

The Farmers National Bank of Lebanon's Online Service Agreement

You agree that any information or disclosures or notices supplemental to or under this Agreement or by law or regulation or any amendments to this Agreement may be sent to you by electronic communication, including by e-mail to you or by posting on The Farmers National Bank of Lebanon's website at www.fnblebanon.com.

The Farmers National Bank of Lebanon (referred to hereafter as Bank) website is not currently targeted or marketed to children. When applicant accepts this agreement, they acknowledge they are over the age of 18. If they are under the age of 18 and still wish to apply, they must visit the physical location of the Bank accompanied by a parent or guardian.

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These are the Terms and Conditions of FNB Online Banking.

I. Scope of the Online Service Agreement

This Agreement governs the use of the Bank's online banking service, FNB Online Banking. By subscribing to this service or using the service to access account information, or to make any transfer between accounts or payment to a third party, you agree to the terms of this Agreement. The words "we", "us," and "our" refer to the Bank, which holds the deposit accounts accessed by the service at its sole discretion, involved in the provision of the service. The words "you" and "your" refer to each person subscribing to the service and each person who uses the service with the permission of the subscriber.

Much of our relationship with you is regulated by state and federal law, including the Uniform Commercial Code, and regulations of the Federal Reserve System, other regulatory agencies and clearinghouse associations. These laws and regulations, as well as the terms of the Agreement, may change from time to time without notice to you unless required by law. Your continued use of the service following receipt of the Agreement or notice of a change is considered acceptance of the Agreement or change. Notice of a change may be made by mail or electronically. Some of the transactions permitted under this Agreement are governed by the Electronic Fund Transfer Act and some terms and conditions included in the Agreement are required by this Act.

II. Computer Equipment and Software

You are solely responsible for the maintenance, installation, and operation of your computer and for the software used in accessing FNB Online Banking. The Bank shall not be responsible for any errors, deletions, or failures that occur as a result of any malfunction of your computer or software, nor will the Bank be responsible for any computer virus that affects your computer or the software while using FNB Online Banking.

Additionally, you must have an Internet Service Provider and an Internet browser to utilize our online banking service through the Internet. It will be your responsibility to establish Internet service through a provider. Any costs or fees from your Internet provider or telephone company are solely your responsibility.

III. System Requirements and Recommendations

Windows 98, Windows 2000, Windows ME, Windows XP, Windows 7, and Windows 8

1. Internet Explorer 6.0 or higher
2. Netscape 7.0 or higher
3. Mozilla FireFox 1.0 or higher
4. Opera 7.54 or higher
5. Antivirus Software with regular updating of virus definitions (Highly Recommended)
6. Keep computer free of any spyware or adware programs (Highly Recommended)

MAC 10 Operating Systems

1. Netscape Navigator version 7.0 or higher
2. Mozilla Camino version 0.8.1 or higher
3. Apple Safari version 1.0 or higher
4. Mozilla FireFox version 1.0 or higher
5. Opera version 7.54 or higher
6. Antivirus Software with regular updating of virus definitions (Highly Recommended)
7. Keep computer free of any spyware or adware programs (Highly Recommended)

Free Downloads: Internet Explorer- <http://www.microsoft.com/windows/ie/default.asp>

Netscape- <http://www.netscape.com>

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IV. Benefits of Using FNB Online Banking

Through FNB Online Banking, you can manage your eligible personal or business account(s) from your home or office on your personal computer. You can use FNB Online Banking to:

- View account balances and review transaction history.
- Transfer money between checking and savings accounts.
- Transfer money to pay your Farmers National Bank loans.
- Set up an Automatic Transfer to make monthly transfers from one account to another.
- Pay bills.

V. Bank's Responsibility

The Bank shall be responsible for performing services expressly provided for in this agreement and shall not be liable for any error or delay so long as the Bank has acted in accordance with the terms and conditions hereof. The Bank shall not be liable if you do not have sufficient funds in a designated account to complete the transaction you initiate or if the account is closed.

The Bank shall not be liable if you have not given us complete, correct or current transfer or payment instructions or if you have not followed proper instructions given through FNB Online Banking or peripheral software used. The Bank shall not be responsible for any loss, damage, liability or claim arising, directly or indirectly, from any error, delay, or failure in performance of any of its obligations hereunder which is caused by fire or other natural disaster, strike, civil unrest, any inoperability of communications facilities or any other circumstance beyond the control of the Bank.

VI. Disclosure of Account Information

The Bank will not disclose information you have provided, or that we have obtained about your accounts and the transfers you make, except in accordance with the Bank's Privacy Policy.

VII. Access ID and Password

A temporary Access ID and temporary Password will be created for you following your enrollment. Upon your first online session, you will be prompted to change your Access ID and Password to one known only by you. Your Access ID and Password identify and authenticate you to the Bank when you use FNB Online Banking. Upon establishing an Access ID and Password, you agree to:

- a. not disclose your Access ID and/or Password or otherwise make it available to anyone else;
- b. use your Access ID and Password as instructed in the account disclosure;
- c. immediately notify us of any loss or theft of your Access ID and/or Password; and
- d. be liable for your Access ID and Password and for its authorized use and for its unauthorized use as described in your agreement.

Unless you notify us as provided in this agreement, you acknowledge that we are entitled to rely on the use of your Access ID and Password as your authorization for any transaction through FNB Online Banking. You are responsible for all transactions you initiate or authorize using FNB Online Banking. If you permit any other person to use the services provided by FNB Online Banking or your Access ID and Password, you will have authorized that person to access your accounts and you are responsible for any transaction that person initiates or authorizes from your accounts.

VIII. FNB Online Banking and Bill Pay Account Requirements

To subscribe to FNB Online Banking, you must maintain at least one account with the Bank which may include the following types of accounts: Checking, Savings, Certificate of Deposit, or Loan. FNB Online Banking will allow you to access more than one account to view account balance and transaction information, and transfer funds among designated accounts.

In order to access Bill Pay (the bill payment function), you must have an established checking account with Farmers National Bank. Although you may currently have a different type of account with us, FNB Regular Checking, FNB Senior Checking, FNB Student Checking, Advantage Checking, NOW, Commercial Checking, Commercial Interest Bearing, and Commercial Interest Bearing Checking – Premium are the only accounts accessible for the bill payment function.

IX. Hours of Accessibility, Daily Processing Deadlines and Reviewing Transactions

You can access your accounts through Online Banking seven days a week, 24 hours a day. However, at certain times, some or all of Farmers National Bank's Online Banking services may not be available due to system maintenance.

Account information displayed through FNB Online Banking is the current information. Funds transfers between accounts initiated on your computer using FNB Online Banking, and received by the Bank before 5:00 p.m. E.T. Monday through Friday, will be effective on the current business day. Funds transfers processed on your computer using FNB Online Banking, and received after 5:00 p.m. E.T. Monday through Friday or all day Saturday, Sunday, and banking holidays, will be effective the following business day.

You can review transactions for up to 60 days for your linked checking and savings account. Checking and savings account bank statements will be available for a rolling fifteen (15) month period.

X. Charges and Limits of Transactions

There are no monthly service charges for FNB Online Banking. If your account becomes overdrawn, NSF charges for each paid check or returned check will be charged to your account. Please refer to the Bank's fee schedule for specific fee information. Internal banking transfers are limited to a minimum of \$0.01 and a maximum of \$99,999.99.

Subject to available deposit account balances, funds transfers and bill payments can be made for any amount from \$0.01 to \$99,999.99. By federal regulation, transfers from a money market deposit account or a savings account to another account or to third parties by preauthorized, automatic, or telephone transfer are limited to six per month. Transfers between your deposit accounts are considered pre-authorized transfers.

Please note that fees may be assessed and billed separately by your Internet Service Provider.

XI. Electronic Mail (e-mail)

Although you may currently have e-mail capabilities, it is important to remember that normal Internet e-mail transmissions may not be secure. You also agree to receive communications regarding FNB Online Banking services electronically. However, the Bank will never ask you for personal account information (i.e. account number, name, etc.) through e-mail.

In addition, we may not immediately receive e-mail that you send. We will have a reasonable opportunity to act before responding to your e-mail requests. It is strongly advised that you do not include confidential personal or account information in your e-mail messages. Further, you cannot use e-mail to make a bill payment, account

inquiry, stop payment, report unauthorized use of User ID and Password, report an unauthorized transaction or engage in a funds transfer. You must notify us by calling or writing us at the phone number or address listed below:

The Farmers National Bank of Lebanon
P.O. Box 631
Lebanon, KY 40033
270.692.3177

XII. Using Bill Pay (Bill Payment Service)

The Bill Pay bill payment service allows you to schedule bill payments through FNB Online Banking. You can arrange, at your option, for the payment of your current, future and recurring bills from a checking account, up to the balance in your account, if applicable, per payee/merchant each business day. There is no limit to the number of payments that may be authorized. However, only a single one-time payment and one recurring payment may be sent to each payee on the same day. You may pay any merchant or individual approved by The Farmers National Bank of Lebanon for payment through Bill Pay. We are unable to process any payments to federal, state, or local tax agencies. For additional terms and conditions, please refer to the Bill Pay Service Agreement within the Bill Pay product.

CHARGES AND FEES (Business users only) **

First Month: FREE

Thereafter:

Monthly Charge: \$12.00

Transactions free/month: 10

Per item fee over 10 transactions: \$0.50

****Fees are applied based on enrollment date.**

XIII. Error Resolution Notice for Online Services

In case of questions or errors involving online funds transfers or bill payments made through FNB Online Banking and/or Bill Pay, you should do one of the following:

- Come to either the Main Office at 136 West Main Street or Branch Office at 2160 Campbellsville Highway, both located in Lebanon, Kentucky.
- Call Data Processing at 270.692.3177.
- Write to The Farmers National Bank of Lebanon, ATTN: Data Processing, P. O. Box 631, Lebanon, Kentucky 40033, as soon as you identify any errors or discrepancies in your statement or transaction record, or if you need more information about a transaction listed on the statement or transaction record.

We must hear from you no later than sixty (60) days after we have sent the FIRST paper or online statement on which the problem or error appeared. If you notify us orally, we may require that you send us your complaint or question in writing within ten business days.

When you tell us about the problem, please:

- Tell us your name and account number.
- Describe the error or the transaction you are unsure about, and explain as clearly as you can why you believe it is in error or why you need additional information.
- Tell us the dollar amount of the suspected error.

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- For a bill payment, tell us the checking account number used to pay the bill, payee name, date the payment was sent, payment amount, reference number, and payee account number for the payment in question.

We will determine whether an error occurred within ten (10) business days after we hear from you and we will correct any error promptly. If we need more time, however, we may take up to forty-five (45) calendar days to investigate your complaint or question. If we decide to do this, we will provisionally credit your account within ten (10) business days for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint in writing and we do not receive it within ten (10) business days, we may not provisionally credit your account while we complete our investigation. We will tell you the results of our investigation within three (3) business days after we complete our investigation. If we decide that there was not an error, we will send you a written explanation. We will provide copies of the documents used in our investigation upon your request.

If we do not complete a transfer to or from your Bank account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages as provided elsewhere in this Agreement. However, there are some exceptions. The Farmers National Bank of Lebanon will not be liable:

- If, through no fault of ours, you do not have enough money in your account to make a transfer or bill payment.
- If a legal order directs us to prohibit withdrawals from the account.
- If your account has been frozen.
- If your account is closed.
- If you, or anyone you allow, commits any fraud or violates any law or regulation.
- If any electronic terminal, telecommunication device or any part of the electronic fund transfer system is not working properly and you knew about the breakdown when you started the transfer.
- If you have not provided us with complete and correct payment information, including without limitation the name, address, account number, and payment amount for the payee on a bill payment.
- If you have not properly followed the instructions for using FNB Online Banking service.
- If circumstances beyond our control (such as flood, fire or improper transmission or handling of payments by a third party) prevent the transfer or bill payment, despite reasonable precautions taken by us.

The Farmers National Bank of Lebanon cannot be responsible for customer errors or negligent use of the online banking services and will not cover losses due to:

- Input errors or misuse of FNB Online Banking and/or Bill Pay.
- Your negligent handling or sharing of passwords leading to an unauthorized access to your account(s).
- Leaving your computer unattended during a FNB Online Banking session (You must "Log Off" to end your session).
- Failure to report known incidents of unauthorized account access within two (2) business days.

XIV. Notices of Change

We may change the FNB Online Banking services and the terms, including fees, set forth in this agreement at any time. You will be notified of any such change as required by applicable law, either by mail or by an electronic message. You understand that by using the online banking system, after a change becomes effective, you have agreed to the change.

XV. Governing Law

This Agreement shall be governed by the laws of the state of Kentucky, county of Marion, and where applicable, by federal law. Any issue relating to an account or service with The Farmers National Bank of Lebanon shall be governed by the law(s) specified in the agreement for that account or service if there is a separate agreement for that account or service. The Farmers National Bank of Lebanon is physically located in Lebanon, Kentucky, at the following two (2) locations: 136 West Main Street and 760 West Main Street.

XVI. Termination of Agreement

This agreement will remain in effect until you or The Farmers National Bank of Lebanon terminates it. We may cancel this agreement and terminate your use of FNB Online Banking for any reason, at any time. Both parties agree to provide sufficient written notice of termination to the other party.

Your FNB Online Banking services may be canceled at any time without prior notice due to insufficient funds in one of your accounts. After cancellation, FNB Online Banking services may be reinstated, once sufficient funds are available in your account(s) to cover any fees and other pending transfers or debits. In order to reinstate your services, you must call the Website Administrator at 270.692.3177.

If you wish to cancel any of your FNB Online Banking services, please contact the Website Administrator at 270.692.3177 or send us cancellation instructions in writing to:

Farmers National Bank of Lebanon
ATTN: Website Administrator
P.O. Box 631
Lebanon, KY 40033

If you fail to access your FNB Online Banking account for a consecutive three (3) month period, The Farmers National Bank of Lebanon reserves the right to discontinue the service.