

FMBanking Online Internet Banking Agreement and Disclosure

AGREEMENT – This Agreement, which includes the FMBanking Online Fee Schedule (“Fee Schedule”) and the FMBanking Online Application (“Application”), is a contract, which establishes the rules that cover your electronic access to your accounts at Farmers-Merchants Bank & Trust Co. (“Bank”) through FMBanking Online. By using FMBanking Online, you accept all the terms and conditions of the Agreement. Please read it carefully.

The terms and conditions of the deposit agreements and disclosures for each of your Bank accounts as well as your other agreements with the Bank such as loans continue to apply, notwithstanding anything to the contrary in this Agreement.

This Agreement is also subject to applicable federal laws and the laws of the State of Louisiana (except to the extent this Agreement can and does vary from such rules or laws). If any provision of this Agreement is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. The headings in this Agreement are for convenience or reference only and will not govern the interpretation of the provisions. Any waiver (express or implied) by either party of any default or breach of the Agreement must be in writing and shall not constitute a waiver of any other or subsequent default or breach.

You may not assign this Agreement. This Agreement is binding upon your heirs and the Bank’s successors and assigns. Certain of the obligations of the parties pursuant to this Agreement that by their nature would continue beyond the termination, cancellation or expiration of this Agreement shall survive termination, cancellation or expiration of this Agreement. This Agreement, together with the Application and Fee Schedule, constitutes the entire agreement between you and the Bank with respect to the subject matter hereof and there are no understandings or agreements relative hereto which are not fully expressed herein.

DEFINITIONS – As used in this Agreement, the words “we,” “our,” “us,” and “Bank” mean Farmers-Merchants Bank & Trust Co. “You” and “your” refer to the account holder authorized by the Bank to use FMBanking Online under this Agreement and anyone else authorized by that account holder to exercise control over the account holder’s funds through FMBanking Online. “Account” or “accounts” mean your accounts at the Bank. “Consumer Account” means an account that is established primarily for personal, family or household purposes. “Business Account” means an account that is NOT established primarily for personal, family, or household purposes. “Electronic funds transfers” means ATM withdrawals, preauthorized transactions, point of sale transactions, and transfers to and from your Bank accounts using FMBanking Online including bill payments.

“FMBanking Online Services” means the services provided in addition to this Agreement, including the Bill Payment Service and Cash Management Service. “Business days” means Monday through Friday. Holidays are not included.

ACCESS – To use FMBanking Online, you must have at least one account at the Bank, access to Internet service, and an e-mail address. Once we have received your Application, you will receive an email with instructions on how to activate your FMBanking Online account. Access to your account(s) through FMBanking Online will be based upon your Customer Identification File. FMBanking Online can be used to access the Bank accounts that you have a direct relationship with through your Customer Identification File. Any accounts opened under your Customer Identification files after you have been granted access to FMBanking Online will automatically be viewable under your user id and password. Generally, this means that you can use FMBanking Online to access all accounts identified by your tax identification number and all accounts with which you have a direct relationship.

We undertake no obligation to monitor transactions through FMBanking Online to determine that they are made on behalf of the account holder.

An account that requires two or more signatures to authorize a transfer or write a check may be accessed through FMBanking Online. By requesting access to your accounts through FMBanking Online, you agree that you will restrict and monitor account access so that all transactions are conducted with the authorization of all required signers. You acknowledge that we cannot and will not monitor or restrict access to your account for this purpose. When such a restricted account is accessed, you agree that all authorized signers have authorized all transactions and are jointly responsible for all transactions, whether or not the restriction is violated.

FMBANKING ONLINE SERVICES – You can use FMBanking Online to check the balance of your Bank accounts, view Bank account histories, transfer funds between your Bank accounts, make stop payment requests, download account activity, and pay bills from your Bank accounts in the amounts and on the dates you request if you have been approved for Bill Payment Service. Commercial Customers can also use FMBanking Online to originate and submit direct deposit and direct payment transactions, and initiate wire transfer instructions.

HOURS OF ACCESS – You can use FMBanking Online seven days a week, twenty-four hours a day, although some or all FMBanking Online services may not be available occasionally due to emergency or scheduled system maintenance.

USER ID AND PASSWORD – For security purposes, you are required to change your User ID and Password upon your initial login to FMBanking Online. You determine what User ID and Password you will use. You agree that we are authorized to act on instructions received under your User ID and Password. You accept responsibility for the confidentiality and security of your Password and agree to change your Password periodically. Upon three unsuccessful attempts to use your Password, your access to FMBanking Online will be revoked. To re-establish your authorizations to use FMBanking Online, you must either contact us or use the “Forget Your Password?” feature to have your Password reset. Your password must be at least six characters and contain at least four letters, one number, and one special character or punctuation mark.

SECURITY – You understand the importance of your role in preventing misuse of your accounts through FMBanking Online and you agree to promptly examine your bank statement for each of your Bank accounts as soon as you receive it. You agree to protect the confidentiality of your account and account number, and your personal identification information, such as your driver’s license number and social security number. You understand that personal identification information by itself, or together with information related to your account, may allow unauthorized access to your account. Your Password and User ID are intended to provide security against unauthorized entry and access to your accounts. Data transferred via FMBanking Online is encrypted in an effort to provide transmission security and FMBanking Online utilizes identification technology to verify that the sender and receiver of FMBanking Online transmissions can be appropriately identified by each other. We will not send confidential information through unsecured electronic media. Notwithstanding our efforts to ensure that FMBanking Online is secure, you acknowledge that the Internet is inherently insecure and that all data transfers, including electronic mail, occur openly on the Internet and potentially can be monitored and read by others. We cannot and do not warrant that all data transfers utilizing FMBanking Online, or e-mail transmitted to and from us, will not be monitored or read by others. You agree to maintain appropriate security for computers and mobile devices accessing IB, including but not limited to, virus and spyware protection, operating system and application updates, and firewalled internet connection.

FEES AND CHARGES – You agree to pay the fees and charges for your use of FMBanking Online Services as set forth in the current Fee Schedule. You agree that all such fees and charges will be deducted from the Bank checking account you designate. If you close your designated Checking Account, you must contact us immediately to designate another account. If your designated account lacks sufficient funds, you authorize us to deduct these fees from any of your other accounts maintained with us. You agree to pay any additional reasonable charges for services you request that are not covered by this Agreement. You are also responsible for telephone and Internet service fees you incur in connection with your use of FMBanking Online.

POSTING OF TRANSFERS – Transfers initiated through FMBanking Online before 4:00 p.m. (Central Standard Time) on a business day are posted to your account the same day. Transfers completed after 4:00 p.m. (Central Standard Time) on a business day, Saturday, Sunday or Banking holiday, will be posted on the next business day. FMBanking Online identifies transfers based upon the User ID of the user who made the electronic transfer. You agree to communicate with any other persons with authorized access to your accounts concerning any transfers or bill payments from your accounts in order to avoid overdrafts. Please refer to the section Bill Pay for details of time/dollar limitations on Bill Pay Transactions.

OVERDRAFTS (Order of Payments, Transfers, and other Withdrawals) – If your account has insufficient funds to perform all electronic fund transfers you have requested for a given business day, then:

1. Electronic funds transfers involving currency disbursements, like ATM withdrawals, will have priority;
2. Electronic fund transfers initiated through FMBanking Online which would result in an overdraft of your account may, at our discretion, be cancelled;
3. In the event the electronic fund transfers initiated through FMBanking Online, which would result in an overdraft of your account, are not cancelled, overdraft charges may be assessed pursuant to the terms of the deposit agreement for that account.

The amount of any transfer made by you is limited by the available balance in the account you wish to transfer from, including any funds available through any type of overdraft protection arrangement you have established with us. If you request a transfer that exceed the funds available in the account from which a transfer is being made, we will not be required to honor the transfer request. However, if we, in our sole discretion, choose to make a requested transfer that exceeds the funds available in the account, that account will be subject to our current fee for processing items drawn against non-sufficient funds.

LIMITS ON AMOUNTS AND FREQUENCY OF FMBANKING ONLINE TRANSACTIONS – The number of transfers from the Bank accounts and the amounts that may be transferred are limited pursuant to the terms of the applicable deposit agreement and disclosure for those accounts. If a hold has been placed on deposits made to an account from which you wish to transfer funds, you cannot transfer the portion of the funds held until the hold expires.

If you use the FMBanking Online Bill Payment Service option, Bill Payment transfers are limited to a maximum of \$9,999 per payment, or such higher amount as we in our discretion may approve for you on request.

INTERNET BILL PAYMENT – Bill Payment is an Internet Banking service that allows you to pay bills from your Farmers-Merchants Bank accounts in the amounts and on the dates you request if you are approved for the service and have agreed to the FMBanking Online Bill Payment Agreement which supplements this Agreement.

ACH ORIGINATION – ACH Origination is a Cash Management service provided through Internet Banking that allows commercial customers to create direct deposit and direct payment transactions. ACH Origination is a separate service from Internet Banking which has its own agreement and fee schedule.

WIRE TRANSFERS – Wire transfer is a Cash Management service provided through Internet Banking that allows Commercial customers to send wire instructions to the bank. Commercial customers will not be given wire transfer service until a signed, written request is received and the signature on the request is verified to the signature of record. After approval for wire transfer services, requests received through Online Banking will be handed in accordance with the existing Wire Transfer Policy.

CONFIDENTIALITY -- If your account is a Consumer account, we will disclose information to third parties about your account or the transfers you make:

- Where it is necessary for completing transfers, or
- In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant, or
- In order to comply with government agency or court orders, or
- If you give us your written permission.

If your account is a Business Account, the provisions of this Confidentiality provision do not apply and we reserve the right to share information about you and your designated account to the fullest extent permitted by law.

PERIODIC STATEMENTS – You will not receive a separate FMBanking Online statement. Transfers to and from your account using FMBanking Online will appear on the respective periodic bank statements for your Bank accounts.

CHANGE IN TERMS – We may change any term of this Agreement at any time. If the change would result in increased fees for any FMBanking Online service, increased liability for you, fewer types of available electronic fund transfers, or stricter limitations on the frequency or dollar amount of transfers, we agree to give you notice at least 30 days before the effective date of any such change, unless an immediate change is necessary to maintain the security of an account or our electronic fund transfer system.

We will send any required notice of the change in terms to you by FMBanking Online e-mail. If advance notice of the change is not required, and disclosure does not jeopardize the security of the account or our electronic fund transfer system, we will notify you of the change in terms within 30 days after the change becomes effective. Your continued use of any or all of the FMBanking Online Services indicates your acceptance of the change in terms. We reserve the right to waive, reduce or reverse charges or fees in individual situations. You acknowledge and agree that changes to fees applicable to specific accounts are governed by the applicable deposit agreements and disclosures.

CONSUMER LIABILITY – If your account is a Consumer Account, tell us AT ONCE if you believe your password has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft protection limit, if applicable). If you tell us within two (2) business days, you can lose no more than fifty (\$50.00) dollars if someone accesses your account without your permission. If you do not tell us within two (2) business days after you learn of the loss or theft of your password and we can prove we could have stopped someone from accessing your account without your permission if you had given us notice, you can lose as much as five hundred (\$500.00) dollars. Also, if your statement shows transfers you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed or delivered to you, you may not receive back any money you lost after the sixty (60) days, and therefore, you could lose all the money in your account (plus your maximum overdraft protection limit, if applicable), if we can prove that we could have stopped someone from taking the money had you given us notice in time. If a good reason (such as a long trip or hospital stay) keeps you from giving the notice, we will extend the time periods.

If your account is a Business Account, the limitations on liability set forth above are not applicable. Notwithstanding anything to the contrary in the agreement, you will be liable for any unauthorized use of FMBanking Online unless otherwise provided by applicable law or written agreement with us.

YOUR RESPONSIBILITY TO NOTIFY US OF LOSS OR THEFT -- If you believe your password has been lost or stolen or that someone has accessed your account without your permission, contact us immediately. Also tell us immediately if someone has transferred or may transfer money from your account without your permission or if you suspect any fraudulent activity on your account. Telephoning us is the best way to keep your possible losses down. To notify us about your lost or stolen password,

- call us at (337)332-4132 during normal business hours;
- or e-mail us at CustomerService@fmbanking.com;
- or fax us at (337)332-5089;
- or write to us at: Farmers-Merchants Bank & Trust Company, P.O. Box 910, Breaux Bridge, Louisiana 70517;
- or visit us in person at any one of our banking locations

OUR LIABILITY FOR FAILURE TO COMPLETE A TRANSACTION -- If your account is a Consumer Account 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, we may be liable for your losses or damages as provided by law. However, there are some exceptions. We will NOT be liable, for instance:

- If through no fault of ours, you do not have enough money in your account to make the transfer.
- If the transfer would result in you exceeding the credit limit on your overdraft protection plan, if you have one.
- If the money in your designated account is subject to legal process or other claim restricting the transfer.
- If your account is closed, or if it has been frozen.
- If the electronic device (telephone, computer, modem, or other) or communication line, circuit, network or service used to connect and/or provide instructions to us was not working properly and you knew about the malfunction breakdown before you started the transfer.
- If circumstances beyond our control (such as fire or flood, computer or machine breakdown, or failure or interruption of communications facilities) prevent the transfer, despite reasonable precautions we have taken.
- If we have terminated our Agreement with you.
- When your password has been reported lost or stolen or we have reason to believe that something is wrong with a transaction.
- If we receive inaccurate or incomplete information needed to complete a transaction.
- If you have not provided us with complete and correct payment information for the Bill Payment Service, including, without limitation, the name, address, your payee-assigned account number, date, and payment amount for the payee on a bill payment.

If your account is a Business Account, our liability for failure to complete a transfer from you account on time or in the correct amount will be governed by other provisions in this agreement.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR TRANSACTIONS -- In case of errors or questions about your electronic fund transfers,

- call us at (337) 332-4132
- write to: Farmers-Merchants Bank & Trust Company
P.O. Box 910
Breaux Bridge, LA 70517
- e-mail us at: CustomerService@fmbanking.com

Notification should be made as soon as possible if you think your statement or receipt is wrong or if you need more information about a transaction listed on the statement or receipt. You must contact the Bank no later than 60 days after it sent you the first statement on which the problem or error appears. You must be prepared to provide the following information:

- Your name and account number.
- A description of the error or transaction you are unsure about along with an explanation as to why you believe it is an error or why you need more information.
- The dollar amount of the suspected error.
- If the suspected error relates to a bill payment made via the FMBanking Online Bill Payment Service, tell us the account number used to pay the bill, payee name, and the date the payment was sent.

If you provide oral notice, you may be required to send in your complaint or question in writing within ten (10) business days.

We will determine whether an error occurred within ten (10) business days (twenty (20) business days for new accounts) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days (ninety (90) days for new accounts) to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days (twenty business (20) days for new accounts) for the amount which you think is in error, so that you will have the use of the money during the time it takes to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account. The extended time periods for new accounts apply to all electronic fund transfers that occur within the first thirty (30) calendar days after the first deposit to the account is made.

We will tell you the results within three (3) 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 we used in our investigation.

Business Accounts: If your account is a Business Account, this provision does not apply. See "Special Business Account Provisions" for the information about reporting discrepancies.

DISCLAIMER OF WARRANTY AND LIMITATION OF LIABILITY – We make no warranty of any kind, express or implied, including any implied warranty of merchantability or fitness for a particular purpose, in connection with the FMBanking Online Services provided to you under this Agreement. We do not and cannot warrant that FMBanking Online will operate without errors or that any or all FMBanking Online Services will be available and operational at all times. Except as specifically provided in this Agreement, or otherwise required by law, you agree that our officers, directors, employees, agents or contractors are not liable for any indirect, incidental, special or consequential damages under or by reason of any services or products provided under this Agreement or by reason of your use of or access to FMBanking Online, including loss of profits, revenue whether in an action in contract or tort or based on a warranty. Further, in no event shall the liability of the Bank and its affiliates exceed the amounts paid by you for the services provided to you through FMBanking Online.

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YOUR RIGHT TO TERMINATE – You may cancel your FMBanking Online service at any time by providing us with written or oral notice. Your access to FMBanking Online will be suspended within 3 business days of our receipt of your instructions to cancel the service. You will remain responsible for all outstanding fees and charges incurred prior to the date of cancellation. Cancellation of your FMBanking Online service also cancels your FMBanking Bill Payment service, if applicable.

OUR RIGHT TO TERMINATE – You agree that we can terminate or limit your access to FMBanking Online Services for any of the following reasons:

1. Without prior notice, if you have insufficient funds in any one of your Bank accounts. FMBanking Online Service may be reinstated, at our sole discretion, once sufficient funds are available to cover any fees, pending transfers, and debits.
2. Upon 3 business days notice, if you do not contact us to designate a new Primary Checking Account immediately after you close your Primary Checking Account.
3. Upon reasonable notice, for any reason at our sole discretion.

INACTIVITY – We may convert your account to “inactive” status if you do not sign on to Internet Banking for a consecutive one-hundred (180) day period. If your account is considered inactive, you must re-enroll in Internet Banking Services.

SPECIAL BUSINESS ACCOUNT PROVISIONS – The terms and provisions of this section apply only if your account is a Business Account. In the event that the terms and provisions of this section conflict or are inconsistent with any of the other terms and provisions of this agreement, the terms and provisions of this section shall govern and control. Otherwise, the other terms and provisions of this agreement are also applicable to Business Accounts, subject to statements of inapplicability with respect to certain terms and provisions.

Mailings; Unauthorized Use: - You agree that we may send confidential mailings, including (without limitation) ID/Password confirmations, to the current address shown in our records for your Business Account, whether or not that address includes a designation for delivery to the attention of any particular individual. You further agree that we will not be responsible or liable to you in any way in the event that such properly addressed information is intercepted by an unauthorized person, whether in transit or at your place of business. You agree to 1) keep your ID and Password secure and strictly confidential, providing it only to authorized signers on your account(s)- or other trusted employees, agents, etc., whom you want to act as your representative to access your accounts(s); 2) instruct each person to whom you give your ID and Password that he/she is not to disclose it to any unauthorized person; and 3) immediately notify us and request a new ID and/or Password if you believe your ID or Password may have become known to an unauthorized person. You agree to be bound by any instructions transmitted to us through the FMBanking Online service, whether authorized or unauthorized, and we shall have no liability to you for any unauthorized transactions or inquiries made using your ID and Password. Additional users can be setup by commercial customers directly, not by the bank. Additional users will be assigned an independent ID, which will be derived from your main ID, and an independent Password. You agree that you are solely responsible for the activities of additional users created by your ID and Password, or any additional ID and Password derived from your main login. We reserve the right to suspend or cancel your ID and Password if we suspect it is being used in an unauthorized manner.

Examining Records and Reporting Discrepancies: - We provide no separate written confirmation of individual transfers, payments or other transactions conducted through the FMBanking Online service. Confirmation is provided through online information available from the FMBanking Online service and through your periodically delivered account statements. You agree to examine your statements promptly and to notify us immediately of any discrepancy between the statements and your other account records. You also agree to notify us immediately of any discrepancy you may find in reviewing online information. You may notify us of discrepancies at the telephone number and address set forth below. You agree that in no event will we be liable to you under this agreement, or in performing the transactions contemplated by this agreement, for special, indirect or consequential damages including, without limitation, lost profits or attorney’s fees, even if we are advised in advance of the possibility of such damages, or any other damages, notwithstanding any other provisions of this agreement to the contrary.

Additional Terms and Conditions: - You acknowledge, represent and warrant that the account(s) that can be accessed under this agreement was/were established primarily for business or commercial purposes and not for personal, family or household purposes. Accordingly, the provisions of the Electronic Fund Transfers Act, as amended (15 U.S.C 1693 et seq.), Federal Reserve Regulation E, as amended (12 C.F.R. 205), and any other laws or regulations intended for the protection or governance of consumers or consumer accounts do not apply to any transactions involving Business Accounts subject to this agreement, except to the extent such provisions are expressly set forth herein and are not made inapplicable with respect to Business Accounts according to the terms hereof.

MISCELLANEOUS: - In addition to this agreement, you agree to comply with all applicable account agreements and State and Federal laws and regulations.

If you have agreed to receive disclosures in electronic form, you are responsible for downloading or printing the disclosures. Alternatively, you may provide us with a non-electronic address to which the disclosures may be mailed.

Communications between the Bank and You – Unless this Agreement provides otherwise, you can communicate with us in any one of the following ways:

E-mail	You can contact us by e-mail at CustomerService@fmbanking.com (Please note that Banking transactions through FMBanking Online are not made via e-mail.)
Telephone	You can contact us by telephone at (337)332-4132 (During Normal Business Hours)
Facsimile	You can contact us by fax at (337)332-5089
Postal Mail	You can write to us at: Farmers-Merchants Bank & Trust Co. P. O. Box 910 Breaux Bridge, Louisiana 70517-0910
In Person	You may visit us in person at any one of our banking locations.

FM Banking Online Fee Schedule

Banking Services

FMBanking Online allows you to check the balance of your bank accounts, view bank account histories, transfer funds between your bank accounts, make stop payment requests, and download account activity. **There is no charge for FMBanking Online Service.** If you should issue a stop payment, you will be charged \$22.95 per stop payment.

Bill Payment Services

Bill Payment allows you to pay your bills over the Internet. **There is no charge for FMBanking Bill Payment Service.** The following fees will be assessed in connection with the bill payment service:

Over Draft Fee (Paid):	\$25.87 per occurrence
Over Draft Fee (Returned):	\$27.87 per occurrence
Stop Payment Fee:	\$22.95 per occurrence

Cash Management / ACH Services

Start up Fee	\$150.00
Monthly Maintenance Fee:	\$20.00 Fee Type I* and \$15.00 Fee Type II* (This allows Farmers-Merchants Bank & Trust Company to provide you with software, training, ongoing support, and compliance with National Automated Clearing House Association (NACHA) rules and regulations.)
Transaction Fee	\$0.20 per debit or credit (This offsets the per transaction fees charged by the Federal Reserve for origination.)
Transmission/File Fee	\$3.00 per file (This offsets the per file fee charged by the Federal Reserve for each file originated. The number of transactions per file does not affect this charge.)

*Fee Type I - Customer uses ACH Batch/Origination functions

*Fee Type II - Customer uses ACH Import function only

The fees listed above are in addition to and do not replace the fees associated with your deposit accounts. The terms and conditions of the deposit agreements and disclosures for each of your deposit accounts as well as your other agreements with Farmers-Merchants Bank & Trust Co., such as loans, continue to apply.

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