commercially Reasonable Security Procedures

By using Online Banking, you acknowledge and agree that this Agreement sets forth security procedures for electronic banking transactions that are commercially reasonable. You agree to be bound by instructions, whether authorized or unauthorized, which we implement in compliance with these procedures, unless you have given us prior notice of possible unauthorized use as described above (and we had a reasonable opportunity to act on such notice).

The Online Banking Cash Management Service utilizes a comprehensive security strategy to protect your accounts and transactions conducted over the internet. You will be designated as an administrator ("Administrator") for all accounts covered by this Agreement. During the first initial logon session, you are required to establish a group of security questions and answers that you will be presented from time to time as an extra level of validation. Going forward, passwords for First National Bank of Osakis Online Banking can be changed online at any time. Online passwords are case sensitive and must be at least 8 characters, including at least one alpha character, one number, and one special character. We recommend that passwords be changed regularly.

You agree to comply with the following security procedures. You acknowledge that the security procedures are for verification of authenticity and not to detect errors in transactions. You warrant that no Authorized Representative will be allowed to initiate transfers without proper supervision and safeguards and agree to take all reasonable steps to maintain confidentiality of the security

procedures and any related security features. If you know, become aware, or believe that an unauthorized individual has transacted or attempted to transact on your behalf or that the security procedures have otherwise been compromised, you agree to immediately notify First National Bank of Osakis and agree that any transaction made before or within a reasonable time after such notice to First National Bank of Osakis shall be treated as authorized by you.

You agree to designate Authorized Representatives to act on your behalf, who shall have the authority to authorize all actions necessary in the use of First National Bank of Osakis Online Business Banking. You agree that First National Bank of Osakis shall not be under a duty to inquire as to the authority or propriety of any transaction made by your Authorized Representative.

First National Bank of Osakis shall be entitled to act upon the instructions of any person whom First National Bank of Osakis reasonably believes to be your Authorized Representative, whether or not you have authorized such instructions. First National Bank of Osakis shall not be liable for any loss, cost, expense or other liability arising out of any such instructions.

You agree to implement and comply with First National Bank of Osakis' password and secure access requirements. You further agree that First National Bank of Osakis will not be responsible or liable to you in any way if information is intercepted by an unauthorized person, either in transit or at your place of business. You agree to: (1) keep your password(s) secure and strictly confidential, providing password(s) only to Authorized Representatives on the your account(s); (2) instruct each person to whom you give a password(s) that he or she is not to disclose it to any one else; and (3) immediately notify First National Bank of Osakis and select a new password if you believe a password may have become known to an unauthorized person.

FIRST NATIONAL BANK OF OSAKIS WILL HAVE NO LIABILITY TO YOU FOR ANY UNAUTHORIZED PAYMENT OR TRANSFER MADE USING YOUR PASSWORD(S) THAT OCCUR BEFORE YOU HAVE NOTIFIED FIRST NATIONAL BANK OF OSAKIS OF POSSIBLE UNAUTHORIZED USE AND FIRST NATIONAL BANK OF OSAKIS HAS HAD A REASONABLE OPPORTUNITY TO ACT
ON THAT NOTICE. First National Bank of Osakis may suspend or cancel your Online Banking even without receiving such notice from you, if First National Bank of Osakis suspects a password is being used in an unauthorized or fraudulent manner.

C. Compliance with the Rules and Applicable Law.
The Company represents and warrants that it will comply with the Rules (including proper SEC codes), United States laws, and other applicable laws, regulations and regulatory requirements and that it will not transmit any Entry or engage in any act or omission that violates or causes First National Bank of Osakis to violate the Rules, applicable laws, regulations or regulatory requirements, including, without limitation, regulations of the Office of Foreign Asset Control (OFAC), sanctions or executive orders, or any program administered by the United States Department of the Treasury's Financial Crimes Enforcement Network ("FinCEN"), the Board of Governors of the Federal Reserve and the Federal Financial Institutions Examination Council ("FFIEC"). First National Bank of Osakis may terminate or suspend this Agreement upon written notice and identification of a material breach by Company of the Rules. Furthermore, First National Bank of Osakis shall have the right to initiate an audit of Company procedures for compliance with this Agreement and the Rules, upon written notification to Company. First National Bank of Osakis will charge the Company with any fines or penalties imposed by OFAC, NACHA or any organization which are incurred as a result of non-compliance by Company and Company agrees to fully reimburse and/or indemnify First National Bank of Osakis for such charges or fines.

D. Designation of Administrator.
In order to originate ACH Entries, Company must designate at least one Administrator. Administrator(s) shall be responsible for designating "Users" who Company authorizes to issue Entries on its behalf. For the purposes of this Agreement, the term User shall also include the Administrator. First National Bank of Osakis shall be entitled to rely on the designations made by the Company's Administrator(s) and shall not be responsible for matching the names of the company Users designated by the Administrator(s) to names or titles listed in Company's banking resolutions. Company agrees that any such online Entries shall comply with First National Bank of Osakis' Security Procedures, which are subject to change without notice to Company. Although First National Bank of Osakis is only required to act upon the instructions of the User(s), the Financial Institution may, in its sole discretion, execute debit or credit Entries initiated by any individuals authorized by Company to sign checks on Company accounts. The signature cards establishing the authorized signatories for Company deposit accounts are hereby incorporated by reference and made a part hereof.

E. Limitation of Bank's Liability
Our liability to you is limited to the extent stated in any other Account and/or loan agreements, notices, and disclosures that are separately provided to you from time to time regarding your Accounts and/or this Agreement. This section explains the complete extent of our liability to you only to the extent that it has not been separately disclosed to you by any of these agreements, notices, or disclosures.

If we do not complete an electronic fund transfer to or from an account in a reasonable amount of time or in the correct amount according to our agreement with you, we will only be liable for your direct losses or actual damages, except in the following instances:

- If, through no fault of ours, you do not have enough money in the account (or any linked account) to make the electronic fund transfer or the electronic fund transfer would go over the credit limit on the account.

- If you have not completely and properly followed the terms of this Agreement or instructions provided regarding how to make an electronic fund transfer or the data or instruction transmitted via First National Bank of Osakis Online Banking are inaccurate or incomplete.

- If any part of the First National Bank of Osakis Online Banking system was not working properly and you knew about the breakdown when you started your electronic fund transfer.

- If circumstances beyond our control prevent or delay the electronic fund transfer, despite reasonable precautions that we have taken.

- If your funds are subject to legal proceeding or if any other claim restricts the transaction.

- If your Password has been reported lost or stolen or if we have any other reason to believe that an electronic fund transfer may be erroneous or unauthorized.

- If you, any joint holder, or an authorized cosigner on a Deposit Account has requested that we stop payment of the electronic fund transfer.

- If you have exceeded the limitations on the number of withdrawals or transfers allowed during the statement period for the type of Deposit Account you have with us
- If the Deposit Account has been closed.

To the fullest extent permitted by applicable law, you agree that we will have no liability whatsoever for any loss, damage, or claim arising out of any delay or failure in the performance of any First National Bank of Osakis Online Banking service in accordance with the terms of this Agreement, including but not limited to, that resulting from our negligence. Our duties and responsibilities to you are strictly limited to those described in this Agreement, except with respect to any provisions of the law applying to electronic fund transfers that cannot be varied or waived by agreement. In no event will the Bank be liable for any consequential, special, or punitive damages or for any indirect loss that you may incur or suffer in connection with the service (even if we have been informed of the possibility of such damages), including, without limitation, attorneys fees. The Service Provider is an Independent contractor and not our agent. The Bank's sole duty shall be to exercise reasonable care in the initial selection of the Service Provider. YOU ACKNOWLEDGE THAT NO EXPRESS OR IMPLIED WARRANTY, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS OR A PARTICULAR PURPOSE, IS MADE BY FIRST NATIONAL BANK OF OSAKIS WITH RESPECT TO ANY FIRST NATIONAL BANK OF OSAKIS ONLINE BANKING SERVICE OR THE SOFTWARE, AND FIRST NATIONAL BANK OF OSAKIS HEREBY DISCLAIMS ALL SUCH WARRANTIES. The only warranties are those provided by the licensor of the Software and set forth on the Software package. To the fullest extent permitted by applicable law, and without limiting the generality of the foregoing, we shall not be liable at any time to you or any other person for any loss, charge, fee, penalty, expense or other damage resulting from any failure or delay of the performance of our responsibilities under this Agreement which is caused or occasioned by any act or thing beyond our reasonable control, including, without limitation, legal restraint, interruption of transmission or communication facilities, equipment failure, electrical or computer failure, war, emergency conditions, acts of God, fire, storm, or other catastrophe, or inability to obtain or delay in obtaining wire services or Internet access, or refusal or delay by the Service Provider or another bank or financial institution to execute any bank transfer or stop payment. In addition, we shall be excused from any failure or delay in executing a bank transfer or stop payment, if such execution would result in the violation of any applicable state or federal law, rule, regulation or guideline. To the fullest extent permitted by applicable law, you agree that we shall not have any liability whatsoever for any loss caused by the act, error, or omission of you or any other person, including, without limitation, the Service provider. Any Internet access service provider, any federal reserve bank or transmission or communications facility or any intermediary or receiving financial institution and no such person shall be deemed our agent.

Except to the extent of our liability pursuant to the terms of this Agreement or any other agreement or notice that otherwise governs your Account, you agree to indemnify and hold us, our directors, officers, employees and agents harmless from any and all loss, liability, claims, demands, judgments and expenses (including attorney's fees) arising out of, or in any way connected with, your use or misuse of Online Banking Service. This indemnification is provided by you without regard to whether our claim for indemnification is due to the use of Online Banking Service by you, or your Authorized Representative.

Tell us at once if you believe your Online Banking Password has been compromised or if someone has transferred or may transfer money from your account without your permission. The best way to minimize your loss is to call us immediately. The unauthorized use of your Online Banking services could cause you to lose all of your money in your accounts, plus any amount available under your overdraft protection.

VII. <u>Additional Services Intended for Businesses</u>

A. Creating and Managing Users

You may add additional users to your Online Banking access, each with a separate User ID and password. You may also designate another user as an Administrator, which means that this user will also be able to designate additional users. You agree that, by granting access, you will be allowing a user to transfer funds, perform account maintenance and view account transactions for the linked account. Inquiry access allows a user to view account transactions only. If you no longer are a person authorized on the signature card for each linked account to designate signers for each such account, the business has the obligation to inform First National Bank of Osakis of the new individual or individuals with such authority. Such notice must be given separately from any other notices given to other First National Bank of Osakis departments by calling us at 320-859-2101. You may also write us at:

First National Bank of Osakis
211 Central Ave, P.O. Box 580
Osakis, MN 56360

First National Bank of Osakis will have no liability to you for unauthorized payments and transfers made using the passwords you assign that occur before you have notified us of possible unauthorized use and we have had a reasonable opportunity to act on that notice.

B. Linking Accounts of Additional Businesses

If you also are authorized to enter into an Agreement for the Online Banking service for another business, and if you want to link the accounts of the other business to the accounts covered by this Agreement, you will need to agree separately to this Agreement for each other business. Upon doing so, you may link the accounts of the businesses so that you may elect, at your risk and that of the businesses, but not of the Bank, to use a common Internet User ID and password for Online Banking for all linked accounts. You should do this only if you are authorized to link the accounts of the different business and to use all the functions of Online Banking for each business. You further agree to inform First National Bank of Osakis if your authority over any linked account decreases. First National Bank of Osakis is not liable if your authority over any account decreases until it is informed of the change in authority using the "Notice" requirements of this Agreement.

C. Contacting First National Bank of Osakis

For general questions, to request cancellation of transfers, or to report unauthorized transactions please call us at 320-859-2101Online Banking Customer Service is available during regular business hours, excluding bank holidays. You may also write us at:

First National Bank of Osakis
211 Central Ave, P.O. Box 580
Osakis, MN 56360

VIII. <u>Additional Services Intended for Consumers</u>

A. Creating and Managing Users

You may add additional users to your Online Banking access, each with a separate User ID and password. You may also designate another user as an Administrator, which means that this user will also be able to designate additional users. You agree that, by granting access, you will be allowing a user to transfer funds, perform account maintenance and view account transactions for the linked account. Inquiry access allows a user to view account transactions only. If you no longer are a person authorized on the signature card for each linked account to designate signers for each such account, the account holder has the obligation to inform First National Bank of Osakis of the new individual or individuals with such authority. Such notice must be given separately from any other notices given to other First National Bank of Osakis departments by calling us at 320-859-2101. You may also write us at:

First National Bank of Osakis
211 Central Ave, P.O. Box 580
Osakis, MN 56360

First National Bank of Osakis will have no liability to you for unauthorized payments and transfers made using the passwords you assign that occur before you have notified us of possible unauthorized use and we have had a reasonable opportunity to act on that notice.

B. Contacting First National Bank of Osakis

For general questions, to request cancellation of transfers, or to report unauthorized transactions please call us at 320-859-2101. To request a cancellation of a Bill Pay payment please call us at 866-321-6537 from 6:30 a.m. to 10:00 p.m. CST M-F, excluding bank holidays. Online Banking Customer Service is available during regular business hours, excluding bank holidays. You may also write us at:

First National Bank of Osakis
211 Central Ave, P.O. Box 580
Osakis, MN 56360