

**REGULATION E DISCLOSURE
ELECTRONIC FUND TRANSFER AGREEMENT AND DISCLOSURES**

This Agreement and Disclosure is made in compliance with federal law regulating electronic fund transfer (EFT) services. Electronic fund transfers are electronically initiated transfers of money involving an account at the Financial Institution. The following disclosures set forth your and our rights and responsibilities concerning the electronic fund transfers. In this Agreement, the words "you" and "your" mean those who sign as applicants or any authorized user(s). The words "we", "us" and "our" mean Mars Bank. The abbreviation "PIN" or word "code" means a personal identification number.

The following limitations may be applicable to your accounts, except as provided by law:

Liability for Unauthorized Transfers:

Tell us AT ONCE if you believe your card, Automated Teller Machine (ATM) PIN, Point of Sale (POS) card or PIN, Service Plus 24 Hour Touch-Tone Telephone Banking (Telephone Banking) PIN, or *OnLine* Banking user ID or password has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within two (2) business days, you can lose no more than \$50.00 if someone used your card or code without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your card or code, and we can prove that we could have stopped someone from using your card or code without your permission if you had told us, you could lose as much as \$500.00. Also, if your statement shows 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 not get back any money 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 a hospital stay) kept you from telling us, we will extend the time periods. If you believe that your card or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call (724) 625-1555, or write to us at Mars Bank, P.O. Box 927, Mars, PA 16046.

Personal Identification Number (PIN):

The ATM PIN, POS PIN, Telephone Banking PIN or *OnLine* user ID and password issued to you is for your security purposes. The numbers are confidential and should not be disclosed to third parties or recorded on the card. You are responsible for safekeeping your PIN(s). You agree not to disclose or otherwise make your ATM PIN, POS PIN, Telephone Banking PIN, or *OnLine* user ID and password available to anyone whether they are authorized to sign on your accounts or not.

In Case of Errors or Questions About Your Electronic Fund Transfers:

Telephone us at (724) 625-1555, or write us at Mars Bank, P.O. Box 927, Mars, PA 16046 as soon as you can if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and account number.
- Describe the error or the 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.
- 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.

We will determine whether an error occurred 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 your complaint or question. If we decide to do this, we will credit your 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 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 credit your account.

If a notice of error involves an electronic fund transfer that occurred within thirty (30) days after the first deposit to the account was made, the error involves a new account. For errors involving new accounts, point of sale debit card transactions, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error.

We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

Our Liability for Failure to Make Transfers: If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses and damages.

However, there are some exceptions. We will NOT be liable for instance:

- If, through no fault of ours, you do not have enough money in your account to make the transfer;
- If the money in your account is subject to legal process or other claim restricting such transfer;
- If the transfer would go over the credit limit on your overdraft line;
- If the terminal or system was not working properly and you knew about the breakdown when you started the transfer;
- If circumstances beyond our control (such as fire or flood) prevent the transaction, despite reasonable precautions that we have taken; or
- There may be other exceptions stated in our agreement with you.

Business Days: For purposes of these electronic fund transfer disclosures, our business days are Monday through Friday. Holidays are not business days.

Stop Payments on ATM, POS, or Debit Card Transactions: You may not place a stop payment order on any ATM, POS, or Debit Card transaction.

Documentation:

Periodic Statement: You will get a monthly account statement from us on your checking and/or money market account. For all other accounts, you will get a monthly account statement from us, unless there are no transactions in those accounts in a particular month (in which case you will get a statement at least quarterly). If you have a passbook account, you may bring your passbook to us and we will record any direct deposits that we made to your account since the last time you brought in your passbook.

Terminal Receipt: You can get a receipt at the time you make any transfer to or from your account using an ATM or a POS terminal.

Direct Deposits: If you have arranged to have direct deposits made to your account at least once every sixty (60) days from the same person or company, you can use *OnLine Banking*, *Telephone Banking*, or call us at (724) 625-1555 to find out whether or not the deposit has been made.

Preauthorized Electronic Fund Transfers:

Stop Payment Rights:

If you have told us in advance to make regular electronic fund transfers out of your account(s), you can stop any of these payments. Here's how: Call us or write to us at the telephone number or address set forth in this agreement, in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call. We will charge you a fee for each stop payment order you give. The amount of the fee is disclosed on our Schedule of Fees.

Notice of Varying Amounts: If these regular payments may vary in amount, the person you are going to pay will tell you, ten (10) days before each payment, when it will be made and how much it will be. You may

choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

Liability for Failure to Stop Payment of Preauthorized Transfers:

If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

Other Provisions:

There may be a delay between the time a deposit is made and when it will be available for withdrawal. You should review our Funds Availability Policy to determine the availability of the funds deposited at ATMs. We reserve the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account.

Customer Responsibility:

You understand the necessity to protect the confidential nature of your PIN and *OnLine* Banking user ID and password. Failure to keep your PIN and *OnLine* Banking user ID and password confidential can result in unauthorized access to your account(s) in the event of loss or theft. If you give your PIN or *OnLine* Banking user ID and password to another person, you are authorizing that person to use your Mars Bank ATM Card, Debit Card, Telephone Banking or *OnLine* Banking. You are responsible for such use, and we will be entitled to charge your account(s) for all such transactions performed by you or such authorized persons.

Mars Bank *OnLine* Banking

Mars Bank *OnLine* is a virtual branch for your computer, open for business whenever you need it. Accessing the service with a user ID and password, Mars Bank *OnLine* is a simple, safe and secure way to bank. You can accomplish important banking tasks quickly and conveniently. Intuitive menus, system icons, and well-organized hyperlinks make it easy for you to get information and initiate transactions anytime of the day or night.

Types of Transactions:

You may access certain account(s) you maintain with us by computer using your assigned user ID and password by accessing the online banking service. You may use the online banking service to perform the following functions:

- Transfer Funds Between Eligible Accounts;
- Obtain Balance Information on Eligible Accounts;
- Review Transactions on Eligible Accounts;
- Make Loan Payments;
- Stop Payment Requests;
- Advance Funds from Credit Line;
- Online Bill Payment;
- Obtain Statements;
- Order Checks; and
- Allow Export of Transaction History to a Personal Asset Management Software.

Limitations on Frequency and Amount:

- When using the Bill Payment service, you should allow at least five (5) business days from the date a payment is scheduled for such payments to be delivered to payees.

Fees and Charges for *OnLine* Service:

- Personal Banking *OnLine*
A monthly Bill Payment Inactivity Fee for each person enrolled in the Bill Payment service of Mars Bank *OnLine*. This fee will only be assessed when no bills are paid during any calendar month using the Bill Payment service. The amount of the fee is disclosed on our Schedule of Fees.

Government Direct Deposit

Types of Preauthorized Transfers:

You may arrange for us to complete the following preauthorized transfers to your deposit accounts:

- Accept direct deposits from the U.S. Treasury Department to your checking or savings account.

Fees and Charges:

- We do not charge for any preauthorized EFTs.

Other Direct Deposit

Types of Preauthorized Transfers:

You may arrange for us to complete the following preauthorized transfers to your deposit accounts:

- Accept direct deposits from your employer or other financial institutions to your checking or savings account.

Fees and Charges:

- We do not charge for any preauthorized EFTs.

Preauthorized Debits

Types of Preauthorized Transfers:

You may arrange for us to complete the following preauthorized transfers to or from your deposit accounts:

- Pay certain recurring bills from your checking or savings account.

Limitations on Frequency and Amount:

- Preauthorized debits are not allowed from Passbook Savings Accounts.

Fees and Charges:

- We do not charge for any preauthorized EFTs.
- We will charge a fee for each stop-payment order for preauthorized transfers. The amount of the fee is disclosed on our Schedule of Fees.

ATM Card Services

Types of Transactions / Transfers:

You may use the card and PIN issued to you to pay for purchases from merchants who have agreed to accept the card at Point of Sale (POS) terminals within the networks identified on your card and such other terminals as the Bank may designate from time to time. Point of Sale (POS) transactions will be deducted from your Primary Account. Point of Sale (POS) transactions involving a refund will be credited to your Primary Account. You may use the automated teller machine (ATM) card and personal identification number (PIN) issued to you to initiate transactions at ATMs of ours, ATMs within the networks identified on your card and such other facilities as we may designate from time to time. Unless you specify a different account during Automated Teller Machine (ATM) transactions, your Primary Account will be used for your transactions. Your Primary Account number and information may be obtained from the Combined ATM/POS Request Form.

At present, with accounts attached to your card you may:

- Deposit funds to your checking or savings account;
- Withdraw cash from your checking or savings account;
- Transfer funds between your checking and savings accounts;
- Obtain balance information on your deposit accounts; or
- Make Mars Bank loan account payments from your deposit accounts.

Some of these services may not be available at all ATMs.

Limitations on Frequency and Amount:

- You may withdraw up to a maximum of \$500.00 (if there are sufficient funds in your account) per day.
- For security purposes, there are limits on the amount of transfers you may make using ATMs and this POS service.
- Withdrawals and transfers are not allowed from Passbook Savings Accounts. Loan payments may only be made on loans with Mars Bank at ATMs owned by Mars Bank.

The day for withdrawal limits starts at the end of each calendar day.

You will be denied the use of the ATM Card if you (1) exceed the daily withdrawal or purchase limit, (2) do not have adequate funds available in your account, or (3) do not enter the correct PIN. The receipt provided by the ATM will notify you of the denial. There is a limit on the number of such denials permitted. Attempts to exceed the limit may result in machine retention of your ATM card at the machine. The number of attempts that result in machine retention of your ATM Card is not revealed for security reasons.

- You may purchase up to a maximum of \$500.00 worth of goods and services per day, inclusive of ATM withdrawals.
- Purchase refunds will be posted to the available balances in your Primary Account up to the POS Returns Limit.

Purchase refunds in excess of the POS Returns Limit will be posted to the restricted balances in your Primary Account. The total amount of purchase refunds, up to the POS Returns Limit, and funds made available to you from items (e.g., cash, checks, drafts) that you present at an ATM cannot exceed the overall credit limit of \$500.00 each day.

POS transactions cannot be made and POS limits are not applicable if you have an ATM Card on which your Statement Savings Account or Money Market Account is designated as the Primary Account.

Fees and Charges:

- There is no charge for ATM withdrawals at machines owned by us.
- There is no charge for ATM deposits at machines owned by us.
- There is a Replacement Card Fee. The amount of the fee is disclosed on our Schedule of Fees.
- We do not charge for any POS transactions.
- When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer.

Debit Card Services

Liability for Unauthorized Debit MasterCard Transactions:

Tell us, AT ONCE, if you believe your Debit MasterCard has been lost or stolen or of any unauthorized transactions. Your liability for unauthorized use of your Debit MasterCard will not exceed (A) Zero dollars (\$0.00) if the conditions set forth below have been met, or (B) if those conditions have not been met, the lesser of fifty dollars (\$50.00) or the amount of money, property, labor or services obtained by the unauthorized use before notification to us. Zero liability will apply only if: (1) you can demonstrate that you have exercised reasonable care in safe-guarding your card from risk of loss or theft; and (2) you have not reported two or more incidents of unauthorized use to us within the preceding twelve (12) months; and (3) your account is in good standing. These consumer liability limits apply only to United States issued MasterCard branded consumer cards. If the transaction does not meet the conditions set forth above, these limits with respect to unauthorized transactions may be exceeded to the extent allowed under applicable law (see Liability for Unauthorized Transfers). "Unauthorized use" means the use of your Debit MasterCard by a person, other than you, who does not have actual, implied, or apparent authority for such use, and for which you receive no benefit. To notify us of lost or stolen cards, or of unauthorized transactions, call or write to us at the telephone number or address set forth in this agreement. This will help prevent unauthorized access to your account and minimize any inconvenience.

MasterCard is a registered trademark of MasterCard International Incorporated.

Types of Transactions / Transfers:

You may use the card and PIN issued to you to pay for purchases from merchants who have agreed to accept the card at POS terminals within the networks identified on your card and such other terminals as the Bank may designate from time to time. POS transactions will be deducted from your Primary Account. POS transactions involving a refund will be credited to your Primary Account. You may also use the card to pay for purchases from merchants that accept the POS debit card with a Master Card symbol. You may use the Debit Card and PIN issued to you to initiate transactions at ATMs of ours, ATMs within the networks identified on your card and such other facilities as we may designate from time to time. Unless you specify a different account during ATM transactions, your Primary Account will be used for your transactions. Your Primary Account number and information may be obtained from the Combined ATM/POS/Debit Card Request Form.

At present, you may use your Debit Card to:

- Deposit funds to your checking and Statement Savings accounts;
- Withdraw cash from your checking and Statement Savings accounts;
- Transfer funds between your checking and Statement Savings accounts;
- Obtain balance information on your checking and Statement Savings accounts; or
- Make loan payments from your checking and Statement Savings accounts.

Some of these services may not be available at all ATMs.

Limitations on Frequency and Amount:

- You may withdraw up to a maximum of \$500.00 per day (if there are sufficient funds in your account).
- For security purposes, there are limits on the amount of transfers you may make using ATMs and Point of Sale services.
- Withdrawals and transfers are not allowed from Passbook Savings Accounts. Loan payments may only be made on loans with Mars Bank at ATMs owned by Mars Bank.
- You may not be able to withdraw the maximum amount of money if the ATM doesn't have enough cash.

The day for withdrawal limits starts at the end of each calendar day.

You will be denied the use of the Debit Card if you (1) exceed the daily withdrawal or purchase limit, (2) do not have adequate funds available in your account, or (3) do not enter the correct PIN. The receipt provided by the ATM will notify you of the denial. There is a limit on the number of such denials permitted. Attempts to exceed the limit may result in machine retention of your Debit Card at the ATM. The number of attempts that result in machine retention of your Debit Card is not revealed for security reasons.

- You may purchase up to a maximum of \$2,500.00 worth of goods and services per day, inclusive of ATM withdrawals.
- Purchase refunds will be posted to the available balances in your Primary Account up to the POS Returns Limit.

Purchase refunds in excess of the POS Returns Limit will be posted to the restricted balances in your Primary Account. The total amount of purchase refunds, up to the POS Returns Limit, and funds made available to you from items (i.e. cash, checks, drafts) that you present at an ATM cannot exceed the overall credit limit of \$2,500.00 each day.

Fees and Charges:

- There is no charge for ATM withdrawals at machines owned by us.
- There is no charge for ATM deposits at machines owned by us.
- There is a Replacement Card Fee. The amount of the fee is disclosed on our Schedule of Fees.
- We do not charge for any POS transactions.
- When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer.

Service Plus 24 Hour Touch-Tone Telephone Banking

Service Plus 24 Hour Touch-Tone Telephone Banking is a free product that allows you to do your banking anytime, anywhere. All you need is a touch-tone telephone. Easy access to any of your accounts is available once you enter your own personal security code. Toll free, dial (888) 595-7587.

Types of Audio Response Services:

You may access your deposit accounts by using a separate personal identification number (PIN) assigned to you and your account number in our audio response system.

At the present time, you may use the system to:

- Transfer funds between your deposit accounts;
- Give you tax information on interest earned or paid on your accounts;
- Obtain balance information on your deposit accounts;
- Verify the last date and amount of your payroll deposit;
- Determine if a particular check has cleared your account;
- Place stop payments on checks or make loan payments automatically;
- Review some of our interest rates; or
- Review our banking hours and Branch office locations.

Limitations on Frequency and Amount:

- For security purposes, there are limits on the frequency and amount of transfers you may make using the Audio Response service.
- There is no limit on the amount of any transfer or withdrawal from the funds in your deposit accounts.
- Transfers are not allowed from Passbook Savings Accounts.

Fees and Charges for Telephone Banking Transactions:

- A fee may be charged for Telephone Banking transactions. The amount of the fee is disclosed on our Schedule of Fees.

Other Electronic Fund Transfer Transactions

Electronic Check Conversion:

You may authorize a merchant to use your check as a source of information to initiate an EFT from your account. Electronic check conversion is a payment process in which a merchant, after obtaining your authorization, uses your check to gather routing, account, and check number information to initiate a one-time EFT. This type of EFT transaction involving a consumer account is covered by the Electronic Funds Transfer Act and this disclosure. A description of the transaction will appear on your statement.

Re-presented Check Transactions and Fees:

You may authorize a merchant to electronically collect a fee associated with the re-presentation of a check that is returned due to insufficient or unavailable funds. The resulting fee transaction, if debited as an EFT from a consumer account, is covered by the Electronic Funds Transfer Act and this disclosure. When a merchant re-presents a check electronically, that transaction is not covered by the Electronic Funds Transfer Act or this disclosure. A description of the transaction will appear on your statement.

Confidentiality

We will disclose information to third parties about your account or the transfers you make:

- To complete transfers as necessary;
- To verify the existence and condition of your account upon the request of a third party (e.g., credit bureau);
- To comply with government agency or court orders; or
- If you give us your written permission.

Notices

All notices from us will be effective when we have mailed them or delivered them to your last known address on our records. Notices from you will be effective when received by us at the telephone number specified in this agreement or when you mail the notice or deliver it for transmission to the institution by any other usual means. We reserve the right to change the terms and conditions upon which these services are offered. We will mail a change in terms notice to you at least twenty-one (21) days before the effective date of any change, as required by law. Use of these services is subject to existing regulations governing your account and any future changes to those regulations.

Enforcement

In the event either party brings a legal action to enforce this Agreement or collect amounts owing as a result of any account transaction, the prevailing party shall be entitled to reasonable attorneys' fees and costs, including fees on any appeal, subject to any limits under applicable law.

Termination of ATM, POS, Telephone Banking, and *OnLine* Banking Services

You agree that we may terminate this Agreement and your use of the ATM/Debit Card, POS, Telephone Banking, or *OnLine* Banking services if:

- You breach this or any other agreement with us;
- We have reason to believe that there has been an unauthorized use of your ATM/Debit Card PIN, POS card or PIN, Telephone Banking PIN or *OnLine* Banking password and user ID;
- We notify you or any other party to your account that we have cancelled or will cancel this Agreement. You or any other party to your account can terminate this Agreement by notifying us in writing.

Termination of this service will be effective the first business day following receipt of your written notice. Termination of this agreement will not affect the rights and responsibilities of the parties under this agreement for transactions initiated before termination.

ATM Safety Tips

As issuers of Automated Teller Machine (ATM) access devices, we have provided for your information a list of safety precautions regarding the use of automated teller machines. Please read the following safety tips.

- Be aware of your surroundings, particularly at night.
- Consider having someone accompany you when the automated teller machine is used after dark.
- It is appropriate to politely ask someone who is uncomfortably close to you to step back before you complete your transaction.
- Refrain from displaying your cash. Pocket your cash as soon as your transaction is completed. Count the cash later in the safety of your car or home.
- Consider using another automated teller machine or coming back later if you notice anything suspicious. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, pocket your ATM card access device and leave.
- Go to the nearest public area where people are located if you are followed after making a transaction.
- Report all crimes to law enforcement officials immediately.