

Farmers & Merchants State Bank ONLINE BANKING AGREEMENT AND DISCLOSURES

Coverage

This Agreement applies to your use of Farmers & Merchants State Bank's Online Banking, which permits you to access your accounts with us via the Internet for services selected by you and agreed upon by us. This Agreement applies to all persons that are parties to the accounts. In this Agreement, the terms "you" and "your" refer to each depositor on an account accessible by Online Banking, and the terms "us", "we", and "our" refer to the bank.

Enrollment

To establish Online Banking you will need to register and complete the Enrollment required information. Assistance with first time user registration is available from customer services or any of our universal bankers by calling (920)-478-2181. By clicking on the "I Agree" button when terms & conditions are displayed, you are consenting to the acceptance of this Agreement.

Equipment/Access Requirements

- 1) Personal Computer or Mac with printer or download capabilities to keep copies for your records;
- 2) We support most common operating systems capable of using Browsers listed below. (Notable exceptions are Windows XP and Windows Vista which are not capable of supporting internet explorer 11.0 or greater).
- 3) You will need a browser such as; Google Chrome™ (Version 44.0 or greater), Microsoft Edge (any version), Apple Safari® (Version 9.0 or greater), Mozilla Firefox® (Version 44.0 or greater), or Opera™ (Version 30 or greater).
- 4) You will need the ability to view .PDF documents, by utilizing a pdf reader software such as; adobe;
- 5) You need authorized Farmers & Merchants State Bank Online Banking Access.

Farmers & Merchants State Bank will notify you if any of these requirements become obsolete or change.

Your Responsibility

You are responsible for selecting all systems, hardware, and your Internet Service provider and for any defect, malfunction, or interruption in service or security due to hardware failure, your choice of Internet Service provider, and systems and computer services.

Access Codes

The first time you log in to Online Banking, you will be required to change your User Name and your Password. When logging into Online Banking on your computer, you may receive a message (text or voice) on your phone with an 8 digit code. You will be asked to enter this code to complete the login process. Your Password has the same effect as your signature authorizing transactions. You agree to safely keep the Password, not to record the Password, or otherwise disclose or make the Password available to anyone other than authorized users of your accounts. Anyone to whom you disclose your Password and anyone who has access to your Password will have full access to the services you can perform on Online Banking, including full access to your accounts. You have no ability to limit any such person's authority. If anyone uses your password with your permission, you will be responsible for any transactions performed by that person.

If you fail to log in three consecutive times to Online Banking, the system will lock you out. If you are locked out of on-line banking, your access to the system will be disabled. Call Farmers & Merchants State Bank at (920) 478-3007 and we will reset your record and issue a temporary password. You will be instructed to change the temporary password once initial log in is completed.

Limitation of Liability

Farmers & Merchants State Bank is not responsible for any mistake or loss resulting from the disclosure of your User Code and Password. Any transaction performed through Online Banking by any person authorized to have access to your accounts is legally binding upon you to the same extent that such transaction could have been performed by you in person, by mail, telephone, or other communication to the bank. In addition, Farmers & Merchants State Bank is not responsible for transactions which occur between your accounts under the following examples:

- If, through no fault of our own, you do not have sufficient funds to complete the transfer.
- If your funds are subject to legal process or other restriction at any time prior to the transaction.
- If circumstances beyond our control prevent the accurate completion of your transaction.

Indemnification

Notwithstanding any other provision contained herein, you agree to indemnify, defend and hold us harmless from and against any claims, losses, liability, cost and expenses (including reasonable attorneys fees) arising from your use of the on-line banking service. This obligation survives the termination of this Exhibit and the agreement.

Contact in Event of Unauthorized Transfer

If you believe your Password has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call us at (920) 478-3007 or write us at Farmers & Merchants State Bank, Post Office Box 96, Waterloo WI 53594.

Business Days

Our business days are Monday through Friday 7:30am to 6:00pm except for bank and/or federal holidays. We can process a funds transfer on the same business day as your instructions, if we receive your instructions before our Online Banking cut-off hour of 6:00 p.m. on a business day. If we receive your instruction after the end of our business day, we process the transaction on our next business day. If you schedule a funds transfer for a future date, we process the transaction after the close of business on that date, if that day is a business day. If the date you request for a future transfer is not a business day, we process the transaction on our next business day. If you schedule a recurring funds transfer and the payment date does not exist in a month, the payment will be processed on the last business day of that month.

Functions

Using your User Name, Password and Online Banking, you can perform the following functions:

- a) View account information
- b) Transfer funds among your deposit accounts
- c) Make payments out of deposit accounts to your loan accounts
- d) Export account activity to Quicken, Quickbooks, or Microsoft Money
- e) Bill Payment

Canceling Funds Transfers

Canceling an order. You may cancel or change a pending funds transfer by selecting and accurately completing the appropriate fields from the payment menu. Any instruction to cancel or change a transfer must be received prior to the cutoff time on the day the transaction is to be processed. If we don't receive your complete and accurate instruction identifying a funds transfer prior to that time, we may process the transaction.

Preauthorized Transfers. If you tell us in advance to make a regular payment at a regular time out of your account without further action by you (a preauthorized transfer), you can stop these payments either by following the procedure in the preceding paragraph, or you can call us at (920) 478-2181 or write us at Farmers & Merchants State Bank, Post

Office Box 96, Waterloo, WI 53594. We must receive your request three business days or more before the payment is scheduled to be made. If you call, we may also require that you to submit your request in writing in a form approved by us and get the form to us within 14 days after you call. We will require that you tell us the exact amount of the debit, the next date the debit is to be made, and the exact name of the payee. If you stop payment of such a preauthorized transfer in accordance with the terms of this Agreement, we will stop the next and all subsequent preauthorized payments to that payee. We are unable to stop payments made with your Debit Card.

Liability for Failure to Stop a Preauthorized Transfer. If you order us to stop a preauthorized transfer three business days or more before the transfer is scheduled, and the stop payment order is made according to the terms and conditions of the account and this Agreement, including the requirement that you give us the exact amount of the debit, the next date of the debit, and the exact name of the payee, and we do not do so, we will be liable for your losses or damages proximately caused by our failure.

Charges For Stopping Payment. If you submit an oral or written stop payment request for a preauthorized payment, we will charge you for each such stop payment order; the charge for stopping payment is identified in our current fee schedule as may be amended from time to time. If you cancel or change any pending funds transfer by completing the appropriate fields from the payment menu, there will be no charge.

Our Rights. If we fail to cancel or stop any funds transfer, the payment will stand unless you show us that payment to the payee was unenforceable. If we recredit your account after transferring funds over a valid and timely cancellation request, you agree to sign a statement describing the dispute with the payee, to transfer to us all of your rights against the payee, and to assist us in any legal action taken against that person.

Overdrafts

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

than this Agreement.

Limitations on Transfers

Under federal regulations, you may make no more than six preauthorized electronic fund transfers and telephone transfers, including Online Banking transactions, checks, and point-of-sale transactions per month from your savings or money market deposit account. Each fund transfer through Online Banking from your savings or money market deposit account is counted as one of the six limited transfers you are permitted each month. However, payments to your loan accounts with us are not counted toward this limit for savings and money market deposit accounts and all transactions made in person or at an ATM.

Fees

No fees are assessed for using Online Banking.

Periodic Statements

Your Online Banking account activity will appear on your periodic statement.

Our Liability For Failure to Make Transfers

If you have given us all of the proper and timely instructions and have properly completed all fields to complete a transfer, and we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, subject to the limitations contained in this Agreement, we will be liable for your losses or damages proximately caused by our failure. However, there are some exceptions. We will not be liable, for instance:

- If, through no fault of ours, your account does not contain sufficient collected funds to make the transfer.
- If the money in your account is subject to legal process or other encumbrances restricting the transfer.
- If the transfer would go over the credit limit on your overdraft line of credit, if any.
- If a transfer system was not working properly and you knew about the breakdown when you started the transfer.
- If an act of God or circumstances beyond our control (such as fire or flood) prevent the transfer or use of Online Banking despite reasonable precautions that we have taken.
- If incomplete or inaccurate information is forwarded to us by you or through an automated clearinghouse.
- If you have not properly followed the instructions for using Online Banking.
- If your operating system is not properly installed or functioning properly.

- For errors or failures from any malfunctions of your browser, internet service provider, computer, computer virus, or other problems relating to the computer equipment you use with Online Banking, including, without limitation, your inability to access Online Banking or any part of Online Banking.
- For a failure to provide access or for interruptions in access to Online Banking due to Online Banking system failure.
- NOTWITHSTANDING ANY OTHER PROVISION IN THIS AGREEMENT, UNLESS OTHERWISE PROHIBITED BY LAW, OUR SOLE RESPONSIBILITY FOR AN ERROR BY US OR OUR THIRD PARTY PROVIDER IN TRANSFERRING FUNDS WILL BE TO CORRECT THE ERROR, BUT IN NO CASE WILL THE BANK BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR IN ANY WAY RELATED TO ONLINE BANKING.

Account Information Disclosure

The circumstances under which we may provide information about your accounts to third parties are summarized in our current privacy notice. Our privacy notice is available on line or you can request a copy from our customer service department by calling 920-478-2181.

You agree that we may deliver our privacy notices to you by making them available on our web site.

Termination

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

You must cancel all future funds transfers, whether recurring or individual payments, when you terminate Online Banking or we may continue to process such payments.

Third Parties

You understand that support and services relating to Online Banking are provided by third parties other than us, and you authorize us to contract with third

parties to provide such support and service.

Amendment

We may amend this Agreement at any time. You will be required to acknowledge any amendment to this agreement before accessing on-line services after the effective date of such amendment. Amendments will be effective upon the date indicated in the notice.

General

This Agreement is intended to supplement and not to replace other agreements between you and us relating to your accounts, including, without limitation, our Deposit Account Rules. In the event of a conflict between this Agreement and any other account rules and agreements that apply to your accounts, this Agreement shall govern and prevail.

In Case of Errors or Questions About Your Electronic Transfers

Telephone us at (920) 478-2181 or write us at Farmers & Merchants State Bank, Post Office Box 96, Waterloo. WI 53594 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 you the FIRST statement on which the problem or error appeared.

- Tell us your name and account number (if any).
- 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.
- 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 after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account.

The 10 day periods in the preceding paragraph may be extended to 20 business days, if the error involves a transfer to or from the account within 30 days after the first deposit to the account was made.

If the error involves an electronic transfer from your account to buy goods or services direct from a merchant, a transfer initiated outside of the United States, or a transfer that occurred within 30 days after the first deposit to the account was made, the 45 day time period to investigate your complaint or question will be 90 days in place of 45 days.

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.