

**MERCHANTS AND FARMERS BANK
INTERNET BANKING AGREEMENT AND DISCLOSURE**

Merchants and Farmers Bank has expanded its banking services to utilize the convenience and efficiency of Internet technology and parties hereto desire to participate in Internet banking transactions. Customer understands that the terms and conditions set forth below are in addition to those that apply to any other accounts that Customer has with the Bank or any other service customer thereafter obtains from the Bank. Customer further understands that any additional instructions and procedures applicable to the services covered by this Agreement provided by the Bank must also be followed.

Now, therefore, in consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Merchants and Farmers Bank and Customer hereby agree as follows:

- 1. Merchants and Farmers Bank (MFB) Online Banking: Using your Access ID and password, you can perform banking transactions on your computer including: (1) receiving balance inquiries; (2) obtaining information about your account transactions; (3) making transfers from MFB checking/savings account (subject to government regulations). You must maintain sufficient funds in your account to cover any request for transfers. If MFB completes a payment for transfer that Customer makes or authorizes and MFB subsequently learns that Customer has insufficient funds for the transaction, Customer agrees that MFB may reverse the transaction or offset the shortage with funds from any other account Customer has with MFB. In any case, Customer is fully obligated to provide sufficient funds for any payments or transfers Customer makes or authorizes.*
- 2. Business and Organizational Accounts: Customers with a business or organizational account will be liable for all transactions that occur on the account. The owner(s)/principal officer(s) of the business or organization account authorizes all transactions made by any other persons. The owner(s)/principal officer(s) of the business/organization account agrees to be liable for any other parties designated (by being given the Access ID and password) to conduct business on the account(s).*
- 3. When Internet payments and transfers are made: Payments and transfers are not final at the time MFB receives Customer's instructions, but MFB will begin to process them promptly. Transfer requests received after 5:00 P.M. on any business day will be posted the following business day. The term business "business day" means all days except Saturday, Sunday and all banking holidays. Each payment or transfer will be posted to an MFB Customer Account and to any other account within MFB that is involved in the transaction on the transmit date if made within processing hours or on the next business day if made after hours. Each payment or transfer Customer initiates on a non-business day will be considered initiated on the following business day. Information customer obtains about Customer's account using MFB Online Banking will not reflect transactions that have not yet been posted in Customer's account. Customer should be aware of these reporting limitations when Customer performs or attempts to*

perform any transaction on the basis of such information. MFB Online Banking is generally available 24 hours a day, 7 days a week.

4. *Liability for failure to complete payments or transfers: If MFB does not complete a payment or transfer on time in the correct amount according to Agreement with Customer, MFB will be liable for (1) the amount of the payment or transfer; and (2) consequential damages or other losses whatsoever incurred by Customer, if, and only if, MFB willfully or intentionally fails to complete payment or transfer, or fails to complete a payment or transfer due to gross negligence on the part of MFB or any of its agents or employees. MFB will not be subject to punitive damages under any circumstances and Customer waives any rights he or she may have to recover punitive damages against MFB.*

5. *Online computer security: To access MFB Online Banking, customer will initially use an Access ID and password selected by Bank. Customer will reset the password with Customer's first connection online. Customer should take precautions online to protect the password, such as not leaving the computer unattended while online; not sending the password over any public or general E-mail system, and not giving or disclosing any part of the password to anyone. Anyone to whom customer gives the password will have full access to Customer's accounts, even if the person the Customer authorizes exceeds Customer's authority. Customer is responsible for the full amount of all transactions conducted by person to whom Customer discloses the password.*

6. *Customer Liability: If customer believes Customer's password, Access I.D. or other means of access has been lost or stolen and Customer notifies MFB in writing, within 2 business days after Customer learns of the loss or theft, Customer shall be responsible for no more than \$50.00 if someone used any of them without Customer's authority after receipt of notice. If Customer does not notify MFB within 2 business days after Customer learns of the loss or theft of Customer's password, Access I.D. or other means of access. Customer shall be responsible for the full amount of payments or transfers made by someone using them without Customer's authority until MFB receives notice, as more fully described above in this paragraph. If Customer's statement shows payments or transfers covered by this Agreement that customer did not make or authorize, Customer must notify Bank at once. If Customer does not notify MFB within 60 days after the statement was mailed to the, MFB shall have no liability to Customer for such payments or transfers.*

7. *Customer Password or Customer's Access I.D.: If Customer's password, Customer access I.D. or other means of access has been lost or stolen or Customer discovers that someone has used them without Customer's authorization, Customer must immediately call MFB at (870) 382-4311 to report the loss or theft. This telephonic notification does not, however, relieve Customer of the responsibility to give the written notice required in paragraph 5 above. MFB may at a later date provide Customer with another electronic, or telecommunications means of notifying MFB of this purpose. Using general E-mail service or other electronic means does not constitute proper or timely notification to MFB.*

8. *In case of errors or questions about transactions covered by this Agreement: Customer must call MFB at (870) 382-4311 or write to P.O. Box 187, Dumas, AR 71639, as soon as you can, if you think your statement is wrong or you need more information about a transaction covered by this agreement which is not listed on the statement. We must hear from Customer no later than 60 days after we send the FIRST statement on which the problem or error appeared.*

1. *Tell us Customer's name and account number (if any).*
2. *Describe the error or the transaction Customer is unsure about, and explain as clearly as possible why Customer believes it is an error or why Customer needs more information.*
3. *Tell us the dollar amount of the suspected error or problem.*

We will tell Customer the results of our investigation within 10 business days after we hear from Customer and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate Customer's account. Customer's account will be credited within 10 business days for the amount Customer thinks is in error, so that Customer will have the use of the money during the time it takes us to complete our investigation. If Customer tells us of the suspected error orally and does not put the complaint or question in writing, and we do not receive it within 10 business days, we may not credit customer's account. If we decided that there was no error, we will send Customer a written explanation within three business days after we finish our investigation. Customer may ask for copies of the documents that we used in our investigation. If a notice of error involves a transaction that was not initiated in any state, territory, or possession of the United States, the initial investigation period is 20 days rather than 10, and the extended investigation period is 90 days rather than 45.

9. *Statements: Customer's Online transfers will be listed on the monthly statement MFB provides or makes accessible to Customer. Customer agrees to notify MFB within 60 days if Customer changes address.*

10. *Canceling the Service: To cancel MFB Online Banking, Customer must contact MFB in writing to notify us of Customer's decision to cancel. MFB may cancel or suspend Customer's service at any time without notice.*

11. *Law That Applies: Jurisdiction and Venue: Regardless of where Customer lives or works or where Customer will access MFB Online Banking Services, this Agreement will be deemed to have been made at Dumas in the State of Arkansas and the validity, interpretation and enforcement of this Agreement will be governed by the laws of the State of Arkansas. Any legal action regarding this Agreement by either party against the other must be filed in the Circuit or Chancery Court, as the case may be, for Desha County, Arkansas. Customer irrevocably waives all objections that he or she might otherwise have to the jurisdiction and venue of any such legal action. If any of the terms of the agreement cannot be legally enforced, they will be considered changed to the extent necessary to comply with applicable laws.*

12. *Attorney's fees and waiver: In the event any action is filed by us in relation to this Agreement, Customer shall pay to us in addition to all the other sums that customer may be called on to pay, a reasonable sum for our Attorney's fees.*

13. *Excusable Delay: No party to this Agreement shall be liable to the other for loss, cost or damages arising out of, or resulting from, any failure to perform in accordance with the terms of this Agreement where such failure shall be beyond the reasonable control of such party, which as employed herein shall be deemed to mean, but not limited to, acts of God., strikes, lockout, or other industrial disturbances, wars, whether declared or undeclared, blockades, insurrections, riots, governmental actions, explosions, fire, floods, or other causes not within the reasonable control of either party.*

14. *Amendments: MFB may amend the terms and conditions governing MFB Online Banking including cost and fees. Customers continued use of this service is acceptance of any amendment(s) of this Agreement, including any instructions on the use of this service as may be amended from time to time. Customer agrees that notice regarding the service will be given in standard mail form by MFB. MFB may not immediately respond to the E-mail, so you should not rely on E-mail to communicate with MFB immediately.*

- I agree to the terms and conditions of the Online Banking Agreement and Disclosure Statement.

- I do not agree to the terms and conditions of the Online Banking Agreement and Disclosure Statement.

www.mfbanknet.com

Merchants and Farmers Bank

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