

ELECTRONIC FUND TRANSFERS YOUR RIGHTS AND RESPONSIBILITIES

Important Information About Procedures for Opening a New Account. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

Indicated below are types of Electronic Fund Transfers we are capable of handling, some of which may not apply to your account. Please read this disclosure carefully because it tells you your rights and obligations for the transactions listed. You should keep this notice for future reference.

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

- **Preauthorized credits.** You may make arrangements for certain direct deposits to be accepted into your checking or savings account(s).
- **Preauthorized payments.** You may make arrangements to pay certain recurring bills from your checking or savings account(s).
- **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 returned check charge.** You may authorize a merchant or other payee to initiate an electronic funds transfer to collect a charge in the event a check is returned for insufficient funds.

Express Banking Telephone Transfers - types of transfers - You may access your account by telephone 24 hours a day at 218-583-2367 or 800-827-4719 using your personal identification number and a touch tone phone, to:

- transfer funds from checking to checking
- transfer funds from checking to savings
- transfer funds from savings to checking
- transfer funds from savings to savings
- make payments from checking to loan accounts with us
- make payments from savings to loan accounts with us
- get information about:
 - the account balance of checking account(s)
 - account history of checking accounts
 - the account balance of savings account(s)
 - account history of savings accounts
 - account balances of loans

ATM Transfers - types of transfers and dollar limitations - You may access your account(s) by ATM using your SHAZAM Debit Card and personal identification number, to:

- get cash withdrawals from checking account(s) with a debit card
 - dollar limitation will be disclosed at card issuance
- get cash withdrawals from savings account(s) with a debit card
 - dollar limitation will be disclosed at card issuance
- transfer funds from savings to checking account(s) with a debit card
- transfer funds from checking to savings account(s) with a debit card

Some of these services may not be available at all terminals.

Types of SHAZAM Debit Card Point-of-Sale Transactions - You may access your checking account(s) to purchase goods (in person, online, or by phone), pay for services (in person, online, or by phone), get cash from a merchant, if the merchant permits, or from a participating financial institution, and do anything that a participating merchant will accept.

Point-of-Sale Transactions - dollar limitations - Using your card:

- dollar limitation will be disclosed at card issuance

Currency Conversion and International Transactions. When you use your SHAZAM Debit Card at a merchant that settles in currency other than US dollars, the charge will be converted into the US dollar amount. The currency conversion rate used to determine the transaction amount in US dollars is either a rate selected by Visa from the range of rates available in wholesale currency 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. The conversion rate in effect on the processing date may differ from the rate in effect on the transaction date or posting date.

Visa USA charges us a .8% International Service Assessment on all international transactions, regardless of whether there is a currency conversion. If there is a currency conversion, the International Service Assessment is 1% of the transaction. As a result, we charge you a 1% international transaction fee on all international transactions regardless of whether there is a currency conversion. An international transaction is a transaction where the country of the merchant is outside the USA.

Advisory Against Illegal Use. You agree not to use your card(s) for illegal gambling or other illegal purpose. Display of a payment card logo by, for example, an online merchant does not necessarily mean that transactions are lawful in all jurisdictions in which the cardholder may be located.

Internet Banking Computer Transfers - types of transfers - You may access your account(s) by computer through the internet by logging onto our website at www.fnbhenning.com and using your user identification and your password, to:

- transfer funds from checking to checking
- transfer funds from checking to savings
- transfer funds from savings to checking
- transfer funds from savings to savings
- make payments from checking to loan account(s) with us
- make payments from savings to loan account(s) with us
- get information about:
 - the account balance of checking account(s)
 - account history of checking accounts
 - the account balance of savings account(s)
 - account history of savings accounts
 - account balance of CD's and loans
 - check images

Termination -

- You may terminate the electronic fund transfer agreement by written notice to us.
- We may terminate the electronic fund transfer agreement by written notice to you.

FEES

- We do not charge for direct deposits to any type of account.
- We do not charge for preauthorized payments from any type of account.
- We will charge you \$2.00 for each telephone transfer from savings to checking to cover an overdraft, if not made through Express Banking.

Except as indicated elsewhere, we do not charge for 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 a balance inquiry even if you do not complete a fund transfer).

DOCUMENTATION

- **Terminal transfers.** You can get a receipt at the time you make a transfer to or from your account using an automated 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 218-583-2367 or 800-827-4719 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 accounts.

You will get a monthly account statement from us for your savings accounts, unless there are no transfers in a particular month. In any case, you will get a statement at least quarterly.

PREAUTHORIZED PAYMENTS

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

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

We will charge you \$10.00 for each stop-payment order you give.

- **Notice of varying amounts.** If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)

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

FINANCIAL INSTITUTION'S LIABILITY

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) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- (6) There may be other exceptions stated in our agreement with you.

CONFIDENTIALITY

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

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

UNAUTHORIZED TRANSFERS

(a) Consumer liability.

• *Generally.* 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 of 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 the 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 days of when you discover the loss or theft of your card and/or code, you could lose as much as \$500 for unauthorized transfers 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 a hospital stay) kept you from telling us, we will extend the time periods.

• *Additional Limit on Liability for SHAZAM Debit Card.* Unless you have been grossly negligent or have engaged in fraud, you will not be liable for

any unauthorized transactions using your lost or stolen SHAZAM Debit Card. This additional limit on liability does not apply to ATM transactions or to transactions using your Personal Identification Number which are not processed by VISA®.

(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 brochure. You should also call the number or write to the address listed in this brochure 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 § 47.69 (governing consumer privacy and unauthorized withdrawals).

If you prevail in such an action, you may recover the greater of your actual damages or \$500. You may also be entitled to recover punitive damages, your court costs and reasonable attorney's fees.

TIME NEEDED TO COMPLETE TERMINAL TRANSACTIONS

- Withdrawals made at a terminal will normally be completed and charged to your account on the next business day if withdrawn before 6:00 P.M.
- Deposits made at a terminal will normally be credited to your account on the next business day if deposited before 6:00 P.M.
- Transfers between accounts will normally be completed on the next business day if transferred before 6:00 P.M.

POINT-OF-SALE TRANSACTIONS

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

You cannot reverse a point-of-sale transaction.

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 brochure, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

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

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days (5 business days for SHAZAM Debit Card point-of-sale transactions processed by Visa and

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 for SHAZAM Debit Card point-of-sale transactions processed by Visa and 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. 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.

THE FIRST NATIONAL BANK OF HENNING
512 DOUGLAS AVENUE, P.O. BOX 96
HENNING, MINNESOTA 56551
Business Days: Monday through Friday
Excluding Federal Holidays
Phone: 218-583-2933

MORE DETAILED INFORMATION IS AVAILABLE
ON REQUEST



HENNING

512 Douglas Avenue
Henning, Minnesota 56551
Phone: 218-583-2933

OTTERTAIL

Highway 78 & 108
Ottertail, Minnesota 56571
Phone: 218-367-2735

BATTLE LAKE

101 Lake Avenue
Battle Lake, Minnesota 56515
Phone: 218-864-5275

Know Your Rights and Responsibilities

Electronic Funds
Transfer Disclosure

