

E-Signature and Electronic Communication Agreement/Disclosure

Please read this information carefully and print and retain a copy for your reference. This Disclosure is provided in accordance with the Electronic Signatures in Global and National Commerce Act.

Introduction

You have requested PeoplesBank's Online Services where you can enroll in eStatements, Online Banking and Online Bill Payment service, and open deposit accounts (collectively, "Online Services"). By utilizing any of PeoplesBank's Online Services, you agree that PeoplesBank may send communications to you electronically. This Electronic Communications Agreement and Disclosure informs you of your rights when receiving these electronic communications. Electronic communications may include information related to any of PeoplesBank's Online Services or other deposit products, services or features related to your request, terms and conditions that govern any deposit account and all related disclosures.

You will have the opportunity to print any or all of the disclosures and we urge you to do so. You agree that by checking the accept box, you agree to receive the disclosures electronically, and the disclosures will be deemed to be received by you. You have the right to receive any of the disclosures in paper form. Please call our Client Care Center at (717) 846-1970 or toll free at (888) 846-1970.

Agreement

This agreement is a contract that establishes the rules which cover your electronic access to Online Services at PeoplesBank, A Codorus Valley Company through PeoplesBankNet Internet Banking system. By accessing this site and utilizing any of the services offered, you agree to be bound by all the terms and conditions set forth below. Agreements and disclosures for each deposit account, loan, or other relationship with the Bank continue to control the terms and conditions of those relationships.

This Agreement is also subject to applicable federal laws and the laws of the State of Pennsylvania (except to the extent this Agreement can and does vary such rules or laws). If any provision of this Agreement is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. The headings in this Agreement are for convenience or reference only and will not govern the interpretation of the provisions. Any waiver (express or implied) by either party of any default or breach of this Agreement must be in writing and shall not constitute a waiver of any other or subsequent default or breach. You may not assign this Agreement. This Agreement is binding upon your heirs and PeoplesBank's successors and assigns. Certain of the obligations of the parties pursuant to this Agreement that by their nature would continue beyond the termination, cancellation or expiration of this Agreement shall survive termination, cancellation or expiration of this Agreement.

You acknowledge and agree that your consent to electronic communications is being provided in connection with a transaction affecting interstate commerce that is subject to the federal Electronic Signatures in Global and National Commerce Act, and that you and we both intend that the Act apply to the fullest extent possible to validate our ability to conduct business with you by electronic means.

Definitions

As used in this Agreement, the words, "we", "our", "us" and "Bank" mean PeoplesBank, A Codorus Valley Company. The word "System" refers to PeoplesBank Net Internet Banking System. "You" and "your" refer to the accountholder authorized by the Bank to use the System under this Agreement and anyone else authorized by that account holder to exercise control over the accountholder's funds through the System. "Account" or "accounts" means your accounts at the Bank. "Electronic fund transfers" means ATM withdrawals, preauthorized transactions, point of sale transactions, transfers to and from your Bank accounts using the System including bill payments. "System Services" means the services provided pursuant to this Agreement. "Business days" means Monday through Friday. Holidays are not included.

Hardware and Software Requirements

In order to access, view, and retain electronic communications that we make available to you, you must have:

- An Internet browser that supports 128 bit encryption;
- A modem or other device allowing connection to the Internet;
- Sufficient electronic storage capacity on your computer's hard drive or other data storage unit;
- An e-mail account with an Internet service provider and e-mail software in order to participate;
- A current version of Adobe® Acrobat® Reader or an Adobe Acrobat Reader browser plug-in. If you do not have this software, you can download a free current version at www.adobe.com;
- A personal computer (for PCs: Pentium 129 MHz Base or Higher), operating system and telecommunications connection to the Internet capable of receiving, accessing, displaying, and either printing or storing communications received from us in electronic form via a plain text-formatted e-mail or by access to our web site using one of the browsers specified above.

In order to help protect your account information from unauthorized access, you should always logout of the system when each session is complete. Logging-out will help prevent unauthorized persons from using the service and viewing your account(s).

You should routinely scan your computer and any components using a reliable virus detection product. Undetected or unrepaired viruses may corrupt and destroy programs, files, and even your hardware.

Additionally, you may unintentionally transmit the virus to other computers. You should also utilize a firewall, (hardware and/or software) especially if you have a broadband Internet connection such as DSL or cable modem. You should also periodically update computer operating systems and Internet browsers for critical security related patches.

PeoplesBank will inform you of any change in hardware or software requirements that may affect your access to or use of this service.

Electronic Signature

By selecting the check box and continuing to apply for a service or open your account online, you (including any joint account holders) acknowledge receipt of this Electronic Communications Agreement/Disclosure. Accessing and acknowledging disclosures, terms and conditions and other documents, constitutes your signature, acceptance, and agreement as if actually signed by you in writing.

Updating Your Records

It is your responsibility to provide us with a true, accurate and complete e-mail address, contact, and other information related to your account(s), and to maintain and update any changes promptly should this information need to be changed.

Change in Terms

We may change any term of this Agreement at any time. If the change would result in increased fees for any System service, increased liability for you, fewer types of available electronic fund transfers, or stricter limitations on the frequency or dollar amount of transfers, we agree to give you notice at least 30 days before the effective date of any such change, unless an immediate change is necessary to maintain the security of an account or our electronic fund transfer system. We will post any required notice of the change in terms on the Bank website or forward it to you by e-mail or postal mail. If advance notice of the change is not required, and disclosure does not jeopardize the security of the account or our electronic fund transfer system, we will notify you of the change in terms within 30 days after the change becomes effective. Your continued use of any or all of the System Services indicates your acceptance of the change in terms. We reserve the right to waive, reduce or reverse charges or fees in individual situations. You acknowledge and agree that changes to fees applicable to specific accounts are governed by the applicable deposit agreements and disclosures.

Withdrawing Consent

You may withdraw your consent to receive communications in electronic form by calling us at 888-846-1970; or email us at clientcare@peoplesbanknet.com; or writing us at:

PeoplesBank, A Codorus Valley Company

Attn: Client Care Center

109 Leader Heights Rd.

York, PA 17403

or; visit us in person at any of our Financial Center locations. Any withdrawal of your consent to receive electronic communications will be effective only after we have a reasonable period of time to process your withdrawal.

At our option, we may terminate this Agreement at any time without prior notice, although we will notify you when we have terminated the agreement.

Disclaimer of Warranty and Limitation of Liability

We make no warranty of any kind, express or implied, including any implied warrant of merchantability or fitness for a particular purpose, in connection with the System Services provided to you under this Agreement. We do not and cannot warrant that the System will operate without errors, or that any or all System Services will be available and operational at all times. Except as specifically provided in this Agreement, or otherwise required by law, you agree that our officers, directors, employees, agents or contractors are not liable for any indirect, incidental, special or consequential damages under or by reason of any services or products provided under this Agreement or by reason of your use of or access to the System, including loss of profits, revenue, data or use by you or any third party, whether in an action in contract or tort or based on a warrant. Further, in no event shall the liability of the Bank and its affiliates exceed the amounts paid by you for the services provided to you through the System.