



Internet Banking Agreement & Disclosure

Introduction

This Internet Banking Agreement and Disclosure governs your use of Internet Banking. Throughout this web site the Agreement and Disclosure will be referred to as "Agreement". By using Internet Banking, you agree to all of the terms of this Agreement. Please read it carefully and keep a copy for your records.

Definitions

You or Your - The person(s) subscribing to or using Internet Banking.

We, Us, or Our - Refers to Peoples Bank and any agent, independent contractor, designee, or assignee Peoples Bank may involve in the provision of Internet Banking.

Business Day - Any calendar day other than Saturday, Sunday, or any holidays recognized by Peoples Bank . Bill payments are processed on all business days that both the Federal Reserve Bank and the US Postal System are operating and open for business.

Business Day Cut-Off – Peoples Bank’s primary banking offices are located in Cuba, Missouri, and base our business day on the Central Daylight Time zone. For posting purposes, the bank will process all transactions completed by 3:00PM (Bourbon, Cuba, Steelville and Sullivan) on that business date. Transactions completed after 3:00PM (Bourbon, Cuba, Steelville and Sullivan), including Internet banking transfers after 5:00PM, will be processed on the following business day.

Privacy Statement – Peoples Bank understands how important privacy is to our customers. We have taken steps to insure your security and privacy for your personal and financial dealings with the bank. Please review the Peoples Bank Customer Privacy Disclosure below for further details.

About Internet Banking

Peoples Bank’s Internet Banking consists of an online banking web site that provides a complete array of financial services to its customers. Peoples Bank allows customers to access their data with up to 3 months of full statements and complete transaction detail.

The Internet Banking system that is accessible by Peoples Bank’s customers over the Internet currently consists of:

- Account Inquiries, Balances, etc.
- Up to 3 Months of Historical Transactions
- Secure E-mails & File transfers
- Transaction Downloads
- Account Transfers
- Secure Applications
- View Detailed Transactions
- Text DDA or Savings Statements
- Various Bookkeeping Services
- Payments to our Loan Accounts

For customers who select Bill Payment, these additional functions are available:

- One-time Payments
- Fixed Recurring Payments
- Weekly, Monthly Payments, etc.
- Variable Recurring Payments

Special commercial services may also be offered to accounts including:

- ACH Credit Origination
- ACH Debit Origination
- EFTPS Credit Originations

Internet Security Information

Peoples Bank's Internet Banking system is part of Jack Henry & Associates that utilizes a comprehensive security strategy to protect your accounts and transactions conducted over the Internet. In addition to our log-on security, we use the SSL (secure socket layer) encryption technology for everything you do in the Internet Banking system. This technology is automatically activated by your browser when it attempts to connect to our system and it will support the 128 bit key lengths. Whenever SSL is securing your communications, the browser will typically indicate the "secure session" by changing the appearance of a small icon of a padlock at the bottom of the screen from open to locked. What this means to you is that your communications are scrambled from your browser to our servers at all times so no unauthorized party can read the information as it is carried over the Internet. In addition, our servers have been certified by a "Certificate Authority" that will assure you that you are actually talking to our servers instead of someone pretending to be us.

During your use of the Internet Banking system, we will pass a "cookie" to your browser for identifying you during the session. We do not (and can not) use our cookies to obtain new information about you. A "cookie" is security data that is given to a browser by a web server that is returned by the browser on subsequent transmissions to identify the user and encryption information. When you log onto the system, this cookie enables us to process multiple transactions during the session without you having to provide your Peoples ID and Peoples PIN for each individual transaction. When you log off, or after ten minutes, the cookie is no longer accepted and must be renewed by requiring the Peoples PIN to be reentered. A new cookie is used for each session. That way, no one can use the cookie to access your account.

In addition to the security measures described above, there may be other security notices posted on the website regarding security issues. It is your responsibility to read all applicable notices. One of the main security features guarding the use of the Internet Banking system is the unique combination of your Peoples ID and Peoples PIN. It is important that you keep your Peoples PIN secret. We will not be liable for any losses resulting from your permitting other persons to use your Peoples ID and Peoples PIN to access the system.

If you have more questions about our security systems for conducting transactions safely over the Internet, contact our Customer Service department.

Registration Process

The Internet Banking service requires that the customer complete the initial registration process. This involves completing a secure online application that will identify your Peoples Bank location and all the information that we will need to enable the service. The Internet Banking department will verify the information you submitted for accuracy and authorizations. You will be notified when your account will be activated within 2 business days.

Log-On Security

Security is very important to the Internet Banking system. At the time you request the service, you will be assigned a unique "Peoples ID" and "Peoples PIN" that will be used to gain access to the system. Prior to activation, the Internet Banking department will verify your identity and account authorization.

To help prevent unauthorized access and ensure the security of your accounts, we will end your online session if we have detected no activity for 10 minutes. This is to protect you in case you accidentally leave your computer unattended after you logged on. When you return to your computer, you will be prompted to re-enter your Peoples PIN and your session will continue where you left off.

Because your Peoples PIN is used to access your accounts, you should treat it as you would any other sensitive personal data. You should carefully select a Peoples PIN that is hard to guess. Keep your Peoples PIN safe. Memorize your Peoples PIN and never tell it to anyone. Your PIN will expire and you will be prompted to change your PIN every 180 days.

Multifactor Authentication began in December of 2006. When a new user is added they will be in test mode for a minimum of 30 days. This will allow the system to monitor a use pattern of the customer. After 30 days the user will be prompted to select their personal verification questions and answers. Prompts will only occur at login and will only appear if there is anything unusual about the login; perhaps use of a different PC. Users will have 3 chances to complete the additional verification questions. After 3 failed attempts they will be blocked from access. Customers will need to call customer service at Peoples Bank (573-885-2511 or 877-885-2511) to have their access unblocked. Employees of Peoples Bank must validate the identity of the user before unblocking them which will reinstate access to their accounts.

Accounts

You may request to access any account that you are a signer or owner. If you desire services that allow you to initiate payments or transfers from the account, you will need the required withdrawal authority over the account to be able to complete the transaction. By using the service, you agree to maintain one or more accounts with us and to keep sufficient balances in any account to cover any transaction and fees that are ultimately approved by or related to the system. If the accounts added to the service are jointly held or have multiple signers, you agree that access to the information and all transactions initiated by the use of your Peoples ID and Peoples PIN are authorized unless we have been notified to cancel the service.

Fees for the Internet Banking Service

The Internet Banking and bill payment service is available to our existing personal account customers at no monthly charge for checking accounts.

Cancellation of Internet Banking

Your Internet Banking may be canceled at any time by Peoples Bank in whole or part without prior notice due to insufficient funds in one of your accounts or other circumstances that may create an unanticipated liability to us. You will remain responsible for all transactions approved by the system prior to the cancellation, and for any other fees associated with the service. The Internet banking service may also be cancelled due to inactivity. After cancellation, service may be reinstated once sufficient funds are available in your accounts to cover any fees and other pending transfers or debits. In order to reinstate services, you must call our customer service department at *(573) 885-2511 or (877) 885-2511*.

Balance Inquiries, Bill Payments and Transfers Limitations

You may use Internet Banking to check the balance of your accounts and to transfer funds among your accounts. According to Federal regulations, you may not make more than six (6) pre-authorized or automatic transfers or bill payments from your Money Market Deposit Account or Savings Account during a given monthly statement period. There are no limits to the number of transfers or bill payments from your Checking Accounts. Peoples Bank currently limits the bill-payment service to only Checking Accounts.

Balances shown in your accounts may include deposits subject to verification by us. The balance may also differ from your records due to deposits in progress, outstanding checks or other withdrawals, payments or charges. A transfer request may not result in immediate availability because of the time required to process the request. If you have further questions, contact our customer service department.

The balances are updated periodically and the system will display the most current "as of" date on the "Current Transaction" page. There may be situations that cause a delay in an update of your balances. The system will use the most current balance available at the time of a transaction to base our approval.

Special Information about the Stop Payment, Address Change, Secure E-Mail & Secure File Delivery Services

The system includes several options under the "Activities" menu that provide a means to securely forward your request to us for processing. Generally, requests received from the system will be processed within one business day using procedures that would handle similar requests received by mail or fax. If urgent action is required, we recommend that you contact Peoples Bank directly by telephone or in person. Additional terms of acceptance or disclosures may apply on the Stop Payment service and these terms will be disclosed at the time you complete the request. The Stop Payment feature is designed to submit a request to stop payment on checks you have written or electronic drafts that are deducted from your account. There may be additional fees associated with some of these services. **This service is not available to cancel the payments scheduled through the bill payment service.** If you have a problem or need to cancel a bill payment, you will need to contact our customer service department.

Bill Payment Service

It is easy to pay bills online. Simply set up your Payees by choosing from the database of Payees that already exist, or by entering necessary information to schedule a payment. We are able to process payments to payees that have a US Postal address. Due to liability issues, we will not accept payments to federal, state or local tax agencies. Otherwise, there is no limit to who you pay or how many payees you may establish. We maintain a large vendor database of regional or national billers to make this process quicker and easier. The Bill Payment service will also allow you to see a history of all the payments made from your accounts.

The daily limit for the total dollars of payments approved is governed by the system's available balance in the checking account selected for making the payment. You can withdraw up to the system's available balance as long as your account shows sufficient funds to cover your payments. The payment will normally be charged to your account on the business date that it is approved or when the check clears, as well as any bill payment fees assessed by the Bank in accordance to the service charge schedule.

If for any reason a scheduled payment processed through system is declined, it will automatically be rescheduled for the following business day. The system will notify you of this action by sending you an "alert" that will appear the next time you logon to the system. The system will continue to attempt to pay the bill on the following business days until there are sufficient funds or you cancel or reschedule it.

Although payments may be scheduled for the current business day or any date in the future at any time, they will be processed twice a day at our cut-off time, usually around noon and 2:00AM on any business day. (If you attempt to schedule a payment for that day after 12:00 AM, the system will notify you that you need to change the date to the next business day.) Anything scheduled on a non-business day, or after the cut-off time, will not be sent out until the following business day. Since we must forward the funds and billing information to the payee, some lead-time for payments is necessary. (Our system assumes the payee will promptly process the payment on the business day it is received. Any delays caused by the payee would result in additional days before the payment would show on their records.) By using this service, you authorize us, and any third-party payment processing agent we may use, to choose whatever method we feel is the most effective method to process your transaction.

The time frames generally will be determined by the way the payment is sent to the payee. If we have to send a paper check in the US Postal system, we typically suggest sufficient time as five (5) business days prior to the payee receiving the payment for processing at their address. If the payee accepts the payment electronically, we generally define sufficient time as two (2) business days prior to the payee receiving the payment.

Our Liability for Incomplete Transactions

It is our responsibility to process all bill payments properly initiated through the Internet Banking system in accordance with this Agreement. We will be liable for damages, as defined in this Agreement, where the system caused a payment delay or failed to process a payment to be received by the payee. Transfers will be processed within two business days of the completed transfer transaction. We will not be liable if any of the following occurs:

1. Funds are not showing on the system's available balance in your account that is to pay for the bill or transfer at the time of transaction.
2. Funds are subject to legal process or other encumbrances restricting the payment or transfer.
3. You had knowledge of or questions about the possible malfunction of the system when you initiated the transaction.
4. Any information provided by you about the Payee is incorrect.
5. There are any delays in the handling of the payment by the Payees.

6. Natural disasters (fire, flood, tornado, etc.) or other uncontrollable circumstances (mail delays, power failures, etc.) prevent proper completion and delivery of transactions.
7. Other applicable laws and/or regulations exempt us from liability.
8. It can be shown that the merchant or payee received the payment within the normal delivery timeframe and failed to process the payment through no fault of Internet Banking or our service providers.
9. It can be shown that the delay was caused by unusual mailing delays by the US Post Office.

Payment Guarantee

We will reimburse you up to \$50 per payment for any late payment fees or penalties you are charged as a result of the Payee not receiving a payment by the Due Date if all the following apply:

1. You scheduled the payment before the cut-off time on a transaction date at least ten (10) business days prior to the Due Date.
2. Correct information was provided to us about the Payee (name, address, account number, and amount).
3. Your account contained sufficient available funds to complete the payment or transaction on the transaction date.
4. The Payee was a Business Payee that charges late charges or penalties.
5. Late payment fees or penalties were assessed by the Payee due to the delay of this payment.
6. You received no prior notice from the Payee that there was a problem with processing payments from our system.

Notice of Your Rights and Liabilities

Notify us immediately if your Peoples ID and Peoples PIN have been compromised, lost, stolen or used without your authorization. Failure to notify us immediately could result in the loss of all money accessible by the Peoples PIN. Telephoning us at (573) 885-2511 is the best way of limiting your possible loss. You could lose all the money in your account (plus your maximum overdraft line of credit, if you have one).

If we are notified within two (2) business days after you discover that your Peoples ID and Peoples PIN has been compromised, lost or stolen, you can lose no more than \$50 if someone used it without your permission. If you do not notify us within two (2) business days, and we can prove we could have prevented someone from using the Peoples ID and Peoples PIN without your permission, you could lose as much as \$500.

If your statement shows unauthorized transfers, notify us within 60 days after the statement is mailed to you or viewed on your computer. After 60 days, if we can prove that we could have stopped someone from taking the money if we had been told, you may not get back any money from us. If a good reason, (such as a long trip or hospital stay) kept you from telling us, we may extend the time periods to a reasonable time.

Errors and Questions

In cases of errors or questions concerning transactions completed with Internet Banking, do one of the following, as soon as possible:

1. Telephone our Customer Service Department at (573) 885-2511
2. Write to Customer Service Department at P.O. Box H, Cuba, MO 65453
3. Initiate a payment inquiry on your PC through e-mail to our Customer Service Department at lwebsite@peoplesbk.com.

We must hear from you within 60 days after you receive the first statement or notification in which the error or problem appeared. Please include the following information:

1. Name
2. Account Number
3. Description of the error or what you are unsure about, plus an explanation of why you believe it is an error or why you need more information.
4. Tell us the amount of the error.
5. For a Bill Payer error tell us:

- Checking account number used to pay the bill
- Payee name
- Date the payment sent
- Check number if sent by check
- Payment amount
- Payee account number for the payment in question.

We will tell you the results of our investigation within ten (10) business days after we hear from you. If we need more time we may take up to 45 business days to investigate. If we choose to take up to 45 business days, we will give you a provisional credit to your account within ten (10) business days. If we decide there was no error, we will furnish you with a written explanation within three (3) business days after the investigation is complete.

Disclosure of Account Information to Third Parties

Information to third parties about your account(s) or the transaction(s) you make will only be disclosed if at least one of the following applies:

1. It is necessary to complete a transaction.
2. To verify the existence and condition of your account to a third party such as a credit bureau or merchant.
3. To comply with a governmental agency or court order.
4. If permission is given to us by you, which we may require to be in writing.
5. To collect information for internal use, the use of our service providers, and our servicing agents and contractors concerning our electronic funds transfer service.
6. It involves a claim by or against us concerning a deposit to or withdrawal from your account.
7. Where otherwise required or permitted under state or federal laws and/or regulations.

No Signature Requirements

When any payment or other on-line service generates items to be charged to your account, you agree that we may debit the designated account, or the account on which the item is drawn, without requiring your signature on the item and without any notice to you.

Virus Protection

Peoples Bank is not responsible for any electronic virus or viruses that you may encounter. We encourage our customers to routinely scan their PC and diskettes using a reliable virus product to detect and remove any viruses. Undetected or unrepaired viruses may corrupt and destroy your programs, files and even your hardware. Additionally, you may unintentionally transmit the virus to other computers.

Termination

You may terminate the use of Internet Banking by contacting Peoples Bank in writing by mail, e-mail, or personal delivery to Peoples Bank. If your account is closed or restricted for any reason, Internet Banking accessibility will automatically terminate.

Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

Assignment

This agreement may not be assigned to any other party by you. We may assign or delegate, in part or whole, to any third party.

Amendments

Terms and conditions of this agreement may be amended in whole or part at any time within 30 days written notification prior to the change taking effect. If you do not agree with the change(s), you must notify us in writing prior to the effective date to cancel your access. Amendments or changes to term(s) or condition(s) may be made without prior notice if it does not result in higher fees, more restrictive service use, or increased liability to you.

Entire Agreement

This Agreement supplements any other agreements or disclosures related to your account(s), including the Deposit Account Agreement and Disclosures. If there is a conflict between this Agreement and any others, or any statements made by employees or agents, this agreement shall supersede.



Privacy and Security Disclosure

Privacy Statement

We recognize the importance of protecting the privacy of personally-identifying information that may be submitted to us when you visit our website.

The information we receive depends on what you do when you visit our site. This is how we handle the information we learn about you from your visit to our website.

If you visit our site to read or download information on our web pages such as press releases and checking and savings account information:

We collect and store only the following information about you: name of the domain from which you access the Internet (for example, aol.com, if you are connecting from an America Online account, or a similar domain corresponding to your Internet Service Provider "ISP"); date and time you access our website; pages you may have visited on our site; and Internet address of the website from where you came to visit our website.

We use the information we collect to measure the number of visitors to the different pages and sections of our site, and to help us make our site more useful to visitors.

If you visit our website to use interactive banking tools such as financial calculators and self-tests:

You may be asked for personal information in order to complete the requested analysis or evaluation. This information is NOT retained. **If you identify yourself by sending an e-mail or filling forms such as applications, check reorder forms, contact forms and guest registers:**

You may be asked for personally-identifying information in order to process your e-mail, form or application. This information may be retained by us and our business partners for processing and to facilitate decisions. Information you submit to us is treated no differently than any information you might provide in a written format such as a brochure application, reorder slip to order checks, or a letter.

We Want To Be Very Clear

We protect and safeguard the privacy of users of our on-line services, just as we do throughout the rest of our business. We will use personal information to identify you, to communicate with you, and to help us answer your questions.

We will NOT sell personally-identifying information to a third party for the purpose of solicitation or provide personal information to a third party for its own use.

Sometimes we send our customers information about our products and services. If you do not wish to receive this information, or if you believe that your personal information is incorrect please contact us. We will investigate the situation and if appropriate update our records.

If you have any questions that are not answered in this section please contact us.

Security Statement

Our website brings together a combination of industry-approved security technologies to protect data for the bank and for you, our customer. It features a VeriSign-issued Digital ID for the bank's Internet Service Provider hosting our website, Secure Sockets Layer (SSL) protocol for data encryption, and a router and firewall to regulate the inflow and outflow of server traffic.

Secure Data Transfer

Once a server session is established on an https secure page, the user and the server are in a secured environment. Because the server has been certified as a 128-bit secure server by VeriSign, data traveling between the user and the server is encrypted with Secure Sockets Layer (SSL) protocol. With SSL, data that travels between the bank and customer is encrypted and can only be decrypted with the public and private key pair. In short, the bank's server issues a public key to the end user's browser and creates a temporary private key. These two keys are the only combination possible for that session. When the session is complete, the keys expire and the whole process starts over when a new end user makes a server session.

Router and Firewall

Secure forms must filter through a router and firewall before they are permitted to reach the server. A router, a piece of hardware, works in conjunction with the firewall, a piece of software, to block and direct traffic coming to the server. The configuration begins by disallowing ALL traffic and then opens holes only when necessary to process acceptable data requests, such as retrieving web pages or sending customer requests to the bank.

Using the above technologies, your Internet loan application and check reorder transactions are secure.