

PathFinder Bank

DISCLOSURE STATEMENT FOR ELECTRONIC FUND TRANSFER

TERMS AND CONDITIONS: We are pleased that you have chosen to take advantage of the convenience provided by our EFT services and supply this Statement so you can familiarize yourself with the operational and legal functions of these services. Please read this Statement carefully as it contains important information about electronic funds transfer (EFT). Retain this along with your other account records in case you have any questions in the future. In this Statement, the words “you”, “your” and “yours” mean any holder or other authorized user of EFT services. The words “we” and “us” mean Pathfinder Bank. “Checking Account” means your NOW account, Money Management Account or checking account. “EFT Terminal” means an electronic funds transfer terminal; this includes automated teller machines (ATM), point-of-sale terminals (POS), and other EFT devices. “Ready ATM or Debit Card” means a magnetically encoded banking card provided to you by us. “PIN” means the personal identification number assigned to you for use with your Ready ATM or Debit card.

READY ATM AND DEBIT CARDS: Each Ready ATM or Debit card issued to you is our property and may be cancelled or repossessed by us at any time, with or without cause. You must surrender to us on demand each Ready ATM or Debit card issued to you. If you permit or authorize other persons to use your Card and PIN, you will be liable on or for the resulting transactions. To guard against anyone making a transaction that you have not authorized, you should take all reasonable precautions to prevent any other person from learning your PIN. Your Ready ATM or Debit Card cannot be used for illegal transactions.

TYPES OF TRANSACTIONS: You may authorize electronic fund transfers to or from your savings account, and/or your checking account: (a) To accept deposit transactions to your account for Direct Deposit of Social Security, pensions, payroll, and other allowable credits, (b) To make payments to a loan you may owe us, (c) To make payments to insurance companies and other allowable debit payments. You may use your Ready ATM or Debit Card with your PIN to: (a) Withdraw cash from your checking or savings account, (b) Make deposits to your checking or savings account, (c) Transfer funds between your checking and savings account, (d) Purchase goods or services at places that have agreed to accept the Ready ATM or Debit Card, (e) Perform other Ready ATM or Debit Card services as may be available from time to time, and for which we will send separate notification to amend this Statement.

LIMITATIONS: There is a \$10,000 limit on the amount of deposits, withdrawals, or transfers made from your checking, savings, or MMDA account. A maximum of 6 withdrawals is permitted, per statement cycle, for preauthorized withdrawals occurring against your savings account. Some of these services may not be available to you at all EFT Terminals. If you have more than one account with us, some of these services may not be available for each account. The following are the maximum amounts you can use your ATM/debit card to make withdrawals and purchase goods and services. If your available balance is less than the specified amounts, your available balance becomes the maximum amount that can be used per business day. Ready ATM card: at an ATM - up to a maximum of \$300.00 and POS purchases up to a maximum of \$300.00 Ready Debit Card: at an ATM - up to a maximum of \$500.00 and POS purchases (PIN based) up to a maximum of \$2,500.00. VISA® POS purchases: at a MERCHANT - up to a maximum of \$2,500.00 and VISA® purchases where your card is not present (internet or phone) up to a maximum of \$500.00. Using your Platinum Card: at an ATM - up to a maximum of \$2,500.00 and POS purchases (PIN based) up to a maximum of \$5,000.00 VISA® purchases: at a merchant-up to a maximum of \$5,000.00 and VISA® purchases where your card is not present (internet or phone) up to a maximum of \$500.00.

Every day is a business day, except that Saturday, Sunday and Monday are treated as a single processing day. For security reasons, there are other limits on the number, type and size of transfers or withdrawals you can make using your Ready ATM or Debit Card. In all cases, you agree to be responsible for all transfers or purchases authorized by you or from which you receive any benefit. If the EFT Terminal is “off-line” you may not be able to withdraw cash, transfer money between your accounts or make purchases.

PINLESS DEBITS: Your Visa card allows you to conduct transactions on debit networks, which will generally require you to enter your PIN.

Some merchants are authorized to accept non-Visa debit transactions without requiring you to enter your PIN. If you choose to sign to authorize a debit transaction, the transaction will be routed as a Visa transaction. Provisions of your cardholder agreement that specifically relate to Visa transactions are inapplicable to non-Visa debit transactions.

DEPOSITS: Our general policy is to make funds from your deposit available to you on the 2nd business day following your deposit. At that time you can withdraw the funds in cash and we will use the funds to pay checks you have written. For determining the availability of your deposits made at Pathfinder Bank ATM locations accepting deposits, every day is a business day except Saturday, Sunday and Federal Holidays. If you make a deposit before 3:00 P.M. on a business day we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 3:00 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. Refer to the Funds Availability Policy Statement for hold schedules.

TRANSACTION FEES/CHARGES: There are no charges imposed for preauthorized transfers made to or from your account except as noted below. There are no charges for using your Ready ATM or Debit Card at any Pathfinder Bank ATM location. Visit our website, www.pathfinderbank.com, or come in to one of our branch locations for a listing of ATM locations. Refer to your account disclosure and Schedule of Fees and Service Charges for basic account charges and transactions at other ATM locations. A fee will be imposed if a preauthorized payment is presented to Pathfinder Bank against non-sufficient (NSF) or uncollected (UCF) funds in either your savings account or checking account. Refer to the Pathfinder Bank Schedule of Fees and Service Charges for applicable fees.

YOUR RIGHT TO RECEIVE DOCUMENTATION OF TRANSFERS:

- 1) Preauthorized credits – If you have preauthorized direct deposits credited to your account(s) at least once every 60 days from the same person, company, or government agency, you can inquire to see if your deposit has been made by calling (315) 343-0057.
- 2) Intra-institutional Transfers – No periodic statement will be provided for preauthorized transfers from your account(s) when the transfer is to pay a deposit account or loan you hold with us.
- 3) Passbook Accounts – Transfers made to or from your passbook account will be recorded on your passbook each time you bring your passbook to the bank. We recommend updating your passbook monthly.
- 4) You will get a receipt at the time you make a transfer to or from your account using an EFT Terminal.
- 5) You will receive a monthly statement for your checking and statement savings account.

YOUR RIGHT TO STOP PAYMENT OF PREAUTHORIZED TRANSFERS, PROCEDURES FOR DOING SO, RIGHT TO RECEIVE NOTICE OF VARYING AMOUNTS AND THE BANK’S LIABILITY FOR FAILURE TO STOP PAYMENT:

- 1) Your right to stop payment and procedures for doing so - If you have told us in advance to make regular payments from your account, you can stop any of these payments by telephoning the bank at (315) 343-0057 or visiting or writing the Main Office, Attn: Electronic Commerce, 214 West First Street, Oswego, NY 13126. Your request must be received 3 business days or more before the payment is scheduled to be made. If you telephone, the bank also requires a written request from you within 14 days after your telephone call. You will be charged a fee for each stop payment order you request. Refer to the schedule of fees and service charges for applicable fees or charges.
- 2) Notice of varying amounts – if regular payments may vary on amount, the person, company or government agency receiving payment will tell you 10 days before each payment, when it will be made and the amount it will be. You may choose to receive 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 you have set. At least 21 days in advance of the scheduled payment due date, if the payment varies due to an ARM mortgage, you will be notified, by mail, of the new payment amount.
- 3) Liability for failure to stop payment of preauthorized transaction – If you order the bank to stop payment on an EFT transfer 3 business days or more prior to the scheduled transfer and the bank has not placed the stop payment, the bank will be responsible for your losses and damages.

BANK’S 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: (a) If through no fault of ours, you do not have enough money in your account to make the transfer; (b) If, in the case of preauthorized credit to your account, a third party does not send your money to us on time or does not send the correct amount; (c) If a withdrawal would consist of money deposited in the form of a check or other order and not yet available for withdrawal; (d) If the withdrawal would consist of money we have been ordered to pay or hold for someone else; (e) If a court has ordered us not to allow a withdrawal; (f) If the withdrawal amount would consist of funds in an account pledged as collateral for a debt; (g) If an owner of the account dies and we have not received all documents required by law; (h) If another owner of a joint account tells us not to allow a withdrawal; (i) If there is a dispute about the amount of the transfer; (j) If the transfer would go over the credit limit on your overdraft line, if you have one; (k) If the automated teller machine where you are making the transfer does not have enough cash; (l) If the EFT Terminal or processing system was not working properly and you knew about the breakdown when you started the transfer; or (m) If circumstances beyond our control, such as fire or flood, prevent the transaction, despite reasonable precautions that we have taken. There may be other exceptions stated in our agreement with you.

YOUR LIABILITY: For Personal Accounts: Tell us at ONCE if you believe your *Ready* ATM or Debit card or your PIN 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 and/or Overdraft Privilege amount, if you have either. If you tell us within 2 business days, you can lose no more than \$50.00 if someone used your *Ready* ATM or Debit card or PIN without permission. If you do NOT tell us within 2 business days after you learn of the loss or theft of your *Ready* ATM or Debit Card or PIN and we can prove we could have stopped someone from using your *Ready* ATM or Debit Card or PIN 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 60 days after the statement was mailed to you, you will be liable for up to \$500.00 of loss that occurs during such 60-day period and 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 money if you had told us in time. If a good reason (such as a long trip or hospital stay) kept you from telling us, we will extend the time periods to a reasonable time.

DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES: We will disclose information to third parties about your account and the transfers you make: (a) Where it is necessary for completing transfer or resolving errors involving transfers; or (b) In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or (c) In order to comply with government agency rules, court orders or other applicable law; or (d) To our employees, service providers, auditors, collection agents, or attorneys, in the course of their duties; or (e) If you give us your written permission.

ATM 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.

ERROR RESOLUTION NOTICE: In case of errors or questions about your electronic transfers, call us at (315) 343-0057 or 1-800-811-5620, Monday – Friday between 9:00 A.M. and 5:00 P.M. EST, excluding Holidays, write us at Pathfinder Bank ATTN: E-Commerce 214 W 1st St, Oswego, NY 13126, or email us at contact@pathfinderbank.com. Tell us promptly 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 you the FIRST statement on which the problem or error appeared. (a) Tell us your name and account number. (b) Describe the error or the transfer you think is incorrect, and clearly explain why you believe it is an error or why you need more information. (c) Tell us the dollar amount of the suspected error and, if possible, the date it appeared on your statement.

If you notify us orally, we have the right to require you to send us your complaint in writing within 10 business days following the date you notified us. We will report to you the results of our investigation within 10 business days following the date you notified us. We will correct any error promptly. If we need more time, however, we may take up to 45 calendar days to investigate your complaint or question following the date

you notified us. If we decide to use more time to investigate, within 10 business days following the date you notified us, we will credit your account for the amount you think is in error, so that you will have 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 following your oral notification, we may not credit your account. For errors involving new accounts, point of sale or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error. We will tell you the results of our investigation within 3 business days after completion. If we decide 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.

MODIFICATION OF THIS STATEMENT; TERMINATION: The terms of this Statement may be changed by us from time to time by notice from us to you. We may also revoke your right to use your *Ready* ATM or Debit card at any time. You agree to pay us for any cash withdrawals, service charges, or other items that remain unpaid at the time this agreement is for any reason terminated.

ELECTRONIC “WHOLESALE CREDIT” TRANSACTIONS SUBJECT TO UNIFORM COMMERCIAL CODE ARTICLE 4A: Provisional Payment: Credit given by us to you with respect to an Automated Clearing House “ACH” credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive such final settlement, you are hereby notified and agree that we are entitled to a refund in the amount credited to you in connection with such entry, and the party making payment to you via such entry (i.e. the originator of the entry) shall not be deemed to have paid you in the amount of such entry. Notice of Receipt of Entry: Under the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account, we are not required to give next day notice to you of an ACH item and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statement we provide you. Choice of Law: We may accept on your behalf payments to your account which have been transmitted through one or more Automated Clearing Houses (“ACH”) and which are not subject to the Electronic Funds Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the State of New York, unless it has otherwise specified in a separate agreement that the law of some other state shall govern.

Pathfinder Bank Locations:

OSWEGO OFFICES:

214 West 1 st Street	(315)343-0057
34 East Bridge Street	(315)343-2577
291 State Route 104	(315)343-4483

FULTON:

5 West 1 st Street South	(315)592-9545
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MEXICO:

3361 Main Street	(315)963-7248
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LACONA:

1897 Harwood Drive	(315)387-3437
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CENTRAL SQUARE:

3025 East Ave	(315)676-2265
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CICERO:

6194 State Route 31	(315)752-0033
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SYRACUSE BUSINESS OFFICE:

109 West Fayette St	(315)207-8020
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MEMBER FDIC