

BILL PAYMENT AGREEMENT/DISCLOSURE

First Heritage Bank
801 S. Fremont
Shenandoah, IA 51601

Bill Pay Fees: The first month of bill pay fees will be waived as a way to introduce the service. After the 30 day introductory period, bill pay has a monthly flat fee of \$5 on each account that has enabled this service, with unlimited transactions on each account that has enabled this service.

This is your bill paying agreement with First Heritage Bank 801 S Fremont, Shenandoah, IA 51601.

You may use First Heritage Bank's bill paying service, BillPay-e Plus, to direct First Heritage Bank to make payments from your designated checking account to the "Payees" you choose in accordance with this agreement. The terms and conditions of this agreement are in addition to the account agreements, disclosures and other documents in effect from time to time governing your account (The Account Rules).

"You" or "Your" means each person who is authorized to use the service. "Payee" means anyone, including the Financial Institution, you designate and the Financial Institution accepts as a "Payee".

HOW TO SET UP PAYEES/PAYMENTS

- If you want to add a new "PAYEE", select the "Payee" tab located in your Bill Pay application or speak to a service representative.
 - You may add a new fixed payment to a "Payee" by accessing the service and entering the appropriate information. Most other additions, deletions, or changes can be made in writing or by using the service.
- The Financial Institution reserves the right to refuse the designation of a "Payee" for any reason.
- You may pay any "Payee" with-in the United States (including U.S. territories and APO's).
- The Financial Institution is not responsible for payments that can not be made due to incomplete, incorrect, or outdated information.

THE BILL PAYING PROCESS

Single Payments – a single payment will be processed on the business day (generally Monday through Friday, except certain holidays) that you designate as the payment's process date, provided the payment is submitted prior to the daily cut-off time on that date. The daily cut-off time, which is controlled by the Financial Institution, is currently 2:00 PM.

A single payment submitted after the cut-off time on the designated process date will be processed on the next business day. If you designate a non-business date (generally weekends and certain holidays) as the payment's process date, the payment will be

processed on the first business day following the designated process date.

Recurring Payments - When a recurring payment is processed, it is automatically rescheduled by the system. Based upon your selected frequency settings for the payment, a process date is calculated for the next occurrence of the payment. If the calculated process date is a non-business date (generally weekends and certain holidays), it is adjusted based upon the following rules:

- If the recurring payment's "Pay Before" option is selected, the process date for the new occurrence of the payment is adjusted to the first business date prior to the calculated process date.
- If the recurring payment's "Pay After" option is selected, the process date for the new occurrence of the payment is adjusted to the first business date after the calculated process date.

Note: If your frequency settings for the recurring payment specify the 29th, 30th, or 31st as a particular day of the month for processing and that day does not exist in the month of the calculated process date, then the last calendar day of that month is used as the calculated process date.

SINGLE AND RECURRING PAYMENTS

The system will calculate the Estimated Arrival Date of your payment, this is only an estimate, please allow ample time for your payments to reach your "Payees".

CANCELLING A PAYMENT

A bill payment can be changed or cancelled, anytime prior to the cutoff time on the scheduled process date.

AVAILABLE FUNDS

You agree to have available and collected funds on deposit in the account you designate in amounts sufficient to pay for all bill payments requested, as well as, any other payment obligations you have to the Financial Institution.

- The Financial Institution reserves the right, without liability, to reject or reverse a bill payment if you fail to comply with the above requirement or any other term of this agreement.
- If you do not have sufficient funds in the account and the Financial Institution has not exercised its right to reverse or reject a bill payment, you agree to pay for such payment obligations on demand.
- You further agree the Financial Institution, at its option, may charge any of your accounts with the Financial Institution to cover such payment obligations.

The Financial Institution reserves the right to change the cut-off time. You will receive notice if it changes.

LIABILITY

- You will be responsible for any bill payment request you make that contains an error or is a duplicate of another bill payment.

- The Financial Institution is not responsible for a bill payment that is not made if you did not properly follow the instructions for making a bill payment.
- The Financial Institution is not liable for any failure to make a bill payment if you fail to promptly notify the Financial Institution after you learn that you have not received credit from a “Payee” for a bill payment.
- The Financial Institution is not responsible for your acts or omissions or those of any other person, including, without limitation, any transmission or communications facility, and no such party shall be deemed to be the Financial Institution's agent.
 - In any event, the Financial Institution will not be liable for any special, consequential, incidental, or punitive losses, damages, or expenses in connection with this agreement or the service, even if the Financial Institution has knowledge of the possibility of them.
- The Financial Institution is not liable for any act, failure to act or delay in acting if it is caused, in whole or in part, by any cause beyond the Financial Institution's reasonable control.

AMENDMENT TERMINATION

The Financial Institution has the right to change this agreement at any time by notice mailed to you at the last address shown for the account on the Financial Institution's records, by posting notice in branches of the Financial Institution, or as otherwise permitted by law.

- The Financial Institution has the right to terminate this agreement at any time.
- You may terminate this agreement by written notice to the Financial Institution.
- The Financial Institution is not responsible for any fixed payment made before the Financial Institution has a reasonable opportunity to act on your termination notice.
- You remain obligated for any payments made by the Financial Institution on your behalf.

SERVICE FEES

The fee for the Bill Paying Service is: \$5.00 per month, for an unlimited number of monthly payments.

Additional charges for customer requested services and other items. These are iPay's charges to the Financial Institution. You agree to such charges and authorize us to deduct the calculated amount from your designated billing account for these amounts and any additional charges that may be incurred by you. There will be No Charge for any item if needed to correct a Financial Institution error.

- Written Correspondence to “Payee” : \$15.00
- Per proof of payment not necessitated by a dispute: \$10.00
- Payments returned due to customer error: \$5.00
 - Reinstatement Fee: \$50.00
 - Cancellation Fee: \$7.50
 - ACH Return Fee: \$20.00
- Express Mail correspondence: \$15.00
 - Overdraft Fee: \$24.00

Miscellaneous Product Fees

- Overnight Fee: \$14.95
- 2nd Day Fee: \$9.95
- Charitable Donations: \$1.99
- Gift Pay: \$2.99

The Financial Institution reserves the right to charge you for research time involving payments no longer available in your screen history.

You will be informed of any such charges before they are incurred. Bill payments are processed by Electronic Fund Transfers (EFT). Please see the Electronic Fund Transfers Disclosure Statement included, or, received when you opened your account, which discloses important information concerning your rights and obligations.

Reg E Disclosures

The EFT Act, most commonly known as, Regulation E, provides consumers with certain rights and responsibilities with respect to EFTs initiated through our online banking service. Please read the following EFT disclosures carefully. You should print a copy of this information for future reference.

(a) Consumer Liability for Unauthorized Transfers

Tell us AT ONCE if you believe your Logon ID or 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 line of credit).

If you tell us within two business days, you could lose no more than \$50 if someone used your Password without your permission. If you believe your Password has been compromised, lost, or stolen and you tell us within two business days after you learn of the loss or theft, you can lose no more than \$50 if someone used your Password without your permission.

If you do NOT tell us within two business days after you learn of the loss or theft of your Password and we can prove we could have stopped someone from using your Password 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, 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 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.

If you believe your Password has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call or write to us pursuant to section 18.(b) - Errors and Questions.

Please remember that when you give someone your Logon ID and Password, you are authorizing that person to use the Service and you are responsible for all transactions the

person performs using the Service with your Logon ID and Password. All transactions that person performs even those transactions that you did not intend or want performed are authorized transactions. If you notify us that the person is no longer authorized, then transactions that person performs after the time you notify us are considered unauthorized. Transactions that you or someone acting with you initiates with fraudulent intent are also authorized transactions.

For your protection, safeguard your Logon ID and Password and sign off after every Online Banking session.

A consumer has no liability for erroneous or fraudulent transfers initiated by an employee of a financial institution.

(b) Errors or questions regarding EFT transactions

In case of Errors or Questions about your electronic transfers telephone us at (712) 246-5118 or write us at 801 S Fremont Shenandoah, IA 51601 or email us at contact@fhbshen.com.

Contact us as soon as you can if you think your statement or account history is wrong, or if you need more information concerning an EFT transaction in your statement and/or history. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

If you believe your Logon ID or Password has been compromised, lost, or stolen, or that someone has transferred or may transfer money from your account without your permission, call us immediately via any of the methods noted above.

Please include the following information in your notification:

- * Name
- * Account Number and your Logon ID
- * Description of the error or the EFT transaction you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information.
 - * Tell us the amount of the error.

For a Bill Payer error tell us:

- * The account number used to pay the bill
 - * Payee Name
 - * Date the payment was scheduled
 - * Confirmation number
 - * Payment amount
- * Payee account number for the payment in question.

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 after we hear from

you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days 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.

For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

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 that we used in our investigation.

(c) Other Problems

If you believe an error, other than an EFT problem or unauthorized transaction has occurred, you can tell us at:

(712) 246-5118 or send secure e-mail to contact@fhbshen.com.

(d) Disclosure of Account Information to Third Parties

We will disclose information to third parties about your account or the transactions you make ONLY in the following situations:

1. Where it is necessary for completing transactions.
2. When it is necessary for activating additional services.
3. In order to verify the existence and condition of your account to a third party such as a credit bureau or Payee.
4. In order to comply with a governmental agency or court order.
5. If you give us your written permission.
6. It is necessary for the security purposes of our Service Providers, our servicing agents, and/or contractors providing our Online Banking and electronic funds transfer service.
7. It involves a claim by or against us concerning a deposit to or withdrawal from your account.

Please refer to our [privacy notice](#) for additional detail.

(e) Our Liability for Failure to Complete Transactions

If we do not complete a transaction to or from our account on time or in the correct amount according to our agreement with you, we will be liable for you losses or damages as specified in sections. However, there are some exceptions. We will not be liable if any of the following occurs:

1. If through no fault of ours, your Eligible Account(s) or bill payment account does not contain sufficient funds to complete the transaction, or the transaction would exceed the

credit limit of your overdraft account.

2. Your Eligible Account(s) or bill payment accounts are closed.
3. The service is not working properly and you know or have been advised by us about the malfunction before you execute the transaction.
4. You have not provided the Service with the correct bill payment account information, or the correct name, address, phone number, or account number for the Payee.
5. Circumstances beyond our control (such as, but not limited to, fire, flood, or interference from an outside source) prevent the proper execution of the transaction and the Service has taken reasonable precautions to avoid these circumstances.
6. If your computer, software, telecommunications lines were not working properly or were temporarily unavailable, and this problem should have been apparent to you when you attempted the transaction.
7. It can be shown that the payee received the bill payment within the normal delivery timeframe and failed to process the payment through no fault of ours.
8. We have reason to believe that a transaction request may not be authorized by you or any third party whose authorization we believe is necessary.
9. The payment request involves funds subject to hold, dispute, restriction, or legal process we believe prevents their withdrawal.

Provided none of the foregoing exceptions are applicable, if we cause an incorrect amount of funds to be removed from your Eligible Account(s) or cause funds to be directed to a Payee which does not comply with your payment instructions, we shall be responsible for returning the improperly transferred funds to your Eligible Account(s) and for directing payment to the proper Payee.

Our bill pay late payment guarantee shall be void if the service is unable to complete any transaction initiated by you because of the existence of anyone or more of the foregoing exceptions.

(f) Documentation and Verification of Payments and Transfers

Information regarding online banking and bill pay transactions will be reflected in the account detail and account history sections of the service and in your regular monthly account statement(s).