

ONLINE BANKING AGREEMENT AND ELECTRONIC FUND TRANSFER ACT DISCLOSURE

Agreement- This Agreement, which includes the Fee Schedule and Enrollment Form, is a contract, which establishes the rules, which cover your electronic access to your accounts at The Peoples State Bank (“BANK”) through The Peoples State Bank Internet Banking Service (Internet Banking Service). By using Internet Banking Service 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 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 Indiana (Except to the extent this Agreement can and does vary such rules or laws). If any provisions of this Agreement are 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 for 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 this 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 Peoples State 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 the Agreement. This Agreement, together with the Enrollment Form 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 The Peoples State Bank. “You” and “your” refer to the account holder authorized by Bank to use the Internet Banking Service under this Agreement and anyone else authorized by the accountholder to exercise control over the accountholder’s funds through the Internet Banking Service. “Account” or “accounts” means your accounts at Bank. “Electronic funds transfers” means ATM withdrawals, preauthorized transactions, and point of sale transactions, transfer to and from your Bank accounts using Internet Banking Service including bill payments. “Internet Banking Service” means the services provided pursuant to this Agreement, including the Bill Payment Service. “Business days” means Monday through Friday. Holidays are not included.

Access- To use the Internet Banking Service, you must have at least one checking account at Bank, Access to Internet Service, and an e-mail address. Once we have received your signed Enrollment Form, and verified your account information, we will send you, either by e-mail or by postal mail, confirmation of our acceptance of your enrollment, along with your assigned log-in ID and temporary password. The Internet Banking Service can be used to access only the Bank accounts, which you have designated for access, by the Internet Banking Service in your Enrollment Form. You can add or delete any of your Bank accounts from this Agreement by

completing a new Enrollment Form. Access to your accounts through the Internet Banking Service will be based upon the identification of users and authority levels specified by you in your Enrollment Form. We undertake no obligation to monitor transactions through the Internet Banking Service to determine that they are made on behalf of the accountholder.

Internet Banking Services- You can use the Internet Banking Service to check the balance of your Bank accounts, view Bank account histories, transfer funds between your Bank accounts, order checks, make stop payment requests, and pay bills from your Bank accounts in the amounts and on the dates you request if you have requested the Bill Payment Service on your Enrollment Form. Balance and activity information are available as of 2:00p.m. (Eastern Standard Time) of the previous business day.

Hours of Access- You can use the Internet Banking Service seven days a week, twenty-four hours a day, although some or all Internet Banking Service services may not be available occasionally due to emergency or scheduled system maintenance. We agree to post notice of any extended periods of non-availability on the Internet Banking Service web site.

Your Password- For security purposes, you are required to change your password upon your initial login to the Internet Banking Service. You determine what password you will use and the identity of your password is not communicated to us. You agree that we are authorized to act on instructions received under your password. You accept responsibility for the confidentiality and security of your password and agree to change your password regularly. Upon three unsuccessful attempts to use your password, your access to the Internet Banking Service will be revoked. To re-establish your authorization to use the Internet Banking Service, you must contact us to have your password reset or to obtain a new temporary password.

We recommend that you create a password that utilizes both upper and lower case alpha and numeric characters for purposes of security. Your password should not be associated with any commonly known personal identification, such as social security numbers, address, date of birth, names of children, and should be memorized rather than written down.

Security- You understand the importance of your role in preventing misuse of your accounts through the Internet Banking Service and you agree to promptly examine your paper 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 login ID are intended to provide security against unauthorized entry and access to your accounts. Data transferred via the Internet Banking Service is encrypted in an effort to provide transmission security and the Internet Banking Service utilizes identification technology to verify that the sender and receiver of Internet Banking Service transmissions can be appropriately identified by each other. Notwithstanding our efforts to insure that the Internet Banking Service 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 the Bank Internet Banking Service, or e-mail transmitted to and from us, will not be monitored or read by others.

Fees and Charges- You agree to pay the fees and charges for your use of the Internet Banking 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 designated as the "Primary Checking Account" on your Enrollment Form. IF you close your Primary Checking Account, you must contact us immediately to designate another account as your Primary Checking Account. You agree to pay any additional reasonable charges for services you request, which are not covered by this Agreement. You are also responsible for telephone and Internet service fees you incur in connection with your use of the Internet Banking Service.

Posting of Transfers- Transfers initiated through the Internet Banking Service before 2:00 p.m. on a business day are posted to your account the same day. Transfers completed after 2:00 p.m. on a business day, Saturday, Sunday or banking holiday, will be posted on the next business day. The Internet Banking Service identifies transfers based upon the login ID of the user who made the electronic transfer. Accordingly, you understand and acknowledge that the View Postings screens in both the Transfer and Bill Payer menu options of the Internet Banking Service will not reflect transfers made by multiple users from the same account if different login ID's are used. 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.

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...

- a. Electronic funds transfers involving currency disbursements, like ATM withdrawals, will have priority.
- b. Electronic fund transfers initiated through the Internet Banking Service, which would result in an overdraft of your account, may, at our discretion, be cancelled.
- c. In the event the electronic fund transfers initiated through the Internet Banking Service, 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.

Limits on Amounts and Frequency of Internet Banking Service Transactions- The number of transfers from Bank accounts and the amounts which 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.

Internet Banking Service Bill Payer Service- You must sign up separately for the Bill Payer service. For information related to the Bill Payer service, see the Bill Payer Service. For information related to the Bill Payer service, see the Bill Payer Agreement.

Scheduling Internet Banking Service Bill Payer Payments- See the Bill Payer Agreement.

How to Cancel a Bill Payer Payment- See the Bill Payer Agreement.

Stop Payment Requests- Stopping the payment of a check is different from the cancellation of a bill payment. Once the bill payment has been debited from your account, you CANNOT cancel or stop a bill payment which has been paid electronically. You may be able to stop an Internet Banking Service Bill Payer service payment paid by paper draft by contacting us by telephone before the paper draft has cleared. (You will have to contact us by telephone to determine if the paper draft has cleared.) If the paper draft has not cleared, we will immediately process your stop-payment request. We will notify you immediately if the paper draft has already cleared. To be effective, this type of stop-payment request must precisely identify the name of the payee, the payee-assigned account number, the amount and scheduled date of the payment, and the ID number from the Bill Payment View Posting Screen.

You may initiate stop-payment requests online via the Internet Banking Service only for paper checks you have written (non-electronically) on your Bank accounts (not Internet Banking Service Bill Payer paper drafts.) Online stop-payment requests are processed at 9:00 a.m. on the business day following the date the stop payment has been requested online. To be effective, this type of stop payment request must precisely identify the name of the payee, the check number, the amount, and the date of the check.

If you make your stop payment request online or by telephone, we may also require you to put your request in the form of paper writing and get it to us within 14 days after you call. You will incur stop-payment charges as disclosed in the current fee schedule for the applicable account. Stop payment charges for Internet Banking Service bill Payer paper drafts will be assessed in addition to the stop payment charges for the applicable account.

Disclosure of Account Information and Transfers- You understand information about your accounts or the transfers you make may automatically be disclosed to others. For example, tax laws require disclosure to the government of the amount of interest you earn, and some transactions, such as large currency and foreign transactions, must be reported to the government. We may also provide information about your accounts to persons or companies we believe would use the information for reasonable purposes, such as when a prospective creditor seeks to verify information you may have given in a credit application or a merchant calls to verify a check you have written. In addition, we routinely inform credit bureaus when accounts are closed because they were not handled properly. We may also seek information about you from others such as a credit bureau, in connection with the opening or maintaining of your account or in connection with approving your access to the Internet Banking Service. You agree and hereby authorize all of these transfers of information.

Periodic Statements- You will not receive a separate Internet Banking Service statement. Transfers to and from your accounts using Internet Banking Service will appear on the respective periodic paper statements for your Bank accounts.

Changes in terms- We may change any terms of this Agreement at any time. If the change would result in increased fees for any Internet Banking 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 21 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 post any required notice of the change in terms on the Bank Internet Banking Service web site or forward it to you by e-mail or by postal mail. If advance notice of the change is not required, and disclosure does not jeopardize the security of the amount 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 subject Internet Banking Service services indicates your acceptance of the change in terms. We reserve the right to waive, reduce or reverse charges of 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.

In Case of Errors or Questions about Your Electronic Transfers, including Bill Payments- Contact us as soon as you can, if you think your paper statement is wrong, or if you need more information about a transfer listed on your paper statement. We must hear from you no later than 60 days after we sent the First paper statement upon which the problem or error appeared. When you contact us:

1. Tell us your name and account number.
2. Describe the error or transfer you are unsure about, and explain as clearly as you can why you believe it is an error, or why you need more information.
3. Tell us the dollar amount of the suspected error.
4. If the suspected error relates to a bill payment made via the Internet Banking Service Bill Payment Service, tell us the account number used to pay the bill, payee name, the date the payment was sent, payment amount, ID number, and the payee account number for the payment in question. (This information appears on the Bill Payment View Posting Screen.)

If you contact us by telephone or by e-mail, we may require that you send us your complaint or question in the form of paper writing by postal mail or fax within 10 business days.

We will communicate to you the results of our investigation within 10 business days after you contact us 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 provisionally 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 in the form of a paper writing within 10 business days, we may not provisionally credit your account.

If we decide that there was no error, we will send you a written explanation within 3 business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation. If we have made a provisional credit, a corresponding debit will be made from your account.

Our liability for failure to make a transfer- If we do not complete a transfer to or from your account, including a bill payment, on time or in the correct amount,

According to our agreement with you when you have properly instructed us to do so, we will be liable to you for your losses or damages caused as a result. However, there are some exceptions. We will NOT be liable, for instance.

1. IF, through no fault of ours, you do not have enough money in your account to make a transfer.
2. If a legal order directs us to prohibit withdrawals from the account.
3. If your account is closed, or if it has been frozen.
4. If the transfer would cause your balance to go over the credit limit of an established line of credit or the credit limit for any credit arrangement set up to cover overdrafts.
5. If you, or anyone authorized by you, commits any fraud or violates any law or regulation.
6. If any electronic terminal, telecommunication device, or any part of the Internet Banking Service electronic fund transfer system is not working properly and you knew about the problem when you started the transfer.
7. IF you have not provided us with complete and correct payment information for the Bill Payer Service, including, without limitation, the name, address, your payee-assigned account number, payment date, and payment amount for the payee on a bill payment.
8. If you have not properly followed the on-screen instructions for using Internet Banking Service.
9. If circumstances beyond our control (such as fire, flood, interruption in telephone service or other communication lines) prevent the transfer, despite reasonable precautions that we have taken.

Your liability for unauthorized transfers-CONTACT US AT ONCE if you believe your password has been lost, stolen, used without your authorization, or otherwise compromised, or if someone has transferred or may transfer money from your accounts without your permission. An immediate telephone call to us is the best way to reduce any possible losses. You could lose all the money in your accounts (plus your maximum overdraft line of credit, if any). If you contact

us within 2 business days after you learn of the loss, theft, compromise, or unauthorized use of your password, you can lose no more than \$50 if someone used your password without your permission.

If you do not contact us within 2 business days after you learn of the loss, theft, compromise, or unauthorized use of your password, and we can prove we could have stopped someone from using your password to access your accounts without your permission if you had told us, you could lose as much as \$500.

Also, if your paper statement shows transfers that you did not make, contact us at once. If you do not tell us within 60 days after the paper statement was mailed to you, you may not get back any money you lost through transactions made after the 60 day time period if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or hospital stay) kept you from contacting us, we will extend the time periods.

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 Internet Banking Services provided to you under this Agreement. We do not and cannot warrant that Internet Banking Service will operate without errors, or that any or all Internet Banking 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 the Internet Banking Service, including loss of profits, revenue, data or use by you or any third party, whether in an action in contract or tort or based on a warranty. Further, in no event shall the liability of Bank and its affiliates exceed the amounts paid by you for the services provided to you through Internet Banking Service.

Your Right to Terminate- You may cancel your Internet Banking Service at any time by providing us with written notice by postal mail or fax. Your access to Internet Banking Service will be suspended within 3 business days of your 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.

Our Rights to Terminate- You agree that we can terminate or limit your access to Internet Banking Service 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.

Our Right to Terminate- You agree that we can terminate or limit your access to Internet Banking Service Services for any of the following reasons.

1. Without prior notice, if you have insufficient funds in any one of your Bank accounts. Internet Banking Service may be reinstated, in 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 other reason in our sole discretion.

Communications between 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 bookkeeping@peoples-bank.com (Please note that banking transactions through Internet Banking Service are not made via e-mail.)

Telephone – You can contact us by telephone at (812) 876-2228

Facsimile – You can contact us by fax at (812) 876-6093

Postal Main -You can write to us at:

The Peoples State Bank
601 East Temperance St.
P.O. Box 128
Ellettsville, IN 47429

In Person- You may visit us in person at any one of our locations:

601 East Temperance St, Ellettsville, IN
202 West 17th St., Bloomington , IN
301 East Winslow Rd, Bloomington , IN
200 East Kirkwood Ave, Bloomington , IN
304 East Morgan St., Spencer, IN
289 South Marion St, Morgantown, IN
Corner of StRd67 and borders St, Paragon, IN
525 South Claris Blvd, Bloomington , IN
3334 West Third St., Bloomington , IN
41 South Hawthorne Dr, Nashville, IN

Consent to Electronic Delivery of Notices- You agree that any notice or other type of communication provided to you pursuant to the terms of this Agreement, and any future disclosures required by law, including electronic fund transfer disclosures, may be made

electronically by posting the notice on the Bank Internet Banking Service web site or by e-mail. You agree to notify us immediately of any change in your e-mail address.

BILL PAYMENT SERVICE TERMS AND CONDITIONS

IMPORTANT

Please read carefully. This is your agreement with The Peoples State Bank. By using the The Peoples State Bank's Bill Payment Service you agree to be bound to the terms and conditions herein.

DEFINITIONS

"Agreement" shall mean all terms and conditions defined herein.

"Financial Institution", "we", or "us" shall refer to The Peoples State Bank.

"Service" shall mean the Bill Payment Service offered by the Financial Institution and associated third party providers.

"You" or "Your" or "Subscriber" shall mean each person who signs or electronically agrees to the bill payment enrollment form or is otherwise authorized to use the Service.

"Payee" shall mean the individual, business or other entity to which you intend to send a payment through the Service and for which you accurately provide and maintain the appropriate or required information such as name, bill remittance / payment delivery address, phone number, account number and account holder name; and to whom you authorize the Financial Institution to remit payments on your behalf through the Service.

"Payee List" shall mean your personal list of Payees that you maintain within the Service and from which list you may select to schedule Payments.

"Merchant" shall mean any business Payee you establish within the Service for whom the Service provider has established a business relationship expressly for the purpose of remitting Payments from the Service.

"Funding Account" shall mean the checking or similar account for which you are an authorized signer, and from which the Financial Institution may debit or otherwise collect the funds necessary to remit the Scheduled Payment to the corresponding Payee, per your instructions.

“Fee Account” shall mean the checking or similar account for which you are an authorized signer, and from which the Financial Institution may automatically debit or otherwise collect all Service fees.

"Business Day" shall mean every Monday through Friday, excluding Bank holidays.

“Bank Holiday” shall mean a Bank Holiday as published by the Federal Reserve.

“Scheduled Payment” shall mean the payment instructions you establish within the Service in order to properly direct funds from the Funding Account you designate to the Payee you designate.

“One-Time Payment” shall mean a Scheduled Payment that results in a single payment delivered to the Payee per your instructions.

“Recurring Payment” shall mean a Scheduled Payment that results in a series of payments delivered to the Payee at regular intervals per your instructions, and shall continue to do so until you cancel it or until the maximum number of payments and/or final payment date that you specified is reached.

“Payment” shall mean the specific single instance of a One-Time Payment or a specific instance of a Recurring Payment, as the case may be.

“Payment Amount” shall mean the monetary figure you specify in a Scheduled Payment, including the regular amount and the final amount of a Recurring Payment series, that the Service shall remit to the Payee.

"Payment Date" or "Withdraw On Date" or "Withdrawal Date" shall mean the Business Day on which you schedule the Payment to be debited from your Funding Account, unless this date falls on a non-Business Day in which case it shall be the immediately preceding or following Business Day as indicated in the Scheduled Payment instructions. In any case, it is the date on which sufficient available funds must exist in the Funding Account.

“Due Date” or “Deliver By Date” or “Delivery Date” shall mean the Business Day on which you schedule the Payment to be delivered to your Payee, unless this date falls on a non-Business Day in which case it shall be the immediately preceding or following Business Day as indicated in the Scheduled Payment instructions. In any case, it is the date you determine to be most appropriate to deliver payment to your Payee considering such factors as the Payee-specified date payment due, grace period, late payment policy or late fee, and/or your knowledge of actual time required for the Payee to receive and process the payment and to credit your account with the Payee, and/or the urgency/criticality of payment delivery, as the case may be.

“Cut-Off Time” shall mean the time of day that Payments to be processed that day shall be processed, and after which time the earliest possible Payment Date or Withdraw On Date and Due Date or Deliver By Date shall be calculated from the next Business Day.

BILL PAYMENT SERVICE

You may use the Financial Institution’s Bill Payment Service, to direct the Financial Institution and/or Service provider to make payments from your Funding 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 Funding Account.

SERVICE GUARANTEE

The Service provider will bear responsibility for any late payment related charges up to Fifty Dollars (\$50.00) should a Payment post after the Scheduled Payment Due Date or Deliver By Date, provided that the Payment was scheduled and the Payee information was maintained in accordance with the guidelines described within this Agreement. Notwithstanding the foregoing, the Service provider shall not be responsible for any such charges if the Service provider does not have responsibility or liability for a Payment transaction, late payments or late payment related charges under the other provisions of this Agreement, including, without limitation, those payments described under the Exception Payments section below.

RESPONSIBILITY

The Service provider shall use commercially reasonable efforts to process the Scheduled Payments per your instructions. Neither the Service provider nor the Financial Institution shall be liable for any Payment transaction if: (i) you do not have enough money in your Funding Account to complete the transaction; (ii) a legal order prohibits withdrawals from your account; (iii) your Funding Account is closed or has been frozen, or is otherwise not authorized to debit the corresponding Payment Amount; (iv) the transaction would cause your balance to go over the credit limit for any credit arrangement set up to cover overdrafts; (v) you, or anyone you allow, commits fraud or violates any law or regulation in connection with the Services; (vi) any electronic terminal, telecommunication device or part of the electronic fund transfer system is not working properly; (vii) you did not provide complete and correct Funding Account, Payment or Payee information; (viii) you did not properly follow the instructions or terms and conditions for use of the Service; (ix) you knew and/or had been advised that Service was not operating properly at the time you scheduled the Payment; (x) there is a postal delay; or (xi) circumstances beyond the Service provider’s control (such as fire, flood or improper transmission or handling by a third party) that prevent, hinder or delay the transaction.

With the exception of the foregoing, if the Service incorrectly debits your Funding Account and/or directs funds from your Funding Account to a Payee inconsistent with the instructions you specified in the Scheduled Payment, the Service shall, upon detecting the error or receiving

notice from you, be responsible for returning the improperly transferred funds to your Funding Account and/or redirecting funds to the proper Payee and/or contacting the Payee to request appropriate adjustments on your account with the Payee except as otherwise provided under the Authorization section below.

LIABILITY

You will be responsible for any Payment request you make that contains an error or is a duplicate of another Payment. The Financial Institution and/or Service provider is not responsible for a Payment that is not made if you did not properly follow the instructions for making a Payment. The Financial Institution and/or Service provider is not liable for any failure to make a Payment if you fail to promptly notify the Financial Institution after you learn that you have not received credit from a Payee for a Payment. The Financial Institution and/or Service provider is not responsible for your acts or omissions or those of any other person, including, without limitation, any Payee or transmission or communications facility, and no such party shall be deemed to be the Financial Institution's and/or Service provider's agent. In any event, the Financial Institution and/or Service provider 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 and/or Service provider has knowledge of the possibility of them. The Financial Institution and/or Service provider 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 and/or Service provider's reasonable control.

SETTING UP AND MAINTAINING PAYEES

To begin using the Service you will first need to establish at least one Payee in your Payee List. You may add, modify or delete Payees as necessary. It is your responsibility to manage your Payee List and maintain accurate Payee information, such as but not limited to the address to which the Payee specifies Payments are to be delivered, your account number with the Payee, the name on your account with the Payee, etc, except where the Service expressly indicates that it shall manage such Payee information, such as a Merchant's remittance address. Payees must reside or exist within the United States of America or its territories or commonwealths. The Service provider and/or the Financial Institution reserve the right to refuse or remove a Payee for any reason.

SETTING UP PAYMENTS

To schedule Payments you must choose a Payee from your Payee List. You may schedule One-Time Payments and Recurring Payments to any of your Payees. It is your responsibility to cancel, skip, reschedule or revise a Scheduled Payment in accordance with the Payee's instructions to you, or as needed to ensure sufficient available funds in the corresponding Funding Account, or under circumstances where the Payee may return the Payment to the Service provider due to any reason outside the Service provider's or the Financial Institution's

control. The Service provider and/or the Financial Institution reserve the right to refuse or cancel a Payment for any reason.

The earliest possible Payment Date / Withdraw On Date and Due Date / Deliver By Date for each Payee will be determined and presented by the Service when you schedule a Payment. The Service will not permit a Payment Date / Withdraw On Date or Due Date / Deliver By Date earlier than the earliest possible dates presented. The Service determines this earliest possible Payment Date / Withdraw On Date and Due Date / Deliver By Date based on the number of Business Days required to deliver a Payment to the Payee, which is primarily affected by whether or not the Payee has agreed to accept remittance of Payments electronically (typically one or two (1 or 2) Business Days) or requires Payments be delivered by check (typically four or five (4 or 5) Business Days). A Payee's location or policies for posting and crediting payments may require additional Business Days. Payments scheduled after the Service's Cut-Off Time shall be processed no earlier than the following Business Day. Currently, the Cut-Off Time is 3:00 p.m. Central Standard Time, but the Service provider and/or the Financial Institution may change the Cut-Off Time without prior notice.

You should carefully consider factors such as the Payee's date payment due, grace period, whether the Payee's date payment due falls on a non-Business Day, etc, when scheduling a Payment to avoid late payments and late fees. You must allow the necessary number of Business Days prior to the Payee's date payment due for each Payment, including each Payment of a Recurring Payment series. Some businesses take longer to post payments than others. You should consider allowing additional time for the initial Payment to a Payee through the Service in order to gauge the appropriate Payment Date / Withdraw On Date or Due Date / Deliver By Date in each case, and determine whether to allow an additional one (1) or two (2) business days to avoid incurring any late fee charged by the Merchant. It is your responsibility to schedule Payments appropriately and in accordance with the Payee's requirements. Neither the Service provider nor the Financial Institution shall be responsible for late payments, nor reimburse you for late fees, for any Payment delivered in accordance with your instructions, or as a result of a Payee's payment processing policies, or any other circumstance outside the Service provider's control.

Payments to Payees, businesses or individuals, outside the United States of America or its territories or commonwealths, are prohibited.

EDITING OR CANCELING PAYMENTS

Any Payment can be modified or canceled, provided you access the Service prior to the Cut-Off Time on the Business Day Payment is going to be processed. Once a Payment is in-process, it cannot be canceled through the Service. Instead, you must contact Customer Service to request a stop payment. A Recurring Payment may be edited or canceled after processing for the current Payment instance is complete.

STOP PAYMENT

You may request to stop payment after a payment has been processed by contacting Customer Service. The Service's ability to successfully stop payment depends on how the funds were remitted to the Payee and the elapsed time since the Payment was processed. The Service provider and the Financial Institution will make commercially reasonable efforts to stop payment per your request, but shall have no liability if unsuccessful. You may be charged a stop payment fee for each request.

EXCEPTION PAYMENTS

Tax payments and court ordered payments may be scheduled through the Service; however such payments are discouraged and must be scheduled at your own risk. In no event shall the Financial Institution or Service provider be liable for any claims or damages resulting from you scheduling these types of payments. The Service provider shall have no obligation to research or resolve any claim resulting from any such payment. All research and resolution for any misapplied, mis-posted or misdirected payments will be your sole responsibility.

BILL PAYMENT PROCESS

The Service will process Payments in accordance with the Payment instructions you provide. The Service will not process Payments on weekends or bank holidays. The Service will debit your Funding Account or issue a draft against your Funding Account, and deliver those funds to the designated Payee on your behalf such that the funds arrive as close to the scheduled Due Date / Deliver By Date as is reasonably practicable.

Numerous business and technical requirements determine if a Payee can accept Payments electronically, but in all cases Payments can be remitted by check. The Service provider shall have sole discretion to determine the appropriate remittance method. In order to process Payments efficiently and effectively, or otherwise comply with Merchants' remittance requirements, the Service reserves the right to change or update Payee data, or alter the method of Payment remittance. Neither the Service provider nor the Financial Institution shall be responsible for late payments, nor reimburse you for late fees, due to: a) U.S. postal delivery issues; b) electronic remittance network issues; c) your Payee's payment processing procedures; d) instances where the financial risk associated with the Payment requires check remittance instead of electronic remittance or additional Business Days to ensure sufficient funds in the Funding Account are available; or d) other circumstances beyond its control.

AUTHORIZATION

When you schedule a Payment, you expressly authorize the Service provider and/or the Financial Institution to withdraw from your Funding Account the Payment Amount and to remit those funds to the designated Payee on your behalf, and additionally to debit your Funding Account for any applicable Service related fees. You further authorize the Financial Institution to credit your Funding Account for any payment returned from or undeliverable to the

Payee. In addition, you certify that the Funding Account is an account from which you are authorized to make payments and incur debits.

You agree to have available and collected funds on deposit in the designated Funding Account in amounts sufficient to process each Payment as requested by you, 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 Payment if you fail to comply with this requirement or any other terms of this Agreement. If you do not have sufficient funds in the Funding Account and the Financial Institution has not exercised its right to reverse or reject a 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 at the Financial Institution to cover such Payment obligations.

You authorize the Service provider and the Financial Institution to contact your Payees to request appropriate adjustments consistent with your Payment instructions and/or as pertaining to the Service Guarantee and Responsibility, and/or to stop payment on any draft issued against your Funding Account in connection with the Service in the unlikely event that the Service remits funds incorrectly to any of your Payees, and/or to withdraw funds from your Funding Account in such event if you otherwise receive the benefit of the amount of such incorrectly remitted funds.

RETURNED PAYMENTS

In using the Service, you understand that Payments may be returned by or to the Service provider for various reasons including but not limited to: the account or account number at the Payee is not valid, the Payee address is not valid, the Payee returns or rejects the remittance item, the account at the Payee has been paid in full or has been turned over to another company or individual. The Service shall use commercially reasonable efforts to research and correct the returned payment, or void the payment and credit your Payment Account. You may receive notification from the Service.

FEES

There is not a monthly fee for the Bill Pay Service.

Additional Charges for Subscriber requested Services and Other Items. These charges will only be assessed if you request one or more of the services listed here. There will be NO Charge for any item if needed to correct a Service error.

- Return Check due to Subscriber Error \$5.00
- Check Copy Mailed or Faxed to Subscriber or Bank \$5.00
- Check Copy Mailed to Merchant \$7.00
- Stop Payment \$30.00
- Return ACH items due to Subscriber or Bank Error \$30.00

- Overnight Carrier Delivery Charge per item \$15.00
- Special/Custom Report Charge \$25.00
- Research Fee for items over 8 months old \$25.00

The Financial Institution and/or the Service provider reserve the right to charge you for research time involving payments no longer available in your Payment history screen. You will be informed of any such charges before they are incurred.

Some 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.

ACCOUNT SECURITY

You are solely responsible for controlling the safekeeping of and access to your user identification, password or other means to access your account. You agree not to give out or make available your user identification, password, access code, authenticating image or other means to access your account to any unauthorized individuals. You are responsible for all Payment transactions authorized by you or by anyone to whom you provide access to your Bill Pay account. You are liable for all Payment transactions you make or that you authorize another person to make even if that person exceeds his or her authority.

UNAUTHORIZED ACTIVITY

If you believe that your user identification, password, access code, authenticating image or other means to access your account has been lost, stolen or otherwise compromised, or that someone may attempt to use the Service without your consent or has transferred money without your permission, or if you suspect any fraudulent activity in your account(s), you must notify the Financial Institution at once. To contact The Peoples State Bank you may call (812) 876-2229, Monday-Thursday between 8:30am and 5:00pm, Friday between 8:30am and 6:00pm and Saturday from 8:30am to 12:00pm. If your password has been compromised and you tell us within two (2) business days of discovering the loss or misappropriation, you can lose no more than fifty dollars (\$50). If you do not tell us within the two (2) business day period, you could lose as much as five hundred dollars (\$500) if we could have stopped the use of your accounts had we received notice in a timely manner. You must contact Customer Service as soon as you identify any errors or discrepancies in your statement or transaction record, or if you need any 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 statement on which the unauthorized transaction, problem or error appeared (If you notify us verbally, we may require that you send us your complaint or question in writing or electronically within ten (10) business days). If you fail to notify us within the sixty (60) day period, you may not recover any of the money you lost if we can establish that the loss could have been avoided had you notified us on time. We may extend these time periods for good reasons such as out-of-town travel or extended hospital stays.

When you report a problem or discrepancy, please: (i) tell us your name and Service account number; (ii) describe the error or the transaction you are unsure about, and explain why you believe it is in error or what additional information you need; (iii) tell us the dollar amount of any suspected error; and (iv) tell us the Funding Account number used to pay the bill, the Payee name, the applicable account number at the Payee, the date the Payment was sent, the Payment Amount and the Payment reference number. Generally speaking, we will tell you the results of our investigation within ten (10) business days after we hear from you. However, we may take up to forty-five (45) days to investigate your complaint or question. In this case, we may provisionally credit your account so that you have use of the money during the time it takes us to complete our investigation. If you fail to provide your complaint or question in writing within ten (10) business days of a request from us to do so, we reserve the right to not credit your account. If we confirm an error, we will correct your account record within ten (10) business days. If we determine that there was no error, we will send you a written explanation within three (3) business days after we conclude our investigation and will debit any interim amounts credited to your account. You may request copies of any documents that we use in our investigation.

ELECTRONIC MAIL (E-MAIL)

Sending E-mail is a very good way to communicate with Financial Institution and/or Service provider regarding your accounts or the Services. However, your e-mail is actually sent via your own software and, as a result, is not secure. Because of this, you should not include confidential information, such as account numbers and balances in any e-mail communication. You cannot use e-mail to initiate Service transactions. All such transactions must be initiated using the appropriate functions within the Service. Neither the Service provider nor the Financial Institution shall be liable for any errors, omissions, claims, or problems of any kind involving your e-mail.

DISCLOSURE OF INFORMATION

It is our policy to treat your Bill Pay Service account information as confidential. However, Service provider and/or the Financial Institution may disclose certain information about you, your accounts and/or Payments to third parties in situations such as: when necessary to complete a Payment transaction per your instructions; when necessary to activate additional services per your request; in order to determine credit worthiness; in order to comply with government agency or court orders, financial services regulations or law; or if you give Financial Institution or Service provider written permission.

Information submitted to the Service provider or its suppliers is the property of those parties, and they are free to use and disclose that information, or any ideas, concepts, know-how or techniques contained in that information to any third party for any purpose whatsoever, except as specifically agreed by the Financial Institution or prohibited by law.

ACCOUNT AND CONTACT INFORMATION

It is your sole responsibility to maintain accurate and complete contact information and Funding Account information in your user profile. This includes, but is not limited to, name, address, phone numbers and email addresses, and verifying account numbers. Changes can be made within the Service or by contacting Customer Service. Changes you make are typically effective immediately. Neither the Service provider nor the Financial Institution shall be responsible for any payment processing errors or fees incurred if you do not provide accurate Funding Account or contact information.

LINKS TO OTHER SITES

Information that the Service provider or the Financial Institution publishes on the World Wide Web may contain links to other sites and third parties may establish links to Service's site. Neither the Service provider nor the Financial Institution makes any representations or warranties about any other web site that you may access to, from or through the Service's site. Unless expressly stated in writing, neither the Service provider nor the Financial Institution endorse the products or services offered by any company or person linked to this site nor is the Service provider or the Financial Institution responsible for any software or the content of any information published on the site of any third party. You should take precautions when downloading files from sites to protect your computer software and data from viruses and other destructive programs.

VIRUS PROTECTION

Neither the Service provider nor the Financial Institution is responsible for any electronic virus that you may encounter using the Service. You are encouraged to routinely scan your computer and files using reliable virus protection products to detect and remove viruses. If undetected and unrepaired, a virus can corrupt and destroy your programs, files and hardware.

DAMAGES AND WARRANTIES

In addition to the terms previously disclosed, The Financial Institution and/or Service provider are not responsible for any losses, errors, injuries, expenses, claims, attorney's fees, interest or other damages, whether direct, indirect, special, punitive, incidental or consequential, (collectively, "Losses") caused by the use of the Bill Payment Services or in any way arising out of the installation, use or maintenance of your personal computer hardware or software, including any software provided by Financial Institution or one of its suppliers. In addition, Financial Institution and/or Service provider disclaim any responsibility for any electronic virus(es) Subscriber may encounter after installation of such software or use of Bill Payment Services. Without limiting the foregoing, neither Financial Institution and/or Service provider nor its suppliers shall be liable for any: (i) failure to perform or any Losses arising out of an event or condition beyond their reasonable control, including but not limited to communications breakdown or interruption, acts of God or labor disputes; or (ii) the loss, confidentiality or security of any data while in transit via the Internet, communication lines, postal system or electronic funds transfer networks. Financial Institution and/or Service

provider and its suppliers provide Bill Payment Services from their own sites and they make no representation or warranty that any information, material or functions included in Bill Payment Services are appropriate for use by you in your jurisdiction. If you choose to use Bill Payment Services, you do so on your own initiative and are solely responsible for compliance with applicable local laws and regulations. Neither Financial Institution nor Service provider nor its suppliers warrant the adequacy, accuracy or completeness of any information provided as a part of Bill Payment Services, or contained in any third party sites linked to or from Financial Institution and/or Service provider's web sites. **FINANCIAL INSTITUTION AND SERVICE PROVIDER MAKE NO REPRESENTATIONS OR WARRANTIES REGARDING THE ACCURACY, FUNCTIONALITY OR PERFORMANCE OF BILL PAYMENT SERVICE, OR ANY SOFTWARE THAT MAY BE USED IN CONNECTION WITH SAME. FINANCIAL INSTITUTION AND SERVICE PROVIDER DISCLAIM ANY EXPRESS OR IMPLIED WARRANTIES, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR ERROR-FREE OPERATION.**

INDEMNIFICATION

Subscriber shall indemnify, defend and hold harmless the Financial Institution and Service provider and their affiliates, officers, employees, directors, suppliers and agents, in their individual capacities or otherwise, from and against any Losses arising out of: (i) Subscriber's negligence; (ii) Subscriber's failure to comply with applicable law; or (iii) Subscriber's failure to comply with the terms of this Agreement.

ADDITIONAL REMEDIES

Due to the likelihood of irreparable injury, the Financial Institution and Service provider shall be entitled to an injunction prohibiting any breach of this Agreement by Subscriber.

AMENDMENT AND TERMINATION

The Financial Institution and Service provider reserve the right to terminate this Agreement or to change the charges, fees or other terms described in this Agreement at any time. When changes are made, you will be notified by: 1) electronic mail; 2) physical mail at the address shown in our records; 3) update of our web site; and/or 4) as otherwise permitted by law. Your continued use of the Service after being notified of changes to this Agreement shall constitute your agreement to such changes.

You may terminate this Agreement by written notice to the Financial Institution. Neither the Financial Institution nor Service provider is responsible for terminating any scheduled One-Time Payment nor Recurring Payment processed prior to a reasonable opportunity to act on your termination notice. Once your Service is terminated, all of your scheduled One-Time Payments and Recurring Payments shall be terminated as well. You remain obligated for all Payments made by the Service on your behalf under this Agreement.

APPLICABLE RULES, LAWS, AND REGULATIONS

You submit to the jurisdiction of, and this Agreement shall be governed by the laws of, the State of Indiana, U.S.A., as well as the federal laws of the U.S.A. Venue for any action arising out of this Agreement shall be in a state court of competent jurisdiction covering Monroe County, Indiana, U.S.A. The prevailing party in any such action shall be entitled to the recovery of its reasonable attorney's fees, costs, and expenses.

ASSIGNMENT

The Financial Institution and Service provider may assign its rights and/or delegate all or a portion of its duties under this Agreement to a third party. Subscriber may not assign this Agreement to any other party.

INTEGRATION

This Agreement constitutes the entire understanding of the parties with respect to the subject matter of this Agreement, and all prior agreements, understandings and representations concerning such subject matter are canceled in their entirety. Notwithstanding the foregoing, this Agreement is in addition to any other agreements between you and the Financial Institution.

SEVERABILITY

If there is a conflict between the terms and conditions of this Agreement and one or more terms contained in another agreement between you and the Institution, this Agreement will control.

DISPUTES

In the event of a dispute regarding the Service, you and the Financial Institution and Service provider agree to resolve the dispute by looking to this Agreement. You agree that this Agreement is the complete and exclusive statement of the agreement between you and the Service which supersedes any proposal or prior agreement, oral or written, and any other communications between you and the Service relating to the subject matter of this Agreement. If there is a conflict between what is said by a Service provider and/or Financial Institution employee or Customer Service Department and the terms of this Agreement, the terms of this Agreement shall prevail.

WAIVER

The Financial Institution and Service provider shall not, by the mere lapse of time, without giving notice or taking other action, be deemed to have waived any of its rights under this Agreement. No waiver by Financial Institution and/or Service provider of a breach of this Agreement shall constitute a waiver by such party of any prior or subsequent breach of this Agreement.

FORCE MAJEURE

Neither party shall be liable for any loss nor damage due to causes beyond its control, including fire, explosion, lightning, pest damage, power surges or failures, strikes or labor disputes, water, acts of God, the elements, war, civil disturbances, acts of civil or military authorities or the public enemy, inability to secure raw materials, transportation facilities, fuel or energy shortages, acts or omissions of communications carriers, or other causes beyond that party's control. Either party may terminate this Agreement immediately on written notice if the other party is prevented from performing its obligations under this Agreement for a period of more than thirty (30) days due to the reasons set forth in this subsection.

CONSTRUCTION

This Agreement shall be construed equally against the parties regardless of who is more responsible for its preparation. If there is a conflict between a part of this Agreement and any present or future law, the part of this Agreement that is affected shall be curtailed only to the extent necessary to bring it within the requirements of that law.

HEADINGS AND CAPTIONS

The headings and captions of the various subdivisions of this Agreement are for convenience of reference only and shall in no way modify or affect the meaning or construction of any of the terms or provisions hereof.

I HAVE READ AND UNDERSTAND THE FOREGOING AGREEMENT AND AGREE TO BE BOUND BY ALL ITS TERMS.