



Debit Card Agreement Terms and Conditions

We are pleased that you have chosen to take advantage of the convenience provided by our EFT service and supply this statement so you can familiarize yourself with the operational and legal functions of this service. Please read this Statement carefully as it contains important information about electronic funds transfer. Retain this along with your other account records in case you have any questions in the future.

In this Statement, the words "you", "your" and "yours" mean any holder or other authorized user of your Card. The words "we" and "us" mean the financial institution named on the back of this Statement where you have a checking or savings account. "Checking account" means your NOW account, Money Market account or checking account. "EFT Terminal" means an electronic funds transfer terminal; this includes automated teller machines (ATM), point-of-sale terminals (POS), tokenization through an electronic wallet, and other EFT devices. Debit Card means each integrated chip and magnetically encoded card provided to you by us. "PIN" means the personal identification number assigned to you for use with your Card.

Debit Card. Each Card issued to you is our property and may be cancelled or repossessed by us at any time, with or without cause. You must surrender to us on demand each Card issued to you. If you permit or authorize other persons to use your Card and PIN, you will be liable on or for the resulting transactions. To guard against anyone making a transaction that you have not authorized, you should take all reasonable precautions to prevent any other person from learning your PIN.

In Case of Errors or Questions about your Electronic Transfers

Call us at (319) 377-4891
Monday-Friday (excluding Holidays)
between 9:00 A.M. and 5:00 P.M.

OR

Write us at: Farmers State Bank
P.O. Box 569
Marion, IA 52302-0569

promptly 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.

- (1) Tell us your name and account number (if any).
- (2) Describe the error or the transfer you think is incorrect, and clearly explain why you believe it is an error or why you need more information.
- (3) Tell us the dollar amount of the suspected error and, if possible, the date it appeared on your statement.
- (4) It will be helpful to us if you also give us a telephone number at which you can be reached in case we need any further information.

If you notify us orally, we have the right to require you to send us your complaint in writing within 10 business days following the date you notified us.

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

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

Account Information. We will disclose information to third parties about your account or the transfers you make: (a) Where it is necessary for completing transfers or resolving errors involving transfers; or (b) In order to verify the existence and condition of your account for a third party, such as a credit bureau or a merchant; or (c) In order to comply with government agency rules, court orders, or other applicable law; or (d) To our employees, service providers, auditors, collection agents, or attorneys, in the course of their duties; or (e) If you give us your written permission.

Transactions Receipts. You will get a receipt at the time you make any transfer to or from your account using an EFT Terminal.

Our Liability for Failure to Make Transfer. 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: (a) If through no fault of ours, you do not have enough money in your account to make the transfer; (b) If the transfer would go over the credit limit on your overdraft line, if you have one; (c) If the ATM where you are making the transfer does not have enough cash; (d) If the EFT Terminal or processing system was not working properly and you knew about the breakdown when you started the transfer; (e) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions we have taken; (f) If the funds in your account are subject to legal process or other encumbrance restricting the transfer; (g) If your PIN, or Card is reported lost or stolen; or (h) If we are holding uncollected funds in your account and the transfer would require the use of those funds. There may be other exceptions stated in our account agreement with you.

Liability for Unauthorized Transfers. Tell us AT ONCE if you believe your card and/or PIN has been lost or stolen, or if you believe that an EFT has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within two business days after you learn of the loss or theft of your card and/or PIN, you can lose no more than \$50 if someone used your card or PIN without your permission. If you do not tell us within 2 business days after you learn of the loss or theft of your card and/or PIN, and we can prove we could have stopped someone from using your card and/or PIN without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, including those made by card, PIN or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have

stopped someone from taking the money if you 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 periods. If you believe that your card or PIN has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call (319) 377-4891, or write us at Farmers State Bank, 1240 8th Avenue, Marion, IA 52302. **Note: Email does not constitute written notification.**

Reporting Lost Cards or PINs or Unauthorized Transfers. If you believe your Card or PIN has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call us or write us at the telephone number and address shown on the bottom of this Statement. **To report a lost or stolen Card after normal business hours, you may call (800) 264-5578.**

Types of Transactions. You may use your Card with your PIN to: (a) Withdraw cash from your checking or savings account; (b) Inquire as to the available balance of your checking and savings accounts; (c) Make deposits to your checking or savings accounts; (d) Transfer funds between your checking and savings accounts; (e) Purchase goods or services at places that have agreed to accept the Card; (f) Perform other Debit services as may be available from time to time, and for which we will send separate notification to amend this Statement.

Some of these services may not be available to you at all EFT Terminals. If you have more than one account with us, some of these services may be available for each account. On each processing day, (A) you may withdraw from ATMs up to a maximum disclosed to you (or your available balance, if it is less than such amount), (B) by use of point-of-sale terminals you may buy in goods or services up to a maximum of \$1500.00 (or your available balance, if it is less than such amount), and (C) integrated into a tokenization or electronic wallet for use at point of sale terminals to the limit disclosed to you at account opening or subsequent disclosure. Every calendar day is a processing day, except that Saturday, Sunday and Monday are treated as a single processing day. For security reasons, there are other limits on the number and size of transfers or withdrawals you can make using your Card. In all cases you agree to be responsible for all transfer authorized by you or from which you receive any benefit.

Periodic Statements. You will get a monthly statement from us for your account that will include a record of transactions made using your Card. If no electronic transactions occurred on that account, you may only receive a quarterly statement.

ATM Fees. There is no charge for using your Card at FARMERS STATE BANK locations.

Notice Regarding ATM Fees by Others. If you use an ATM that is not operated by us, you may be charged a fee by the ATM operator of the machine, any network used (including automated transfer network(s)), and/or by us. You may be charged a fee for a balance inquiry, even if you do not complete a funds transfer.

Deposits. Funds from any deposit (cash or checks) made at an ATM will not be available until the first business day after the day of your deposit. For determining the availability of your deposits made at Farmers State Bank ATM locations, every day is a business day except Saturdays, Sundays, and federal holidays. If you make a deposit before closing on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after closing or on a day we are not open we will consider that the deposit was made on the next business day we are open. Please refer to Rules and Regulations for deposit accounts for additional information on the availability of your deposits.

Modifications of This Statement; Termination. The terms of this Statement may be changed by us from time to time by notice from us to you. We may also revoke your right to use your Card at any time. You agree to pay us for any cash withdrawals, service charges, or other items that remain unpaid at the time this agreement is for any reason terminated.

Applicable Law. This agreement is governed by the laws of the state of Iowa.

Important Disclosure Notification

Effective April 28, 2008

Transactions made in foreign countries and foreign currencies will be billed to you in U.S. Dollars. The conversion to dollars will be made in accordance with applicable Visa operation regulations for international transactions.

A 1% Visa International Service Assessment Fee ("VISA" ISA Fee) will be assessed on all international transactions where the merchant country differs from the country of the card issuer and a currency conversion occurs. A 0.8% Visa ISA fee will be assessed on all international transactions where the merchant country differs from the country of the card issuer and a currency conversion does not occur. The converted purchase amount will be shown separately from the ISA Fee on your account statement. This fee will be assessed on all international purchases, credit vouchers, and cash disbursements made with the Farmers State Bank debit card.

The exchange rate for transactions in a foreign currency will be a rate selected by Visa from the range of rates available in wholesale markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable central processing date plus the 1% Visa ISA fee.

Effective January 1, 2009

Your Visa® debit card allows you to conduct transactions on the PULSE® debit network, which generally requires you to enter your PIN. Some merchants are authorized to accept non-Visa debit transactions without requiring you to enter your PIN. These merchants must provide you with a clear way of choosing to make a Visa Check Card transaction if they support this option. If you choose to sign to authorize a debit transaction, the transaction will be routed as a Visa transaction. Please be advised that should you choose to make a transaction without a PIN, different terms apply. Provisions of your cardholder agreement that specifically relate to Visa transactions are inapplicable to non-Visa debit transactions.

KEEP YOUR PIN CONFIDENTIAL

- Never write your PIN on your Card or repeat it to others

WE WILL BE HAPPY TO ASSIST YOU WHENEVER YOU HAVE A QUESTION REGARDING:

- Use of your Card
- Ordering additional cards
- Lost or stolen cards
- Other ATM locations
- Changing your PIN

If you have any questions, please contact your bank representative.

Farmers State Bank

1240 8th Ave,

Marion, IA 52302

Phone (319) 377-4891 or Toll Free (888) 461-0821

Website myfsbonline.com