



BUSINESS BILL PAY AGREEMENT/DISCLOSURE

Farmers & Merchants Bank Business Bill Pay – BizPay

This is your bill pay agreement with Farmers & Merchants Bank. You may use Farmers & Merchants Bank's bill pay service, iPay, to direct Farmers & Merchants Bank to make payments from your designated checking account(s) 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 (Account Rules).

"You" or "your" means anyone to whom valid access to Bill pay has been provided for use of the system on your behalf. A "payee" is any individual business or "merchant" you designate as the recipient of a payment including Financial Institutions.

HOW TO SET UP PAYEES/PAYMENTS

By completing a bill pay enrollment form, you may add a new payment (fixed or recurring) to a Payee only if the Payee is listed as an authorized payee at iPay. Most other additions, deletions, or changes can be made in writing or by using the iPay Service. If you want to add a new payee, use "set up accounts/payee" on the Internet or speak to a service representative. A newly added Payee may not be available until it has been verified and accepted by the bank. Each new Payee accepted by the bank will be assigned a payee code, however, Farmers & Merchants Bank reserves the right to refuse the addition of a Payee for any reason.

You may pay almost anyone you wish, however, there are several restrictions: 1) The payee/merchant must be located in the United States; 2) Payments may not be remitted to tax authorities or government and collection agencies; 3) Payments may not be remitted to Security/Investment companies such as Ameritrade for stock purchases or trade taxing authorities and 4) Payments may not be directed to Court directed payees such as Alimony, child support, or other legal debts.

Farmers & Merchants Bank will not be responsible if a Bill Payment can not be made due to incomplete, incorrect, or outdated information provided by you regarding a Payee or if the payment is rejected or reversed for cause (see below) or if you attempt to pay a Payee that is not on your Authorized Payee list.

THE BILL PAYING PROCESS

Single Payments

Any payment(s) 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 2:00 PM central time of that date. A single payment submitted after the cut-off time on the designated process date will be processed on the following 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. Farmers & Merchants Bank reserves the right to change the cut-off time as necessary and to provide you notice of the change.

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 backward" 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 Backward" option is not selected (or if the "Pay Backward" option is not available), 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.

Electronic payments will occur in 2-4 days. For Payments made by check, depending on where the Payee resides, to reach the Payee you must allow at least 4-8 days, prior to the due date as delivery will depend on US mail. Any bill payment can be changed or canceled, provided you access the Bill Pay Service prior to the cut-off time on the business day prior to the business day the bill payment is going to be initiated.

Rejection or Reversal of Payments

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 us. Farmers & Merchants Bank reserves the right, without liability, to reject or reverse a bill payment if you fail to comply with this requirement or any other term of this agreement. If you do not have sufficient funds in the Account and Farmers & Merchants Bank 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 Farmers & Merchants Bank, as its option, may charge any of your accounts with the Bank to cover such obligations and resulting fees such as an overdraft fee.

LIABILITY

You are solely responsible for controlling the safekeeping of, and access to, your access device [Personal Identification Number] (Pin), and any additional access devices you establish for your use.

-You are liable for all transactions you or your authorized representative make even if that person exceeds his or her authority. If you want to terminate your main access authority, you must notify Farmers & Merchants Bank and arrange to change your PIN. If you wish to terminate any additional access devices you have established you must remove or change them.

-You will be responsible for any Bill Payment containing errors or a duplicate request.

-Farmers & Merchants Bank is not responsible for a Bill Payment that is not made if you did not properly follow the instructions for making such a Bill Payment.

-Farmers & Merchants Bank is not liable for any failure to make a Bill Payment if you fail to promptly notify the Bank after you learn that you have not received credit from a Payee for a Bill Payment.

-Farmers & Merchants Bank is not responsible for your acts, omissions, or those of any other authorized person including, without limitation, any related transmission or communication. No such party shall be deemed to be Farmers & Merchants Bank's agent.

-Farmers & Merchants Bank will not be liable for any special, consequential, incidental, or punitive losses, damages, or expenses in connection with this Agreement or the Service.

-Farmers & Merchants Bank 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 Farmers & Merchants Bank's reasonable control.

Amendment and Termination

Farmers & Merchants Bank has the right to change this Agreement at any time by providing you notice to the last address shown on your bank account, by posting notices in bank branches, or as otherwise permitted by law.

Farmers & Merchants Bank has the right to terminate this Agreement at any time.

You may terminate this Agreement by written notice to Farmers & Merchants Bank. However, the Bank is not responsible for any fixed payment made before Farmers & Merchants Bank has a reasonable opportunity to act on your termination notice. Therefore you remain obligated for any payments made by Farmers & Merchants Bank on your behalf.

Fee Schedule

Farmers & Merchants Bank reserves the right to change any and all fees at its option. Should a change be made to any fee you will be notified before the change is effective.

Additional Charges for Customer requested Services and Other Items

These charges will be assessed if you incur a charge or request one or more of the fees or services listed here:

1. Fees.

- Transaction Charges – First 10 free then \$.50/transaction thereafter
- Monthly Fee - \$10 first month free
- Overdraft items Fees – You may be charged \$25.00 for each item that creates an overdraft. (A \$3.00/day continuous overdraft fee also applies).
- Returned items Fees – You may be charged \$28.00 for each item that is returned.
- Items needed to correct our error. \$ 0.00
- Payments returned due to customer error. \$5.00 each
- Proof of Payment not necessitated by a dispute: \$10.00 each
- Please refer to the Farmers & Merchants Bank Fee Schedule

2. Services.

- We reserve the right to charge for research time involving payments no longer available in your screen history. You will be informed of any such charges before they are incurred.
- Written Correspondence to Payee: \$10.00 each

Note

Bill payments are processed by Electronic Fund Transfers (EFT). Please see the Electronic Fund Transfers Disclosure Statement you received when you opened your account, which discloses important information concerning your rights and obligations.

As a commercial entity you represent and warrant that you will use Farmers & Merchants Bank – Business bill pay solely for business purposes. You acknowledge that access to business Accounts is not governed by the federal Electronic Funds Transfer Act and Regulation E. You represent and warrant that you are acting with full authority for the applying entity, and that you are duly authorized to execute this Agreement on behalf of the applying entity.

Unlawful Internet Gambling Notice

Transactions restricted by the Unlawful Internet Gambling Enforcement Act of 2006 (UIGEA) are prohibited from being processed through this business account.