

**NOTICE OF YOUR FINANCIAL  
PRIVACY RIGHTS**

**We, our, and us**, when used in this notice, mean Peoples Bank.

This is our privacy notice for our customers. When we use the words “you” and “your” we mean the following types of customers:

- Our consumer customers who have a continuing relationship by purchasing or holding financial products or services such as a(n):
  - Deposit account
  - Loan account
  - Credit card account
  - Safe deposit box
  - Self-directed Individual Retirement Account
  - Mortgage brokerage services
- Former customers

We will tell you the sources of the information we collect about you. We will tell you what measures we take to secure that information.

We first define some terms.

**Nonpublic personal information** means information about you that we collect in connection with providing a financial product or service to you. Nonpublic personal information does not include information that is available from public sources, such as telephone directories or government records. Hereafter, we will use the term “*information*” to mean nonpublic personal information as defined in this section.

An **affiliate** is a company we own or control, a company that owns or controls us, or a company that is owned or controlled by the same company that owns or controls us. Ownership does not mean complete ownership, but means owning enough to have control.

A **nonaffiliated third party** is a person we do not employ or a company that is not an affiliate of ours. This is also known as nonaffiliated third party, or simply, an “*other party*.”

**THE INFORMATION WE COLLECT**

We collect information about you from the following sources:

- Information you give us on applications or other forms
- Information about your transactions with us
- Information about your transactions with other parties
- Information from a consumer reporting agency
- Information we receive as a result of verifying customer information

We may disclose all of the information we collect, as described above, to companies that perform marketing services on our behalf or to other financial institutions with which we have joint marketing arrangements. We do not disclose any nonpublic personal information about you to anyone, except as permitted by law.

**INFORMATION WE DISCLOSE ABOUT YOU**

**We do NOT disclose any information about you to anyone, except as permitted by law.** Examples of this might include disclosures necessary to service your account or prevent unauthorized transactions.

**THE CONFIDENTIALITY, SECURITY, AND INTEGRITY OF YOUR INFORMATION**

We restrict access to information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards to protect this information.

**INFORMATION ABOUT FORMER CUSTOMERS**

We have the same policy about disclosing information about former customers as we do about current customers.

**TEXAS NOTICE**

Peoples Bank is chartered under the laws of the State of Texas and by state law is subject to regulatory oversight by the Texas Department of Banking. Any consumer wishing to file a complaint against Peoples Bank should contact the Texas Department of Banking.

Peoples Bank engages in the business of selling checks as an agent for a company licensed under the laws of the State of Texas and subject to regulatory oversight by the Texas Department of Banking. Any consumer wishing to file a complaint concerning the sale of checks activities should contact the Texas Department of Banking.

Consumers may file a complaint with the Texas Department of Banking by contacting the Department through one of the means indicated below:

- In Person or U.S. Mail: 2601 North Lamar Boulevard, Suite 300, Austin, Texas 78705-4294;
- Telephone No.: 877/276-5554;
- Fax No.: 512/475-1313;
- E-mail:  
consumer.complaints@banking.state.tx.us;
- Website: www.banking.state.tx.us

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**TERMS AND CONDITIONS  
OF YOUR ACCOUNT**

**IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT** - To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

**AGREEMENT** - This document, along with any other documents we give you pertaining to your account(s), is a contract that establishes rules which control your account(s) with us. Please read this carefully. If you sign the signature card or open or continue to use the account, you agree to these rules. You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this document. If you have any questions, please call us.

This agreement is subject to applicable federal laws and the laws of the state of Texas (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. The purpose of this document is to:

- (1) summarize some laws that apply to common transactions;

- (2) establish rules to cover transactions or events which the law does not regulate;
- (3) establish rules for certain transactions or events which the law regulates but permits variation by agreement; and
- (4) give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variations from our standard agreement, but we must agree to any variation in writing either on the signature card for your account or in some other document.

As used in this document the words "we," "our," and "us" mean the financial institution and the words "you" and "your" mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular. "Party" means a person who, by the terms of an account, has a present right, subject to request, to payment from the account other than as a beneficiary or agent.

**LIABILITY** - You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges. You authorize us to deduct these charges directly from the account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this agreement.

Each of you also agrees to be jointly and severally (individually) liable for any account shortage resulting from charges or overdrafts, whether caused by you or another with access to this account. This liability is due immediately, and can be deducted directly from the account balance whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge or overdraft. You will also be liable for our costs to collect the deficit as well as for our reasonable attorneys' fees, to the extent permitted by law, whether incurred as a result of collection or in any other dispute involving your account including, but not limited to, disputes between you and another joint owner; you and an authorized signer or similar party; or a third party claiming an interest in your account.

**DEPOSITS** - We will give only provisional credit until collection is final for any items, other than cash, we accept for deposit (including items drawn "on us"). Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. We are not responsible for transactions by mail or outside depository until we actually record them. We will treat and record all transactions received after our "daily cutoff time" on a business day we are open, or received on a day we are not open for business, as if initiated on the next business day that we are open.

**WITHDRAWALS** - Unless clearly indicated otherwise on the account records, any of you, acting alone, who signs to open the account or has authority to make withdrawals may withdraw or transfer all or any part of the account balance at any time. Each of you (until we receive written notice to the contrary) authorizes each other person who signs or has authority to make withdrawals to indorse any item payable to you or your order for deposit to this account or any other transaction with us. You agree that, as to any item that we have no opportunity to examine the signatures, such as an electronic check conversion transaction where a check or similar item is converted into an electronic fund transfer as defined in the Electronic Fund Transfers regulation, you waive any requirement of multiple signatures for withdrawal. We may charge your account for a check even though payment was made before the date of the check, unless we have received written notice of the postdating in time to have a reasonable opportunity to act. We may refuse any withdrawal or transfer request which you attempt on forms not approved by us, by any method we do not specifically permit, which is greater in number than the frequency permitted, or which is for an amount greater or less than any withdrawal limitations. Even if we honor a nonconforming request, we may treat continued abuse of the stated limitations (if any) as your act of closing the account. We will use the date the transaction is completed by us (as opposed to the date you initiate it) to apply the frequency limitations. The fact that we may honor withdrawal requests that overdraw the available account balance does not obligate us to do so later. You agree that we may charge fees for overdrafts and use subsequent deposits, including direct deposits of social security or other government benefits, to cover such overdrafts and overdraft fees. If we are presented with an item drawn against your account that would be a "substitute check," as defined by law, but for an error or defect in the item introduced in the substitute check creation process, you agree that we may pay such item. See the funds availability policy disclosure for information about when you can withdraw funds you deposit. For those accounts for which our funds availability policy disclosure does not apply, you can ask us when you make a deposit when those funds will be available for withdrawal.

We may require not less than 7 days' notice in writing before each withdrawal from an interest-bearing account other than a time deposit, or from any other savings account as defined by Regulation D. Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to penalty. See your notice of penalty for early withdrawal.

**ACCOUNT SELECTION FORM NOTICE** - The type of account you select may determine how property passes on your death. Your will may not control the disposition of funds held in some of the following accounts. You may choose to designate one or more convenience signers on an account, even if the account is not a convenience account. A designated convenience signer may make transactions on your behalf during your lifetime, but does not own the account during your lifetime. The designated convenience signer owns the account on your death only if the convenience signer is also designated as a P.O.D. payee or trust account beneficiary.

**SINGLE-PARTY ACCOUNT WITHOUT "P.O.D." (PAYABLE ON DEATH) DESIGNATION** - The party to the account owns the account. On the death of the party, ownership of the account passes as a part of the party's estate under the party's will or by intestacy.

**SINGLE-PARTY ACCOUNT WITH "P.O.D." (PAYABLE ON DEATH) DESIGNATION** - The party to the account owns the account. On the death of the party, ownership of the account passes to the P.O.D. beneficiaries of the account. The account is not a part of the party's estate.

**MULTIPLE-PARTY ACCOUNT WITHOUT RIGHT OF SURVIVORSHIP** - The parties to the account own the account in proportion to the parties' net contributions to the account. The financial institution may pay any sum in the account to a party at any time. On the death of a party, the party's ownership of the account passes as a part of the party's estate under the party's will or by intestacy.

**MULTIPLE-PARTY ACCOUNT WITH RIGHT OF SURVIVORSHIP** - The parties to the account own the account in proportion to the parties' net contributions to the account. The financial institution may pay any sum in the account to a party at any time. On the death of a party, the party's ownership of the account passes to the surviving parties.

**MULTIPLE-PARTY ACCOUNT WITH RIGHT OF SURVIVORSHIP AND "P.O.D." (PAYABLE ON DEATH) DESIGNATION** - The parties to the account own the account in proportion to the parties' net contributions to the account. The financial institution may pay any sum in the account to a party at any time. On the death of the last surviving party, the ownership of the account passes to the P.O.D. beneficiaries.

**CONVENIENCE ACCOUNT** - The parties to the account own the account. One or more convenience signers to the account may make account transactions for a party. A convenience signer does not own the account. On the death of the last surviving party, ownership of the account passes as a part of the last surviving party's estate under the last surviving party's will or by intestacy. The financial institution may pay funds in the account to a convenience signer before the financial institution receives notice of the death of the last surviving party. The payment to a convenience signer does not affect the parties' ownership of the account.

**TRUST ACCOUNT** - The parties named as trustees to the account own the account in proportion to the parties' net contributions to the account. A trustee may withdraw funds from the account. A beneficiary may not withdraw funds from the account before all trustees are deceased. On the death of the last surviving trustee, the ownership of the account passes to the beneficiary. The trust account is not a part of a trustee's estate and does not pass under the trustee's will or by intestacy, unless the trustee survives all of the beneficiaries and all other trustees.

**BUSINESS, ORGANIZATION AND ASSOCIATION ACCOUNTS** - Earnings in the form of interest, dividends, or credits will be paid only on collected funds, unless otherwise provided by law or our policy. We may require the governing body of the entity opening the account to give us a separate authorization telling us who is authorized to act on its behalf. We will honor the authorization until we actually receive written notice of a change from the governing body of the entity.

**STOP PAYMENTS** - You must make any stop-payment order in the manner required by law and we must receive it in time to give us a reasonable opportunity to act on it before our stop-payment cutoff time. To be effective, your stop-payment order must precisely identify the number, date and amount of the item, and the payee.

You may stop payment on any item drawn on your account whether you sign the item or not, if you have an equal or greater right to withdraw from this account than the person who signed the item. A release of the stop-payment request may be made only by the person who initiated the stop-payment order.

Our stop-payment cutoff time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop payment are provided by law (e.g., we paid the item in cash or we certified the item).

**TELEPHONE TRANSFERS** - A telephone transfer of funds from this account to another account with us, if otherwise arranged for or permitted, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing. Unless a different limitation is disclosed in writing, we restrict the number of transfers from a savings account to another account or to third parties, to a maximum of six per month (less the number of "preauthorized transfers" during the month). Other account transfer restrictions may be described elsewhere.

**AMENDMENTS AND TERMINATION** - We may change any term of this agreement. Rules governing changes in interest rates are provided separately. For other changes, we will give you reasonable notice in writing or by any other method permitted by law. We may also close this account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Notice from us to any one of you is notice to all of you.

**STATEMENTS - Your duty to report unauthorized signatures, alterations and forgeries** - You must examine your statement of account with "reasonable promptness." If you discover (or reasonably should have discovered) any unauthorized signatures or alterations, you must promptly notify us of the relevant facts. As between you and us, if you fail to do either of these duties, you will have to either share the loss with us, or bear the loss entirely yourself (depending on whether we used ordinary care and, if not, whether we contributed to the loss). The loss could be not only with respect to items on the statement but other items with unauthorized signatures or alterations by the same wrongdoer.

You agree that the time you have to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 30 days from when the statement is first sent or made available to you.

You further agree that if you fail to report any unauthorized signatures, alterations or forgeries in your account within 60 days of when we first send or make the statement available, you cannot assert a claim against us on any items in that statement, and as between you and us the loss will be entirely yours. This 60-day limitation is without regard to whether we used ordinary care. The limitation in this paragraph is in addition to that contained in the first paragraph of this section.

**Your duty to report other errors** - In addition to your duty to review your statements for unauthorized signatures, alterations and forgeries, you agree to examine your statement with reasonable promptness for any other error - such as an encoding error. You agree that the time you have to examine your statement and report to us will depend on the circumstances. However, such time period shall not exceed 60 days. Failure to examine your statement and report any such errors to us within 60 days of when we first send or make the statement available precludes you from asserting a claim against us for any such errors on items identified in that statement and as between you and us the loss will be entirely yours.

**Errors relating to electronic fund transfers or substitute checks** - For information on errors relating to electronic fund transfers (e.g., computer, debit card or ATM transactions) refer to your Electronic Fund Transfers disclosure and the sections on consumer liability and error resolution. For information on errors relating to a substitute check you received, refer to your disclosure entitled Substitute Checks and Your Rights.

**ACCOUNT TRANSFER** - This account may not be transferred or assigned without our prior written consent.

**DIRECT DEPOSITS** - If, in connection with a direct deposit plan, we deposit any amount in an account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

**TEMPORARY ACCOUNT AGREEMENT** - If this option is selected, this is a temporary account agreement. Each person who signs to open the account or has authority to make withdrawals (except as indicated to the contrary) may transact business on this account. However, we may at some time in the future restrict or prohibit further use of this account if you fail to comply with the requirements we have imposed within a reasonable time.

**SETOFF** - We may (without prior notice and when permitted by law) set off the funds in this account against any due and payable debt you owe us now or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including any balance the due date for which we properly accelerate under the note.

This right of setoff does not apply to this account if prohibited by law. For example, the right of setoff does not apply to this account if: (a) it is an Individual Retirement Account or similar tax-deferred account, or (b) the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), or (c) the debtor's right of withdrawal only arises in a representative capacity. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of setoff.

**RESTRICTIVE LEGENDS** - We are not required to honor any restrictive legend on checks you write unless we have agreed in writing to the restriction. Examples of restrictive legends are "must be presented within 90 days" or "not valid for more than \$1,000.00."

**PAYMENT ORDER OF ITEMS** - The law permits us to pay items (such as checks or drafts) drawn on your account in any order. To assist you in handling your account with us, we are providing you with the following information regarding how we process the items that you write. When processing items drawn on your account, our policy is to pay them according to the dollar amount. We pay the largest items first. The order in which items are paid is important if there is not enough money in your account to pay all of the items that are presented. Our payment policy will cause your largest, and perhaps more important, items to be paid first (such as your rent or mortgage payment), but may increase the overdraft or NSF fees you have to pay if funds are not available to pay all of the items. If an item is presented without sufficient funds in your account to pay it, we may, at our discretion, pay the item (creating an overdraft) or return the item (NSF). The amounts of the overdraft and NSF fees are disclosed elsewhere. We encourage you to make careful records and practice good account management. This will help you to avoid writing checks or drafts without sufficient funds and incurring the resulting fees.

**CHECK PROCESSING** - We may process items mechanically by relying on the information encoded along the bottom of the items. This means that we may not individually examine all of your items to determine if the item is properly completed, signed and indorsed. You agree that we have not failed to exercise ordinary care solely because we use an automated system to process items and do not inspect all items processed in such a manner. We reserve the right not to inspect each item because using an automated process helps us keep costs down for you and all account holders. We may determine the amount of available funds in your account for the purpose of deciding whether to return an item for insufficient funds at any time between the time we receive the item and when we return the item or send a notice in lieu of return. We need only make one determination, but if we choose to make a subsequent determination, the account balance at the subsequent time will determine whether there are insufficient available funds.

**CHECK CASHING** - We may charge a fee for anyone that does not have an account with us who is cashing a check, draft or other instrument written on your account. We may also require reasonable identification to cash such a check, draft or other instrument. We can decide what identification is reasonable under the circumstances and such identification may be documentary or physical and may include collecting a thumbprint or fingerprint.

**ACH AND WIRE TRANSFERS** - This agreement is subject to Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the state in which you have your account with us. If you originate a fund transfer for which Fedwire is used, and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. You agree to be bound by automated clearing house association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we do not receive such payment, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. If we receive a payment order to credit an account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit.

**RESOLVING ACCOUNT DISPUTES** - We may place an administrative hold on the funds in your account (refuse payment or withdrawal of the funds) if it becomes subject to a claim adverse to (1) your own interest; (2) by others claiming an interest as survivors or beneficiaries of your account; or (3) a claim arising by operation of law. The hold may be placed for such period of time as we believe reasonably necessary to allow a legal proceeding to determine the merits of the claim or until we receive evidence satisfactory to us that the dispute has been resolved. We will not be liable for any items that are dishonored as a consequence of placing a hold on funds in your account for these reasons.

**BINDING ARBITRATION** - Upon our or your written request (whether before or after commencement of any legal proceeding), any claim or controversy relating to this account and/or this agreement and any amendments thereto shall be resolved by binding arbitration administered in Lamar County, Texas by the American Arbitration Association ("AAA") in accordance with this agreement, the Commercial Rules of the AAA, and, where applicable, the Federal Arbitration Act. All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding. Judgement upon the award rendered by the arbitrators may be entered in any court having jurisdiction; provided, however, that nothing contained herein shall be deemed a waiver by us of the protections afforded by 12 U.S.C. § 91 or the Texas Banking Code art. 342-609. Nothing contained in this paragraph, nor the exercise of any rights hereunder, shall limit your or our right to employ other remedies including, without limitation, foreclosure, set-off and other self-help remedies or to obtain provisional or ancillary remedies such as injunctive relief, sequestration, attachment, garnishment or receivership. Exercise of any such remedies shall not operate as a waiver of arbitration rights hereunder. You or we may exercise any rights hereunder against any one or more liable person or entities without impairing rights against any other liable person or entity. This paragraph shall survive termination of this agreement.

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## **ELECTRONIC FUND TRANSFERS YOUR RIGHTS AND RESPONSIBILITIES**

This Electronic Fund Transfer disclosure does not apply to any accounts other than consumer accounts, as defined by Regulation E.

Indicated below are types of Electronic Fund Transfers we are capable of handling, some of which may not apply to your account. Please read this disclosure carefully because it tells you your rights and obligations for the transactions listed. You should keep this notice for future reference.

**Electronic Fund Transfers Initiated By Third Parties.** You may authorize a third party to initiate electronic fund transfers between your account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearing House (ACH) or other payments network. Your authorization to the third party to make these transfers can occur in a number of ways. For example, your authorization to convert a check to an electronic fund transfer or to electronically pay a returned check charge can occur when a merchant provides you with notice and you go forward with the transaction (typically, at the point of purchase, a merchant will post a sign and print the notice on a receipt). In all cases, these third party transfers will require you to provide the third party with your account number and bank information. This information can be found on your check as well as on a deposit or withdrawal slip. Thus, you should only provide your bank and account information (whether over the phone, the Internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic fund transfers. Examples of these transfers include, but are not limited to:

- **Preauthorized credits.** You may make arrangements for certain direct deposits to be accepted into your checking or savings account(s).
- **Preauthorized payments.** You may make arrangements to pay certain recurring bills from your checking or savings account(s).
- **Electronic check conversion.** You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or pay bills.
- **Electronic returned check charge.** You may authorize a merchant or other payee to initiate an electronic funds transfer to collect a charge in the event a check is returned for insufficient funds.

**Touch Tone Banking - types of transfers** - You may access your account(s) by telephone 24 hours a day at (903) 783-3899 using your personal identification number, a touch tone phone, your account numbers, and the last four digits of your social security number (for initial access only), to:

- inquire about current account information
- check CD rates
- receive a fax of account transactions
- transfer funds
- make loan balance and interest inquiries

**Banking with PB is easy as 1 2 3.** 1. Have your account number handy. Also have your Personal Identification Number (PIN) ready. The first time you call, your PIN will be the last four digits of the social security number for the first name on the account. You will then be instructed to change your PIN to a new four-digit number that only you know. 2. Just dial 903-783-3899 from any touch tone phone. 3. Simply follow the instructions you hear on the other end. The voice guide will prompt you with a series of questions. Just push the appropriate keys on your phone pad to answer or request information. This information is also available in Spanish.

**ATM Transfers - Pulse Networks - types of transfers, dollar limitations, and charges** - You may access your account(s) by ATM using your ATM Card and personal identification number or Debit Card and personal identification number, to:

- make deposits to checking or savings account(s)
- get cash withdrawals from checking or savings account(s)
  - you may withdraw no more than \$500.00 per business day
  - there is a charge of \$1.00 per transaction at ATMs we do not own or operate
- transfer funds between checking to savings account(s)
  - there is a charge of \$1.00 per transaction at ATMs we do not own or operate
- get information about:
  - the account balance of your checking or savings account(s)

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

**Types of Debit Card Point-of-Sale Transactions** - You may access your checking account(s) to purchase goods (in person or by phone), pay for services (in person or by phone), get cash from a merchant, if the merchant permits, or from a participating financial institution, and do anything that a participating merchant will accept.

**Point-of-Sale Transactions - dollar limitations and charges** - Using your card:

- you may not exceed \$1,500.00 in transactions per business day
- A \$10 fee may apply on cards reissued due to negligence on the part of the cardholder. In general, a card transaction is treated the same as any other withdrawal or deposit, unless otherwise stated in the account description. The Bank reserves the right to make future changes in debit card service charges.

**Currency Conversion and Cross-Border Transaction Fees.** If you effect a transaction with your Debit Card in a currency other than US Dollars, MasterCard will convert the charge into a US Dollar amount. The MasterCard currency conversion procedure includes use of either a government-mandated exchange rate, or a wholesale exchange rate selected by MasterCard. The exchange rate MasterCard uses will be a rate in effect on the day the transaction is processed. This rate may differ from the rate in effect on the date of purchase or the date the transaction was posted to your account.

MasterCard charges us a Currency Conversion Assessment of 20 basis points (.2% of the transaction) for performing the currency conversion. In addition, MasterCard charges us an Issuer Cross-Border Assessment of 80 basis points (.8% of the transaction) on all cross-border transactions regardless of whether there is a currency conversion. As a result, we charge you a Currency Conversion fee of .2% and a Cross-Border Transaction fee of .8%. The Cross-Border Transaction fee is charged on all cross-border transactions regardless of whether there is a currency conversion. A cross-border transaction is a transaction processed through the Global Clearing Management System or the MasterCard Debit Switch in which the country of the merchant is different than the country of the cardholder.

### **PERSONAL IDENTIFICATION NUMBER (PIN)**

Upon receipt of your card and Personal Identification Number (PIN), you are required to sign your name on the signature panel on the back of the card. You are responsible for the proper control in your use of the card and PIN. We must be notified immediately if you believe your card has been lost or stolen or if the transfer of funds has been made without your permission. For your protection you should keep your PIN secret and not write it on the card or keep it any place where it may be found with the card.

**Online Banking Computer Transfers - types of transfers and dollar limitations** - You may access your account(s) by computer by logging onto our website at [www.pbparis.com](http://www.pbparis.com) and using your user identification and your password, to:

- transfer funds from checking to checking
- transfer funds from checking to savings
- transfer funds from savings to checking
- transfer funds from savings to savings
- make payments from checking to loan account(s) with us
  - you may transfer no more than \$2,500.00 per day
- make payments from checking to third parties (Peoples E-Z Pay)
  - you may transfer no more than \$2,500.00 per day
- make payments from savings to loan account(s) with us
  - you may transfer no more than \$2,500.00 per day
- make payments from savings to third parties
  - you may transfer no more than \$2,500.00 per day
- get information about:
  - the account balance of checking account(s)
  - the account balance of savings account(s)

#### FEES

- We do not charge for direct deposits to any type of account.
  - We do not charge for preauthorized payments from any type of account.
- Except as indicated elsewhere, we do not charge for these electronic fund transfers.

**ATM Operator/Network Fees.** 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).

#### DOCUMENTATION

- **Terminal transfers.** You can get a receipt at the time you make a transfer to or from your account using an automated teller machine or point-of-sale terminal. However, you may not get a receipt if the amount of the transfer is \$15 or less.
- **Preauthorized credits.** If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, the person or company making the deposit will tell you every time they send us the money or you can call us at (903) 783-3800 to find out whether or not the deposit has been made. If the only possible transfers to your account are preauthorized deposits, you will get a quarterly statement from us.
- **Periodic statements.** You will get a monthly account statement from us, except in the following circumstances:
  - You will get a monthly statement for your Regular Savings accounts unless there are no transfers in a particular month. In any case you will get the statement at least quarterly.

#### PREAUTHORIZED PAYMENTS

- **Right to stop payment and procedure for doing so.** If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how:
  - Call or write us at the telephone number or address listed in this brochure in time for us to receive your request 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 14 days after you call.
  - We will charge you \$20.00 for each stop-payment order you give.
- **Notice of varying amounts.** If these regular payments may vary in amount, the person you are going to pay will tell you, 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 transfer.** If you order us to stop one of these payments 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.
- **Liability for failure to stop payment of debit card transaction.** Due to the quick clearing process of MasterCard transactions, stop payments are not available. You will need to contact the merchant where the transaction was made for credit to your account.

#### FINANCIAL INSTITUTION'S LIABILITY

**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 may be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- (1) If, through no fault of ours, you do not have enough money in your account to make the transfer.
- (2) If you have an overdraft line and the transfer would go over the credit limit.
- (3) If the automated teller machine where you are making the transfer does not have enough cash.
- (4) If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- (5) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- (6) There may be other exceptions stated in our agreement with you.

#### CONFIDENTIALITY

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

- (1) where it is necessary for completing transfers; or
- (2) in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or
- (3) in order to comply with government agency or court orders; or
- (4) if you give us written permission.

#### UNAUTHORIZED TRANSFERS

##### (a) Consumer liability.

• **Generally.** Tell us AT ONCE if you believe your card and/or code has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. 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 2 business days after you learn of the loss or theft of your card and/or code, you can lose no more than \$50 if someone used your card and/or code without your permission.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your card and/or code, and we can prove we could have stopped someone from using your card and/or code without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 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.

• **Additional Limits on Liability for Debit Card, when used for point-of-sale transactions.** You will not be liable for any unauthorized transactions using your Debit Card, when used for point-of-sale transactions, if: (i) you can demonstrate that you have exercised reasonable care in safeguarding your card from the risk of loss or theft, (ii) you have not reported to us two or more incidents of unauthorized use within the prior twelve-month period, and (iii) your account is in good standing. If any of these conditions are not met, your liability is the lesser of \$50 or the amount of money, property, labor, or services obtained by the

unauthorized use before notification to us. "Unauthorized use" means the use of your debit card by a person, other than you, who does not have actual, implied, or apparent authority for such use, and from which you receive no benefit. This additional limitation on liability does not apply to PIN-based transactions or transactions not processed by MasterCard.

**(b) Contact in event of unauthorized transfer.** If you believe your card and/or code has been lost or stolen, call or write us at the telephone number or address listed in this brochure. You should also call the number or write to the address listed in this brochure if you believe a transfer has been made using the information from your check without your permission.

#### **ERROR RESOLUTION NOTICE**

In Case of Errors or Questions About Your Electronic Transfers, Call or Write us at the telephone number or address listed in this brochure, 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 60 days after we sent the FIRST statement on which the problem or error appeared.

- (1) Tell us your name and account number (if any).
- (2) 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.
- (3) 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 10 business days.

We will determine whether an error occurred within 10 business days (20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (20 business days if the transfer involved a new account) 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 10 business days, we may not credit your account. Your account is considered a new account for the first 30 days after the first deposit is made, unless each of you already has an established account with us before this account is opened.

We will tell you the results within three 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.

PEOPLES BANK  
ACCOUNTING  
P.O. BOX 1750, PARIS, TEXAS 75461  
Business Days: Monday through Friday  
Excluding Federal Holidays  
Phone: (903) 783-3800  
MORE DETAILED INFORMATION IS AVAILABLE  
ON REQUEST

#### **NOTICE OF ATM/NIGHT DEPOSIT FACILITY USER PRECAUTIONS**

As with all financial transactions, please exercise discretion when using an automated teller machine (ATM) or night deposit facility. For your own safety, be careful. The following suggestions may be helpful.

1. Prepare for your transactions at home (for instance, by filling out a deposit slip) to minimize your time at the ATM or night deposit facility.
2. Mark each transaction in your account record, but not while at the ATM or night deposit facility. Always save your ATM receipts. Don't leave them at the ATM or night deposit facility because they may contain important account information.
3. Compare your records with the account statements you receive.
4. Don't lend your ATM card to anyone.
5. Remember, do not leave your card at the ATM. Do not leave any documents at a night deposit facility.
6. Protect the secrecy of your Personal Identification Number (PIN). Protect your ATM card as though it were cash. Don't tell anyone your PIN. Don't give anyone information regarding your ATM card or PIN over the telephone. Never enter your PIN in any ATM that does not look genuine, has been modified, has a suspicious device attached, or is operating in a suspicious manner. Don't write your PIN where it can be discovered. For example, don't keep a note of your PIN in your wallet or purse.
7. Prevent others from seeing you enter your PIN by using your body to shield their view.
8. If you lose your ATM card or if it is stolen, promptly notify us. You should consult the other disclosures you have received about electronic fund transfers for additional information about what to do if your card is lost or stolen.
9. When you make a transaction, be aware of your surroundings. Look out for suspicious activity near the ATM or night deposit facility, particularly if it is after sunset. At night, be sure that the facility (including the parking area and walkways) is well lit. Consider having someone accompany you when you use the facility, especially after sunset. If you observe any problem, go to another ATM or night deposit facility.
10. Don't accept assistance from anyone you don't know when using an ATM or night deposit facility.
11. If you notice anything suspicious or if any other problem arises after you have begun an ATM transaction, you may want to cancel the transaction, pocket your card and leave. You might consider using another ATM or coming back later.
12. Don't display your cash; pocket it as soon as the ATM transaction is completed and count the cash later when you are in the safety of your own car, home, or other secure surrounding.
13. At a drive-up facility, make sure all the car doors are locked and all of the windows are rolled up, except the driver's window. Keep the engine running and remain alert to your surroundings.
14. We want the ATM and night deposit facility to be safe and convenient for you. Therefore, please tell us if you know of any problem with a facility. For instance, let us know if a light is not working or there is any damage to a facility. Please report any suspicious activity or crimes to both the operator of the facility and the local law enforcement officials immediately.

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#### **YOUR ABILITY TO WITHDRAW FUNDS**

This policy statement applies to all deposit accounts.

Our policy is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once the funds are available, you can withdraw them in cash and we will use the funds to pay checks that you have written.

Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before closing on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after closing or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

If you make a deposit at an ATM before 2:00 P.M. on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit at an ATM after 2:00 P.M. or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

If we accept for deposit a check that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

#### **LONGER DELAYS MAY APPLY**

**Case-by-case delays.** In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the fifth business day after the day of your deposit. The first \$100 of your deposits, however, may be available on the first business day.

If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

**Safeguard exceptions.** In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

We believe a check you deposit will not be paid.

You deposit checks totaling more than \$5,000 on any one day.

You redeposit a check that has been returned unpaid.

You have overdrawn your account repeatedly in the last six months.

There is an emergency, such as failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the eleventh business day after the day of your deposit.

#### **SPECIAL RULES FOR NEW ACCOUNTS**

If you are a new customer, the following special rules will apply during the first 30 days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,000 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the eleventh business day after the day of your deposit.

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## **SUBSTITUTE CHECKS AND YOUR RIGHTS**

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of the substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check. Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account. The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal. The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You are also entitled to interest on the amount of your refund if your account is an interest bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law. If you use this procedure, you may receive up to \$2,500 of your refund (plus interest if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim. We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at:

Peoples Bank  
PO Box 1750  
Paris, TX 75461  
(903) 783-3800

You must contact us within 60 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include —

- A description of why you suffered a loss;
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check or the following information to help us identify the substitute check: the check number, the amount of the check, the date of the check, the name of the person to whom you wrote the check, and the account number.

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## **TRUTH-IN-SAVINGS DISCLOSURE**

### **FIVE STAR CHECKING ACCOUNT**

**Minimum balance to open the account** - No minimum balance required.

**Minimum balance to avoid imposition of fees** - No fee will be imposed based on the balance in the account.

### **NOW PERSONAL CHECKING ACCOUNT**

**Rate Information** - Your interest rate and annual percentage yield may change. **Frequency of rate changes** - We may change the interest rate on your account at any time.

**Determination of rate** - At our discretion, we may change the interest rate on your account.

**Compounding and crediting frequency** - Interest will be compounded every month. Interest will be credited to your account every month.

**Effect of closing an account** - If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account** - You must deposit \$200.00 to open this account.

**Minimum balance to avoid imposition of fees** - A monthly fee of \$10.00 will be imposed every statement cycle if the balance in the account falls below \$500.00 any day of the cycle, unless the average daily balance for that cycle is \$1,500.00 or more.

**Minimum balance to obtain the annual percentage yield disclosed** - You must maintain a minimum balance of \$500.00 in the account each day to obtain the disclosed annual percentage yield.

**Daily balance computation method** - We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the collected principal in the account each day.

**Accrual of interest on noncash deposits** - Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

#### **GOLDEN EAGLE NOW ACCOUNT**

This account may be opened in conjunction with a Money Market Savings Account and/or Regular Savings Account.

**Account Features:**

- Must be 55 years of age
- Complimentary Golden Eagle checks
- Complimentary cashier's checks, traveler's checks, and notary service
- Complimentary small safe deposit box for one year (or \$15 discount off larger box)

**Rate Information** - Your interest rate and annual percentage yield may change. **Frequency of rate changes** - We may change the interest rate on your account at any time.

**Determination of rate** - At our discretion, we may change the interest rate on your account.

**Compounding and crediting frequency** - Interest will be compounded every month. Interest will be credited to your account every month.

**Effect of closing an account** - If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account** - You must deposit \$200.00 to open this account.

**Minimum balance to avoid imposition of fees** - A service fee of \$5.00 will be imposed every statement cycle if the balance in the account falls below \$1,000.00 in combined Savings and Checking accounts any day of the cycle.

**Minimum balance to obtain the annual percentage yield disclosed** - You must maintain a minimum balance of \$500.00 in the account each day to obtain the disclosed annual percentage yield.

**Daily balance computation method** - We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the collected principal in the account each day.

**Accrual of interest on noncash deposits** - Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

#### **GOLDEN EAGLE SAVINGS ACCOUNT**

**(over 55 years of age)**

This account must be opened in conjunction with the Golden Eagle NOW Account.

**Rate Information** - Your interest rate and annual percentage yield may change. **Frequency of rate changes** - We may change the interest rate on your account at any time.

**Determination of rate** - At our discretion, we may change the interest rate on your account.

**Compounding and crediting frequency** - Interest will be compounded every quarter. Interest will be credited to your account every quarter.

**Effect of closing an account** - If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account** - You must deposit \$100.00 to open this account.

**Minimum balance to avoid imposition of fees** - A monthly fee of \$5.00 will be imposed every statement cycle if the balance in the account falls below \$1,000.00 combined balance of the Golden Eagle NOW account and the Golden Eagle Savings account any day of the cycle.

**Minimum balance to obtain the annual percentage yield disclosed** - You must maintain a minimum balance of \$500.00 in the account each day to obtain the disclosed annual percentage yield.

**Daily balance computation method** - We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

**Accrual of interest on noncash deposits** - Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

**Transaction limitations:**

Transfers from a Golden Eagle Savings account to another account or to third parties by preauthorized, automatic, telephone or computer transfer are limited to three per quarter with no transfers by check, draft, debit card, or similar order to third parties.

**Fees:**

An excess withdrawal fee of \$2.00 will be charged for each debit transaction in excess of three during a quarter.

#### **GOLDEN EAGLE MONEY MARKET ACCOUNT**

**(over 55 years of age)**

This account is opened in conjunction with the Golden Eagle NOW Account.

**Rate Information** - Your interest rate and annual percentage yield may change. **Frequency of rate changes** - We may change the interest rate on your account at any time.

**Determination of rate** - At our discretion, we may change the interest rate on your account.

**Compounding and crediting frequency** - Interest will be compounded every month. Interest will be credited to your account every month.

**Effect of closing an account** - If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account** - You must deposit \$1,000.00 to open this account.

**Minimum balance to avoid imposition of fees** - A monthly fee of \$5.00 will be imposed every statement cycle if the balance in the account falls below \$1,000.00 combined balance of the Golden Eagle NOW account and the Golden Eagle Money Market account any day of the cycle.

**Minimum balance to obtain the annual percentage yield disclosed** - You must maintain a minimum balance of \$500.00 in the account each day to obtain the disclosed annual percentage yield.

**Daily balance computation method** - We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

**Accrual of interest on noncash deposits** - Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

**Transaction limitations:**

Transfers from a Golden Eagle Money Market account to another account or to third parties by preauthorized, automatic, telephone, or computer transfer or by check, draft, or similar order to third parties are limited to six per statement cycle.

**Fees:**

An excess withdrawal fee of \$5.00 will be charged for each debit transaction in excess of the above limitations during a statement cycle.

#### **REGULAR SAVINGS ACCOUNT**

**Rate Information** - Your interest rate and annual percentage yield may change. **Frequency of rate changes** - We may change the interest rate on your account at any time.

**Determination of rate** - At our discretion, we may change the interest rate on your account.

**Compounding and crediting frequency** - Interest will be compounded every quarter. Interest will be credited to your account every quarter.

**Effect of closing an account** - If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account** - You must deposit \$100.00 to open this account.

**Minimum balance to avoid imposition of fees** - A monthly fee of \$2.00 will be imposed every statement cycle if the balance in the account falls below \$100.00 any day of the cycle.

**Minimum balance to obtain the annual percentage yield disclosed** - You must maintain a minimum balance of \$500.00 in the account each day to obtain the disclosed annual percentage yield.

**Daily balance computation method** - We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the collected principal in the account each day.

**Accrual of interest on noncash deposits** - Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

**Transaction limitations:**

Transfers from a Regular Savings account to another account or to third parties by preauthorized, automatic, or telephone transfer are limited to three per quarter.

**Fees:**

An excess withdrawal fee of \$2.00 will be charged for each debit transaction in excess of three during a quarter.

**SANTAS SAVINGS CHRISTMAS CLUB ACCOUNT**

**Rate Information** - Your interest rate and annual percentage yield may change. **Frequency of rate changes** - We may change the interest rate on your account at any time.

**Determination of rate** - At our discretion, we may change the interest rate on your account.

**Compounding and crediting frequency** - Interest will be compounded every quarter. Interest will be credited to your account every quarter.

**Effect of closing an account** - If you close your account before interest is credited, you will not receive the accrued interest.

**Annual account distribution** - On November 15, the balance in the account plus accrued interest will be disbursed to the account owners.

**Minimum balance to open the account** - You must deposit \$1.00 to open this account.

**Minimum balance to avoid imposition of fees** - No fee will be imposed based on the balance in the account.

**Daily balance computation method** - We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

**Accrual of interest on noncash deposits** - Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

**Transaction limitations:**

Transfers from a Christmas Club Account are not allowed, except for the annual disbursement on November 15.

**MONEY MARKET SAVINGS ACCOUNT**

**Rate Information** - Your interest rate and annual percentage yield may change. **Frequency of rate changes** - We may change the interest rate on your account at any time.

**Determination of rate** - At our discretion, we may change the interest rate on your account.

**Compounding and crediting frequency** - Interest will be compounded every month. Interest will be credited to your account every month.

**Effect of closing an account** - If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account** - You must deposit \$2,000.00 to open this account.

**Minimum balance to avoid imposition of fees** - A monthly fee of \$10.00 will be imposed every statement cycle if the balance in the account falls below \$2,000.00 any day of the cycle, unless the average daily balance for that cycle is \$3,500.00 or more.

**Minimum balance to obtain the annual percentage yield disclosed** - You must maintain a minimum balance of \$500.00 in the account each day to obtain the disclosed annual percentage yield.

**Daily balance computation method** - We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the collected principal in the account each day.

**Accrual of interest on noncash deposits** - Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

**Transaction limitations:**

Transfers from a Money Market Savings account to another account or to third parties by preauthorized, automatic, telephone, or computer transfer or by check, draft, or similar order to third parties are limited to six per statement cycle.

**Fees:**

An excess withdrawal fee of \$5.00 will be charged for each debit transaction in excess of the above limitations.

**MONEY MARKET INDEX ACCOUNT**

**Rate Information** - The interest rate is based on the three month (13 week) T-Bill rate posted in the Wall Street Journal and is adjusted each Wednesday. The account will earn the regular savings rate on the days the balance falls below \$25,000.00.

**Frequency of rate changes** - We may change the interest rate on your account every Tuesday.

**Determination of rate** - At our discretion, we may change the interest rate on your account.

**Compounding and crediting frequency** - Interest will be compounded every month. Interest will be credited to your account every month.

**Effect of closing an account** - If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account** - You must deposit \$25,000.00 to open this account.

**Minimum balance to avoid imposition of fees** - A monthly fee of \$15.00 will be imposed every statement cycle if the balance in the account falls below \$25,000.00 any day of the cycle.

**Minimum balance to obtain the annual percentage yield disclosed** - You must maintain a minimum balance of \$500.00 in the account each day to obtain the disclosed annual percentage yield.

**Daily balance computation method** - We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

**Accrual of interest on noncash deposits** - Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

**Transaction limitations:**

Transfers from a Money Market Index account to another account or to third parties by preauthorized, automatic, telephone, or computer transfer or by check, draft, or similar order to third parties are limited to six per statement cycle.

**Fees:**

An excess withdrawal fee of \$5.00 will be charged for each debit transaction in excess of three during a statement cycle.

**DISCRETIONARY OVERDRAFT PROTECTION**

Our Discretionary Overdraft Protection Program ("DOP") is a service that Peoples Bank offers to help cover inadvertent overdrafts that may occur on your checking account. These overdrafts can occur by means of checks, in person withdrawals, ATM withdrawals, debit card transactions, preauthorized automatic debits, telephone initiated transfers, internet banking transfers or other electronic means. Account owners should try and limit the use of Discretionary Overdraft Protection to emergency situations. Abuse of this service, could result in suspension of any Discretionary Overdraft Protection and/or closing of your account. Discretionary Overdraft Protection is limited up to \$300 for accounts with no direct deposit and up to \$500 for accounts with direct deposit.

If you do not restore your overdrawn account to a positive balance within 30 days, your participation in the DOP program may be terminated. Whether your overdrafts will be paid is discretionary and we reserve the right not to pay. For example, we typically do not pay overdrafts if your account is not in good standing, or you are not making regular deposits, or you have too many overdrafts.

An overdraft fee of \$25.00 will be charged to your account each time that an item causes your account to use the Discretionary Overdraft Protection. This fee will be included in your Overdraft limit. No action is required on your part to activate Discretionary Overdraft Protection. You will be notified when Discretionary Overdraft Protection has been activated on your account. If you wish to have the Discretionary Overdraft Protection taken off of your account, please contact a customer service representative.

Please be aware that this notice does not constitute either a written agreement of an obligation or a prearranged agreement for us to pay your overdrafts. We may withdraw this service at any time.

**COMMON FEATURES**

**The following fees may be assessed against your account and the following transaction limitations, if any, apply to your account.**

Replacement ATM card/Debit card .....	\$10.00 per card
ATM cash withdrawal .....	\$1.00 per transaction at ATMs we do not own or operate
Dollar limit .....	\$500.00 per business day
Cashier's checks	
Customer .....	\$4.00 per check
Traveler's checks	
Single signature .....	1% of total
Dual signature .....	2% of total
Deposited checks (and other items) returned unpaid .....	\$2.00
The categories of transactions for which an overdraft fee may be imposed are those by any of the following means: check, in-person withdrawal, ATM withdrawal, or other electronic means.	
Overdraft - each overdraft paid .....	\$25.00
Nonsufficient funds (NSF) - each .....	\$25.00
Sweep charge per transfer .....	\$3.00
Account activity printout .....	\$2.00 each in excess of one per month
Image statements .....	No charge
Balance inquiry by telephone .....	\$1.00 in excess of one per month
Account research .....	\$20.00 per hour
Account balancing assistance .....	\$20.00 per hour
Account transfers	
Telephone, employee assisted transfers .....	\$2.50
Touchtone banking transfers .....	No charge
On-line banking transfers .....	No charge
Stop payments - each .....	\$20.00
Account closed within 90 days of opening .....	\$10.00
Photocopies .....	\$.25 per page
Facsimile - customer .....	\$3.00 first page
	\$1.00 each additional sheet
Facsimile - noncustomer .....	\$5.00 first page
	\$1.00 each additional sheet
Notary Public fee - customer .....	No charge
Notary Public fee - noncustomer .....	\$6.00
Outgoing wire transfers	
Customer .....	\$15.00 per item
Incoming wire transfers	
Customer .....	\$2.00
Outgoing international wire transfers	
Customer .....	cost plus \$10.00
Collection	
Customer .....	\$10.00 per item
Levies .....	\$20.00
Safe deposit box .....	annual fee
3 x 5 .....	\$15.00
3 x 10 .....	\$30.00
5 x 10 .....	\$45.00
10 x 10 .....	\$80.00
Check printing* .....	(fee depends on style of check ordered)
Temporary checks .....	\$1.00 per check
Check cashing fee - noncustomer .....	\$0-\$499 = \$5.00
	\$500-\$1,000 = \$10.00
	Over \$1,000 = 1% of check
Loose coin counting/rolling - noncustomer .....	10% of amount
Loose coin counting/rolling - customer (non business) .....	No charge
Zipper bags .....	\$3.00 each
Lock bags .....	\$20.00 each

\*The bank reserves the right to require that all purchases of printed checks be done by the bank's authorized check printers (available upon request). If at any time you should use checks printed by someone other than authorized by the bank, the bank reserves the right to reject every check and charge a fee per check for each check rejected.

We may require not less than 7 days' notice in writing before each withdrawal from an interest-bearing account other than a time deposit, or from any other savings account as defined by Regulation D. Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to penalty. See your notice of penalty for early withdrawal.

Please see separate rate sheet for current rate information.

# PEOPLES BANK



Paris, Texas 75460  
locations at:

## 35 South Plaza

*Monday - Thursday, 9 a.m. - 3 p.m.  
Fridays, 9 a.m. - 5 p.m.*

## 2805 Lamar Avenue

*24 hour ATM*

*Lobby hours:*

*Monday - Thursday, 9 a.m. - 5 p.m.  
Fridays, 9 a.m. - 6 p.m.*

*Drive-thru hours:*

*Monday - Friday, 7:30 a.m. - 6 p.m.  
Saturdays, 9 a.m. - 1 p.m.*

## Wal-Mart Supercenter 3855 Lamar Avenue

*24 hour ATM*

*Monday - Saturday, 10 a.m. - 6 p.m.*

***Touch Tone Banking***

***903-783-3899***

***Customer Service***

***903-783-3800***

***PC Banking***

***www.pbparis.com***

**MEMBER FDIC**