

The following Agreement applies to Putnam Bank Online Personal Account holders:

**Putnam Bank
Online Banking Customer Agreement and Disclosure Statement**

This agreement states the terms and conditions that apply when you use Putnam Bank Online Banking Services. These terms and conditions are in addition to those that apply to any accounts you have with us or any other services you obtain from us. In this agreement "you", "your", and "yours" refers to the person that has applied for and will be using the Online Banking services described in this agreement. "We", "us", "ours", and "Bank" refer to Putnam Bank. "Account" refers to the deposit and credit accounts you can access through Online Banking services. These include all accounts that have been opened showing your name and social security number. Online Banking is an electronic banking and information service that permits you, through the use of your personal computer and your Internet service provider, to access your deposit and credit (loan) accounts through the Internet using an Internet browser. This agreement contains the terms and conditions governing our Online Banking services for which you have applied.

USE OF ONLINE BANKING

To become eligible to use Online Banking, you must open or obtain a deposit account at Putnam Bank and you must complete an application. The use of Online Banking requires that we have a valid email address on file for you, and providing such you acknowledge that Putnam Bank may send important information to you via email. If you unsubscribe or do not maintain a valid email address, Putnam Bank will not be held responsible for any loss/damages or issues resulting from the undelivered information. When your application is accepted, we will send you further instructions with regard to the use of Online Banking. Before you use Online Banking, you should read this agreement and the instructions which describe Online Banking in greater detail. Your use of any Online Banking services means that you agree to the terms and conditions stated in this agreement and our Online Banking instructions.

DEPOSIT AND CREDIT AGREEMENTS

The terms and conditions in this Agreement are in addition to any deposit account, credit account or other agreement you have with us relating to your accounts, including any disclosures pursuant to such agreements. You must maintain your accounts in good standing with Putnam Bank in order to perform transactions in those accounts through the use of Online Banking.

EQUIPMENT REQUIREMENTS

In this Agreement, the term "Computer" shall mean your computer and modem. The installation, maintenance and operation of your equipment including, but not limited to, your Computer, and the Internet access through your Internet access provider is your responsibility. We are not responsible for any errors or failures from any malfunction of your computer and we are not responsible for any computer virus or related problems that may be associated with the use of Online Banking. Putnam Bank is not responsible for any electronic virus or viruses that you may encounter. Online Banking and related documentation are provided "as is" without any warranty of any kind. We disclaim all warranties regarding the use of Online Banking, expressed or implied, including but not limited to, implied warranties or merchantability and fitness for a particular purpose. Your personal software may include other functions and features (such as online budgeting and mortgage comparisons) which are not associated with Online Banking, and we are not responsible for them either. We are not responsible for damages arising from the use or maintenance of software that we did not provide to you that you use to access or communicate with Online Banking. You agree that we are not responsible for any failure or loss caused if any personal financial software you use or any of your personal hardware or software is not compatible with our system. THE FOREGOING SHALL CONSTITUTE ONLINE BANKING'S ENTIRE LIABILITY AND YOUR EXCLUSIVE REMEDY. IN NO EVENT SHALL ONLINE

BANKING BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES, INCLUDING LOST PROFITS (EVEN IF ADVISED OF THE POSSIBILITY THEREOF) ARISING IN ANY WAY OUT OF THE USE OF ONLINE BANKING, EXCEPT AS REQUIRED BY LAW.

FEES

There are currently no fees associated with our Online Banking service. See below for fees associated with our Online Bill Payment service.

USER ID(s) AND PASSWORD(s)

After your application is submitted, you will receive an email informing you that it was received. Within 2 business days, you should receive another email informing you that your application has been approved. Please note any application submitted after 4 pm EST will not be processed until the next business day, and access should be granted two business days from this date. Upon receipt of the approval email, you will have access to our Online Banking system using your User Id and Password.

Failure to login within 30 days of your approval will result in deletion of your application.

You agree to keep your User Id and Password confidential to prevent unauthorized access to your accounts and to prevent unauthorized use of Online Banking.

If you permit other persons to access your Online Banking using your Password or other means to access your account, you are responsible for any transactions they authorize. Your User Id and Password may be revoked or canceled at any time without giving you prior notice to assist us in maintaining the security of your accounts. The User Id and Password are used to identify you as an authorized user of Online Banking. You, therefore, agree not to reveal your User Id and Password to any person or third party (such as a bill payment aggregator), without our prior specific authorization. The security of your accounts depends on you maintaining the secrecy of your User Id and Password. You will be prompted to create a new User Id upon your initial login. If you forget your User Id, contact us so we can provide it to you. If you forget your Password or you have been locked out of your account, you can use our Forgotten Password option. You will be brought to a screen that will require you to enter your User Id (Step 1). You will then be required to answer your Challenge Question (Step 2). You will then be required to create a new password (Step 3). If you have forgotten your User Id or the answers to your Challenge Question or have been locked out of your Online Banking (five unsuccessful attempts), you can contact us to reset your Password for you. The bank will issue you a temporary Password and you will be prompted to select a new Password the next time you login.

We strongly recommend that a Password not be frequently recycled.

It is essential that Online Banking users select the "**Sign Out**" option located at the top right hand portion of the screen when terminating an active session of Online Banking. Any other means of signing out (i.e. powering down, clicking the "X" (close)) could lead to unauthorized access.

CONTACT US IN THE EVENT OF A LOST OR STOLEN USER ID OR PASSWORD.

If you believe that your User Id or Password has been lost or stolen or that someone may attempt to access your Online Banking account or transfer money from your account without your permission, call us immediately at:

800-377-4424

Or write us at:

**Putnam Bank
Online Banking Department
40 Main Street**

**PO Box 151
Putnam, CT 06260**

If email is your only way to communicate this information to us, you must submit a Secure Email either through our 'Secure Guestbook' located on our 'Contact Us' page or within your Online Banking session (top-right of any Online Banking screen). Email transmissions through general or public email are not secure. We, therefore, request that you do not send us or ask for sensitive information such as account numbers, user name and password, financial information, etc. via any general or public email system. **Additionally, under no circumstances will a Putnam Bank employee request your user name or password via the Internet or other contact. DO NOT respond to such requests even if the individual claims to represent Putnam Bank or any subsidiary thereof.**

DESCRIPTION OF ONLINE BANKING SERVICES

Depending on the services requested by you in your application, you could perform some or all of the following functions through Online Banking:

- Obtain account balances and transaction history (6 months) for your accounts
- Transfer funds between your deposit accounts
- Send electronic mail (Secure Email) to us
- Transfer funds from a deposit account to make a loan payment (regular or principal)
- Download account information into money management software (Microsoft Money / Quicken)

These features of Online Banking are limited by subject to the terms set forth below:

- a. Your ability to transfer funds from your savings account is limited by federal law, as stated in Putnam Bank Deposit Account Agreement and Disclosures. Transfers from a Statement Savings account to another account or to third parties by preauthorized, automatic, computer, check, debit card, or similar order and telephone transfer are limited to six per statement cycle.
- b. If you overdraw your deposit account through an Online Banking transaction, and you have a Line of Credit with the bank that is attached to the account which is overdrawn, a loan advance will be made under the terms of that agreement.
- c. If you overdraw your deposit account through an Online Banking transaction, and you have the Overdraft Privilege Service with the bank that is attached to the account which is overdrawn, you will incur a \$25 fee for each instance of overdraft.
- d. If you overdraw your deposit account through an Online banking transaction, and you have an Overdraft Protection, that is an overdraft relationship between two of your accounts, with the bank that is attached to the account which is overdrawn, you will incur a \$5 fee for each instance of overdraft.
- e. No transfers may be made from any account that requires two or more signatures.
- f. Transaction information provided on any day will generally be current. This balance does not include any outstanding debits or checks that may be extenuating for the given account. Transaction information for your accounts will be available online for the preceding six month period from the current day.

- g. For security reasons, we may place limitations on the frequency and dollar amount of transfers from your accounts.

PERIODIC STATEMENTS

Your periodic statements for your accounts will include any transfers you authorize using Online Banking, as well as your other account activity.

BUSINESS DAYS AND HOURS OF OPERATIONS

For the purposes of this agreement, our business days are Monday through Friday. Holidays are not included. You may use your computer to access Online Banking 24 hours a day, seven days a week, except during any special maintenance period.

YOUR LIABILITY

You are responsible for all transfers you authorize using Online Banking. If you permit other persons to use Online Banking or your User Id and Password, such as if you establish a Household Online Banking profile, you are responsible for any transactions they authorize from your accounts. If you believe your User Id or Password has been lost or stolen call our Online Banking Department immediately at **800-377-4424**.

If you contact us within two (2) business days after you discover your password has been lost or stolen, you can lose no more than \$50.00 from each deposit account if someone used your User Id or Password to access your deposit account without your permission. If you do not tell us within two (2) business days after you learn the loss or theft of your User Id or Password, and we can prove that we could have prevented the unauthorized use of your User Id or Password if you had told us, you could lose as much as \$500.00 from each deposit account. Also, if your statement shows transfers from a deposit account that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not receive any money you lost after the sixty (60) days 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) prevented you from telling us, we will extend the time periods. If we complete a payment or transfer that you make or authorize and we subsequently learn that you have insufficient funds for the transaction, you agree that we may reverse the transaction or offset the shortage with funds from any account you have with us. In any case, you are fully obligated to us to provide sufficient funds for any payments or transfers you make or authorize.

OUR LIABILITY

We will be responsible for your actual losses if they were directly caused by our failure to complete a transfer to or from your accounts on time or in the correct amount according to our agreements with you. However, there are some exceptions. We will not be liable, for instance:

1. If, through no fault of ours, you do not have available enough funds in your account to complete a transaction from that account, or if withdrawals from any of your accounts have been prohibited by a court order such as a garnishment or other legal process, or if that account has been closed.
2. If the transfer would go over the credit limit on your Line of Credit.
3. If the account has been closed.
4. If you have not properly followed our Online Banking instructions on how to make a transfer or if your computer or Internet service provider fails or malfunctions.
5. If you have not given us complete, correct and current instructions so that we can make a transfer.

6. If we have reason to believe that a transaction has not been properly authenticated or is fraudulent.
7. If Online Banking was not working properly and you knew or should have known about the breakdown when you attempted to authorize a transfer.
8. If circumstances beyond our control prevent the making of a transfer or payment, despite reasonable precautions that we have taken. Such circumstances include delays or losses of payments caused by equipment failure or breakdown, acts of God, or other conditions beyond our control. We will be responsible for acting only on those instructions sent through Online Banking which we actually receive.
9. For other exceptions to our liability as stated in our Electronic Fund Transfer Agreement.
10. For any indirect, incidental, special or consequential damages if our failure was not intentional and resulted from a bona fide error, notwithstanding our procedures to avoid such error.

Provided none of the foregoing reasons that we will not be liable are applicable, if Online Banking fails to process a transaction, causes an incorrect amount of funds to be removed from your account, or causes funds from your account to be directed to a person or entity which does not comply with your payment instructions, we will be responsible for returning any improperly transferred funds to your account and for directing to the proper recipient any payments or transfers that were previously misdirected or not completed.

ERROR RESOLUTION

In case of errors or questions about your Online Banking transactions, contact us immediately. Telephone our Online Banking Department during normal customer service hours at:

800-377-4424

Or write us at:

**Putnam Bank
Online Banking Department
40 Main Street
PO Box 151
Putnam, CT 06260**

For credit account transactions: Telephone us during our regular business hours or write us at the address set forth in your Deposit Account Agreement or periodic statement.

For credit account transactions, if you telephoned us instead of writing you may lose certain rights the law gives you to dispute billing errors. If you think your statement is wrong or if you need more information about a transaction listed on the statement, we must hear from you no later than sixty (60) days after we sent the first statement on which the problem or error appeared. You must:

- Tell us your name and account number(s).
- Describe the error or the transaction you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days:

- A. Deposit Accounts: We will tell you the results of our investigation within ten (10) business days after we hear from you and will correct any error promptly. (We may extend this time period to twenty (20) business days if the error occurred within 30 days of the first deposit to your account). If we need more time, however, we may take up to 45 days to investigate your complaint or question. (If the complaint or question concerned a transaction that occurred within 30 days of the first transaction to your account, we may take up to 90 days to complete the investigation). If we decide to do this, we may provisionally credit your deposit account within ten (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 to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not re-credit your deposit account. We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation within three (3) business days after we finish our investigation. We may revoke any provisional credit provided to you if we find that an error did not occur. You may ask for copies of the documents we used in our investigation.
- B. Line of Credit Accounts: You do not have to pay any amount in question while we are investigating, but you are still obligated to pay the parts of your credit account bill that are not in question. While we investigate your question, we cannot report the amount in question as delinquent or take any action to collect the amount you question.

DISPUTES

In the event of a dispute regarding Online Banking, you and Putnam Bank agree to resolve the dispute by looking to this Agreement. You agree that this Agreement, together with the applicable deposit or credit Account agreement and the Electronic Fund Transfer agreement, is the complete and exclusive agreement between you and Online Banking, which supersedes any proposal or prior agreement, oral or written, and any other communications between you and Online Banking relating to the subject matter of this Agreement. If there is a conflict between what an employee of Putnam Bank says and the terms of this Agreement, the terms of this Agreement will prevail.

DISCLOSURE OF ACCOUNT INFORMATION TO OTHERS

It is our general policy to treat your account information as confidential. However, we will disclose information to third parties about you, your accounts or the transfers you make under the following circumstances:

- a. We have entered into an agreement to have another party assist us in providing our Online Banking services. In order to carry out your instructions, we will provide this party with, or it will receive from you, information about your designated accounts, your Online Banking transactions and your electronic mail messages.
- b. Where it is necessary for completing transfers.
- c. In order to verify the existence and condition of your accounts for a third party, such as a credit bureau.
- d. In order to report our experience regarding your accounts or Online Banking transactions to financial institutions and credit reporting agencies.
- e. To collect any debt that you may owe to us.
- f. We may collect customer account data for the purpose of learning about aggregate customer usage patterns, customer telephone inquiries, and the effectiveness of Online

Banking, but shall not disclose individual identifiable information except as provided in this Section.

- g. In order to comply with laws, government agency rules or orders, court orders, subpoenas or other legal processes in order to give information to any government agency or official having legal authority to request such information.
- h. If you give us your written permission.
- i. For any of the reasons listed in your Electronic Fund Transfer Agreement.

NO WAIVER

Putnam Bank shall not be deemed to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by Putnam Bank. No delay or omission on the part of Putnam Bank in exercising any rights or remedies shall operate as a waiver of such rights or remedies or any other rights or remedies. A waiver on any one occasion shall not be construed as a bar or waiver of any rights or remedies on future occasions.

CAPTIONS

The captions of sections, hereof, are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

AMENDMENT TO THIS AGREEMENT

This Agreement, applicable fees and service charges may be altered or amended by Putnam Bank from time to time. In such event, we send notice to you at your address as it appears in our records, prior to the effective date of the amendment, as required by law. Any use of Online Banking after we have sent notice of change will constitute your agreement to such change(s). Further, Putnam Bank may, from time to time, revise or update the programs, services, and/or related material, which may render all such prior versions obsolete. Consequently, Putnam Bank reserves the right to terminate this agreement as to all such prior versions of the programs, services, and/or related material and limit access to more recent revisions and updates of Online Banking. Online banking and your accounts will be governed by this agreement as amended.

ADDRESS OR BANKING CHANGES

You agree to promptly notify, in writing, the Customer Service Department of any address change. Additionally, you agree to notify the Customer Service Department in writing at least ten (10) business days in advance of any change in your payment account or your banking status. Such notice must be sent to:

**Putnam Bank
Online Banking Department
40 Main Street
PO Box 151
Putnam, CT 06260**

NOTICES AND COMMUNICATIONS

Except as otherwise provided in this agreement, all notices required to be sent to you will be effective when we mail or deliver them to the last known address that we have for you in our records or when we make such notices available to you through Online Banking or at the last known email address that we have for you in our records. Notice to one joint owner or Online Banking customer will be effective for all of you. You agree that we may send or provide certain documents to you through electronic communication. Certain restrictions may apply.

ASSIGNMENT

You may not assign this Agreement to any other party. We may assign this Agreement to any future, directly or indirectly, affiliated company. We may also assign our rights and delegate our duties under this agreement to independent contractors or other third parties.

INFORMATION AUTHORIZATION

Your enrollment in Online Banking may not be fulfilled if Putnam Bank cannot verify your identity or other necessary information. Through your enrollment in Online Banking, you agree that we reserve the right to request a review of your credit rating at our own expense through an authorized bureau.

TERMINATION

In the event you wish to discontinue your ability to use Online Banking, you must contact the Online Banking Department in writing. Such notice must be supplied ten (10) days prior to the actual discontinuance date and must be sent to:

**Putnam Bank
Online Banking Department
40 Main Street
PO Box 151
Putnam, CT 06260**

This agreement and your ability to use any or all of Online Banking may be terminated at any time by you or us upon giving notice of the termination to the other party. Neither termination nor discontinuation shall affect your liability or obligations under this Agreement. If you terminate Online Banking, you authorize us to continue making transfers and bill payments you have previously authorized until the discontinuance date, which may be up to ten (10) days after receipt of your notice. Once we have acted upon your termination notice, we will make no further transfers or payments from your accounts, including any transfer or payments you have previously authorized. If we terminate your use of Online Banking, we reserve the right to make no further transfers or payments from your accounts, including any transactions you have previously authorized.

SEVERABILITY

If any provision of this agreement is held invalid, illegal, void or unenforceable by any rule or law, administrative order or judicial decision, all other provisions of the agreement shall remain in full force.

ATTORNEY FEES

If you bring legal action against us or if we bring a legal action against you and the legal action involves electronic funds transfers or matters discussed in this agreement, you agree to pay all of our attorney fees if we win.

GOVERNING LAW

This agreement is governed by and shall be construed in accordance with the laws of the State of Connecticut and applicable federal law. If any terms of this agreement cannot be legally enforced, they will be considered changed to the extent necessary to comply with the applicable law.

The following Agreement applies to all Online Banking Bill Payment customers:

**Putnam Bank
Online Bill Payment Disclosure**

Note: All references to the "the Service" reflect the Bill Payment service and Expedited Payments, unless otherwise noted, offered through Online Banking by Putnam Bank. For terms and conditions of the Online Banking product itself, you may refer to Putnam Bank Online Banking Customer Agreement and Disclosure Statement.

BILL PAYMENT SERVICE

As used in these Terms and Conditions (the "Agreement"), the term "Payee" means the person or entity to whom you wish a Bill Payment to be directed; "Payment Instruction" means the information provided by you to the Online Bill Payment company, Metavante, for a bill payment to be made to the Payee (such as, but not limited to, Payee name, Payee account number, and payment date); "Funding Account" means your checking account(s) from which bill payments will be made; "Business Day" means Monday through Friday, excluding Federal Reserve holidays; "Payment Date" means the Business Day of your choice upon which your bill payment will begin processing; and, "Cutoff Time" in reference to regular bill payments means 10:30 p.m. Monday through Friday EST and is the time by which you must transmit Payment Instructions to have them considered entered on that particular Business Day. By providing Metavante with the names and account information of those Payees to whom you wish to direct payment, you authorize Metavante to follow the Payment Instructions that it receives through the payment system.

When Metavante receives a Payment Instruction, you authorize Metavante to debit your Funding Account on the selected Send On Date and remit funds to the Payee on your behalf. Subject to the provisions of this Disclosure, Bill Payment through Online banking can be used to (a) give an order to the Bank to make a non-recurring payment from your payment account, (b) give an order to the Bank to make a series of recurring payments of the same amount from your payment account, (c) give an order to the Bank to edit, by changing or canceling, an order to make a future payment from your payment account that was previously given through Bill Payment, (d) give an order to the Bank to cancel a series of future recurring payments of the same amount from your payment account that was previously given through Bill Payment and (e) request from the Bank available information concerning payments from your payment account made through Bill Payment. Any payment from your payment account made through Bill Payment will be made by either a check or an electronic transfer of funds to the payee. **Because the payee from your funding account made through Bill Payment will not receive a payment stub with the payment and because the payee may process payments made without a payment stub at a different location than is normally the case or may take longer than is normally the case to process those payments, it may be advisable for you to verify with the payee the address to which the payment should be sent and the period of time required for the posting of the payment.**

While it is anticipated that most regular Bill Payment transactions will be processed and completed at the cutoff time on your Send On Date, and arrive approximately four (4) Business Days after your selected Send On Date, it is understood that due to circumstances beyond the control of the Service, particularly delays in handling and posting payments by slow responding Payees, some transactions may take a day or even a few days longer to be credited by your Payee to your Payee account. For this reason, it is necessary that all Payment Dates selected by you be no less than three (3) Business Days before the actual due date for a payment being made by an electronic transfer and no less than five (5) business days for a bill payment which entails sending the payee a check. Due date is the date which the payment is due, not the late date and/or a date in the grace period. Payment Instructions entered after 10:30 p.m. or on non-Business Days will be considered entered in the Service on the next Business Day. If you properly follow the procedures described herein, and the Service fails to send a payment according to the payment instructions received, the Service will bear responsibility for late charges (\$50.00 maximum). In any other event, including, but not limited to, choosing a Payment

Date less than five (5) Business Days before the actual payment due date, the risk of incurring and the responsibility for paying any and all late charges or penalties shall be borne by you.

Expedited Payments

You may authorize an "Expedited Payment" from your checking account through your online bill payment service. Expedited Payments include the following:

- a) Immediate payments. These payments are funded from your checking account and are delivered electronically to the payee. Certain restrictions may apply. Delivery time may be next-day or later depending upon the time of day, the payee capabilities, and other factors. The Deliver-By-Date is clearly listed on the Expedited Payments – "Payment Options" screen. You will be charged a convenience fee for this service.

Limitations: Immediate Payments are available for a limited number of Payees. Availability of Immediate Payments will be limited based on biller capabilities, time of day, payment delivery mechanisms and other factors. Due to inherent need to expedite the payment, payment instructions will be completed immediately upon submission of a request from you. You will not have the ability to edit or cancel the payment instruction after you have confirmed the payment request.

Service Guarantees: The Payment Processor will be responsible for reimbursement of convenience fees and may be responsible for certain late fees if the Immediate Payments are not processed in accordance with the delivery date provided by you if the payment is lost, if the reason the payment is late cannot be identified, if the Payment Processor does not send the payment as scheduled or the payment is sent to a location other than the one specified by you via the Expedited Payment Service.

- b) Overnight Check Payments. Overnight-check payment is a service in which payments are funded from your checking account. For overnight check payments initiated prior to the daily cutoff time will be delivered by the next business day. You will be charged a convenience fee for this service. Checks processed through Overnight Check Payments can be tracked. You will receive an e-mail notification confirming the Overnight Check Payment information.

Limitations: Overnight Check Payments will be unavailable for delivery to P.O. Box addresses or locations in AK, HI or any foreign or U.S. Territory outside of the contiguous 48 states and District of Columbia. You are responsible for entering and verifying any address for overnight check payments to ensure it is correct and is specified as a valid overnight package address by the biller.

Due to inherent need to expedite the payment, payment instructions will be completed immediately upon submission of a request from you. You will not have the ability to edit or cancel the payment instruction after you have confirmed the payment request.

Service Guarantees: If an Overnight Check Payment is not delivered by the guaranteed date, the Payment Processor may reimburse the bank or you for the convenience fee but will not be responsible for any late fees or any other damages associated with not delivering the overnight check by the guarantee date. The Payment Processor is not responsible for late delivery where you have entered an undeliverable or an incorrect address for an overnight check.

Payment Funding and Settlement

If for any reason, sufficient funds are not available in your checking account, the payment processor will block you from further use of the Expedited Payment Service and will attempt to collect payment through various means including debit retry and reversing the payment.

Service Termination

The payment processor or Putnam Bank may discontinue any of the Expedited Payment Services at its sole discretion at any time with or without notice.

NON-SUFFICIENT FUNDS AND RIGHT OF OFFSET

Should the Payment Processor attempt to debit your account for either a Bill Payment or an Expedited Payment and there are insufficient funds in your account and the debit is returned NSF (Non-sufficient Funds), your Bill Payment account will be placed in blocked status. The Payment Processor will attempt to debit the account up to three times for the Bill Payment and the account will remain blocked for an additional 5 days after the funds are recovered. Your account will be charged for each failed attempt by the Processor and may also be charged by the bank. If the funds are not made available, your account may go into collections. For Expedited Payments, the Processor will attempt to debit the Convenience Fee once. If the funds are not available, the bank will debit the account the Convenience Fee at a later date. The bank also reserves the right to offset another account that you hold with us in order to collect funds due as a result of NSF fees, Bill Payment transactions, and Convenience Fees.

FEES

Please note the following information regarding fees associated with Bill Pay:

1. At the present time our Bill Payment service is FREE unless the Bill Payment account becomes inactive. You will be charged a \$5.00 monthly fee for inactivity of Online Bill Payment Services. You will be notified by email after 60 days of non-use that the \$5.00 monthly fee will be assessed the following month if the Online Bill Payment Service remains inactive. To avoid the monthly inactivity fee at least one (1) bill must be initiated (paid) through the Online Bill Payment Service every 60 days (two month period).
2. A \$20 fee will be assessed to your Bill Pay checking account for each stop payment requested on a bill payment that is in process (after a check is sent out, but before it is processed/"cashed" by the payee). You may cancel a Bill Payment prior to the scheduled date without incurring any fee
3. A \$15 fee will be assessed to your Bill Pay checking account for each request for a copy of a cancelled Bill Payment check.
4. A \$25 fee will be assessed to your Bill Pay checking account for each bill payment item that overdraws your account. This is in addition to the normal Putnam Bank's NSF/UCF Overdraft fee(s).
5. A \$9 convenience fee will be assessed to your Bill Pay checking account for each electronic Immediate Expedited Bill Payment request and a \$25 convenience fee for each overnight check Expedited Bill Payment request.

Customers who incur more than 25 NSF/UCF Overdrafts, originated through the Bill Payment service, in three months (statement cycles) will have their billpay service closed.

STOPPING PAYMENT

To issue a stop payment order on a check issued in accordance with your Bill Payment order through Online Bill Payment, contact Putnam Bank's Online Banking Department by telephone at **800-377-4424** during normal business hours. Such stop payments may be made only in

accordance with procedures in effect at the Bill Payment processor. **You may not stop payment on any processed ACH (electronic) transfer of funds or for Expedited Payments.** You may, however cancel an order regarding a future payment. If you have requested a future or recurring payment, but the payment date has not arrived, you may use Online Banking to cancel or edit the payment. Any change or deletion made to a bill payment must be received before the cutoff time on the scheduled payment date. We may not have a reasonable opportunity to act on any stop payment or cancellation order given after a payment is In Process and it is not possible to stop or cancel a payment which is completed. If you desire to cancel or stop any payment which is "In Process" you must call Putnam Bank's Online Banking Department at **800-377-4424** during normal business hours. Although we will make every effort to accommodate your request, we will have no liability for failing to do so. Stop payment requests sent to us via electronic mail or in any other manner will not reach us in time for us to act on your request. Such stop payment requests will be accepted only if we have a reasonable opportunity to act on such requests. If you call, we may also require you to present your request in writing within fourteen (14) days after you call. The charge for each stop payment order will be the then current charge for such service as set forth in the applicable fee schedule.

BILL PAYMENT PROVISIONS

The Service will use its best efforts to make all your payments properly. However, the Service shall incur no liability if it is unable to complete any payments initiated by you through the Service because of the existence of any one or more of the following circumstances:

1. If, through no fault of ours, your Payment Account (also referred to as the "funding account") does not contain sufficient funds to complete the transaction or the transaction would exceed the credit limit of your overdraft account;
2. The Bill Payment processing center is not working properly and you know or have been advised by the Service about the malfunction before you execute the transaction;
3. The Payee mishandles or delays a payment sent by the Service;
4. You have not provided the Service with the correct name, phone number or account information for the Payee; or,
5. Circumstances beyond the Service's control (such as, but not limited to, fire, flood, or interference from an outside force) prevent the proper execution of the transaction and the Service has taken reasonable precautions to avoid those circumstances.

Provided none of the aforementioned five (5) exceptions are applicable, if the Service causes an incorrect amount of funds to be removed from your Payment Account or causes funds from your Payment Account to be directed to a Payee which does not comply with your Payment Instructions, the Service shall be responsible for returning the improperly transferred funds to your Payment Account and for directing to the proper Payee any previously misdirected transactions.

PROHIBITED PAYMENTS

The following payments are prohibited through the Service:

1. Tax payments;
2. Court ordered payments; and,
3. Payments to Payees outside of the United States.

THE FOREGOING SHALL CONSTITUTE THE SERVICE'S ENTIRE LIABILITY AND YOUR EXCLUSIVE REMEDY. IN NO EVENT SHALL THE SERVICE BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES,

INCLUDING LOST PROFITS (EVEN IF ADVISED OF THE POSSIBILITY THEREOF) ARISING IN ANY WAY OUT OF THE INSTALLATION, USE, OR MAINTENANCE OF THE EQUIPMENT, SOFTWARE, AND OR THE SERVICE.

EXCLUSIONS OF WARRANTIES

THE SERVICE AND RELATED DOCUMENTATION ARE PROVIDED "AS IS" WITHOUT ANY WARRANTY OF ANY KIND, EITHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

SECURITY

You agree not to give or make available your Online Banking User Id and Password or other means to access your account to any unauthorized individuals. You are responsible for all bill payments you authorize using the Service. If you permit other persons to use the Service or your Online Banking ID and Password, for example through a Household profile or access granted to your account by other means, you are responsible for any transactions they authorize. If you believe that your User Id or Password or other means to access your account has been lost or stolen or that someone may attempt to use the Service without your consent or has transferred money without your permission, you must notify the Bank at once by calling **800-377-4424** during normal customer service hours.

YOUR LIABILITY FOR UNAUTHORIZED TRANSFERS

If you tell us within two (2) Business Days after you discover your Online Banking User Id and Password or other means to access your account has been lost or stolen, you can lose no more than \$50.00 if someone uses your User Id and Password or other means to access your account without your permission. If you do not tell us within two (2) Business Days after you learn of such loss or theft, and we can prove that we could have prevented the unauthorized use of your User Id and Password or other means to access your account if you had told us, you could lose as much as \$500.00. If your monthly statement contains transfers that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may lose any amount transferred without your authorization after the sixty (60) days if we can prove that we could have stopped someone from taking the money had you told us in time. If a good reason (such as a long trip or a hospital stay) prevented you from telling us, we may extend the period.

ERRORS AND QUESTIONS

In case of errors or questions about your transactions, you should as soon as possible:

1. Telephone us at **800-377-4424** during normal customer service hours; or,
2. Write us at:

**Putnam Bank
Online Banking Department
40 Main Street
PO Box 151
Putnam, CT 06260**

If you think that your statement is wrong or you need more information about a transaction listed on the statement, we must hear from you no later than sixty (60) days after you received the first statement on which the problem or error appeared.

You must:

1. Tell us your name and checking account number;

2. Describe the error or the transaction you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information; and,
3. Tell us the dollar amount of the suspected error.

If you tell us verbally, we may require that you send your complaint in writing within ten (10) Business Days after your verbal notification. We will tell you the results of our investigation within ten (10) Business Days after we hear from you, and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate the complaint or question. If we decide to do this, we will provisionally credit your Payment Account within ten (10) Business Days for the amount you think is in error, so that you may have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) Business Days, we may not provisionally credit your Payment Account. If we decide there was no error, we will mail you a written explanation within three (3) Business Days after we finish the investigation. You may ask for copies of documents which we used in our investigation. The Service may revoke any provisional credit provided to you if we find that an error did not occur.

DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES

It is our general policy to treat your account information as confidential. However, we will disclose information to third parties about your account or the transactions you make only in the following situations:

1. Where it is necessary for completing transactions;
2. In order to verify the existence and condition of your account to a third party, such as a credit bureau or Payee;
3. To our agents, auditors, and collection attorneys;
4. In order to comply with a governmental agency or court orders; or,
5. If you give us your written permission.

CHARGES

Any fees associated with your standard deposit accounts will continue to apply. You are responsible for any and all telephone access fees and/or Internet service fees that may be assessed by your telephone and/or Internet service provider.

ALTERATIONS AND AMENDMENTS

This Agreement, applicable fees and service charges may be altered or amended by the Service from time to time. In such event, the Service shall send notice to you at your address as it appears on the Service's records. Any use of the Service after the Service sends you a notice of change will constitute your agreement to such change(s). Further, the Service may, from time to time, revise or update the programs, services, and/or related material, which may render all such prior versions obsolete. Consequently, the Service reserves the right to terminate this Agreement as to all such prior versions of the programs, services, and/or related material and limit access to the Service's more recent revisions and updates.

ADDRESS OR BANKING CHANGES

You agree to promptly notify in writing the Customer Service Department of any address change. Additionally, you agree to notify the Customer Service Department in writing at least ten (10) Business Days in advance of any change in your Payment Account or your banking status.

TERMINATION OR DISCONTINUATION

In the event you wish to discontinue the Service, you must contact the Online Banking Department in writing. Such notice of service discontinuance must be supplied ten (10) days prior to the actual discontinuance date and must be sent to:

**Putnam Bank
Online Banking Department
40 Main Street
PO Box 151
Putnam, CT 06260**

The Service may terminate service to you at any time and/or revoke your right to use software. Neither termination nor discontinuation shall affect your liability or obligations under this Agreement.

PAYEE LIMITATION

The Service reserves the right to refuse to pay any Payee to whom you may direct a payment. The Service is obligated to notify you promptly if it decides to refuse to pay a Payee designated by you. This notification is not required if you attempt to make a prohibited payment under this Agreement.

INFORMATION AUTHORIZATION

Your enrollment in the Service may not be fulfilled if the Service cannot verify your identity or other necessary information. Through your enrollment in the Service, you agree that the Service reserves the right to request a review of your credit rating at its own expense through an authorized bureau. In addition, you agree that the Service reserves the right to obtain financial information regarding your account from a Payee or financial institution to resolve payment posting problems.

DISPUTES

In the event of a dispute regarding the Service, you and the Service 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 an employee of the Service, Online Banking Department or Customer Service Department says and the terms of this Agreement, the terms of this Agreement will prevail.

ASSIGNMENT

You may not assign this Agreement to any other party. The Service may assign this Agreement to any future, directly or indirectly, affiliated company. The Service may also assign or delegate certain of its rights and responsibilities under this Agreement to independent contractors or other third parties.

NO WAIVER

The Service shall not be deemed to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the Service. No delay or omission on the part of the Service in exercising any rights or remedies shall operate as a waiver of such rights or remedies or any other rights or remedies. A waiver on any one occasion shall not be construed as a bar or waiver of any rights or remedies on future occasions.

CAPTIONS

The captions of sections hereof are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Connecticut, without regard to its conflicts of laws provisions.

TERMINATION OF ONLINE BANKING/ONLINE BILL PAYMENT ACCESS

NOTE: We will terminate access to your Online Banking (and Bill Payment) IF:

1. You do not log in within 60 days of receiving your Approval Email.
OR
2. You do not log into Online Banking during ANY six (6) month period (i.e. 6 months of online inactivity will result in your online access being terminated). Additionally, Online Bill Payment access will be terminated. This also applies to any recurring or future dated (pending) online bill payments. An e-mail will be sent prior to this termination. You will have two weeks from the date sent to either login or contact one of our Online Banking Representatives at **800-377-4424**.
3. You have excessive NSF/UCF overdrafts originated through the Bill Pay service in a three (3) month period (i.e. 25 or more).

By clicking 'Accept' you have agreed to all Terms and Conditions set forth in these Agreements.