YOUR ABILITY TO WITHDRAW FUNDS AT BANK OF PUTNAM COUNTY. 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. However, funds from 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/or we will use them to pay checks that you have written. 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 close of business 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 close of business or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

Reservation of Right to Hold. 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 second business day after the day of your deposit. The first $200 of your deposit, however, may be available on the first business day after the day of your deposit. 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 business day after we receive your deposit. If you need the funds from a deposit right away, you should ask us when the funds will be available.

Longer Delays May Apply. We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:

* 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.
* We believe a check you deposit will not be paid.
* 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 first business day after the day of your deposit.

Holds On Other Funds. If we cash a check for you that is drawn on another financial institution, 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 financial institution, 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.

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. The excess over $5,000 will be available on the first 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 deposits of checks drawn on Bank of Putnam County will be available on the first business day after the day of your deposit.

Funds from all other check deposits will be available on the ninth business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The funds from electronic direct deposits will be available on the day we receive your deposit. However, 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. The excess over $5,000 will be available on the first 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.

ELECTRONIC FUNDS TRANSFER AGREEMENT AND DISCLOSURES

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

Internet Banking

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

* Transfer funds between eligible accounts.
* Obtain balance information on eligible accounts.
* Review transactions on eligible accounts.
* Make loan payments.
* Online bill payment.
* Obtain copy of statement.

Limitations on Frequency and Amount:

* For security purposes, there are limits on the frequency and amount of transfers you may make using this Online Banking Service.

Fees and Charges for Online Service:

* There is no charge for banking online with us.
Types of Transactions: You may access certain account(s) you maintain with us by computer using your assigned user ID and password by accessing the online banking service. You may use the online banking service to perform the following functions:

* Transfer funds between eligible accounts.
* Obtain balance information on eligible accounts.
* Review transactions on eligible accounts.
* Make loan payments.

Limitations on Frequency and Amount:
* For security purposes, there are limits on the frequency and amount of transfers you may make using this Online Banking Service.

Fees and Charges for Online Service:
* There is no charge for banking online with us.

ATM Card

Types of Transfers: You may use the automated teller machine (ATM) card and personal identification number (PIN) issued to you to initiate transactions at ATMs of ours, ATMs within the networks identified on your card and such other facilities as we may designate from time to time. Unless you specify a different account during Automated Teller Machine (ATM) transactions, your Primary Account will be used for your transactions. Your Primary Account number and information may be obtained from the ATM Request Form. At present you may use your card to (some of these services may not be available at all ATMs):

* Deposit funds to your checking account.
* Withdraw cash from your checking account.
* Deposit funds to your savings account.
* Withdraw cash from your savings account.
* Transfer funds between your checking and savings accounts.
* Obtain balance information on your deposit accounts.

Limitations on Frequency and Amount:
* You may withdraw up to a maximum of $500.00 (if there are sufficient funds in your account) per day.
* For security purposes, there are limits on the frequency and amount of transfers you may make using ATMs.

Fees and Charges for ATM Transactions:
* There is no charge for ATM withdrawals at machines owned by us.
* There is a $1.00 charge for each ATM withdrawal at machines we do not own.
* There is no charge for ATM deposits at machines owned by us.

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).

Government Direct Deposit

Types of Preauthorized Transfers: You may arrange for us to complete the following preauthorized transfers to your deposit accounts:

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

Fees and Charges:
* We do not charge for any preauthorized EFTs.

Other Direct Deposit

Types of Preauthorized Transfers: You may arrange for us to complete the following preauthorized transfers to your deposit accounts:

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

Fees and Charges:
* We do not charge for any preauthorized EFTs.

Preauthorized Debit

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

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

Fees and Charges:
* We do not charge for any preauthorized EFTs.

NOW VISA Debit Card

Types of Transactions/Transfers: You may use the card and PIN issued you to pay for purchases from merchants who have agreed to accept the card at Point of Sale (POS) terminals within the networks identified on your card and such other terminals as the Bank may designate from time to time. Point of Sale (POS) transactions will be deducted from your Primary Account. Point of Sale (POS) transactions involving a refund will be credited to your Primary Account. You may also use the card to pay for purchases from merchants that accept the POS debit card with a VISA symbol. You may use the automated teller machine (ATM) card and personal identification number (PIN) issued to you to initiate transactions at ATMs of ours. ATMs within the networks identified on your card and such other facilities as we may designate from time to time. Unless you specify a different account during Automated Teller Machine (ATM) transactions, your Primary Account will be used for your transactions. Your Primary Account number and information may be obtained from the Combined ATM/POS/Debit Card Request Form. At present you may use your card to (some of these services may not be available at all ATMs):

* Deposit funds to your checking account.
* Withdraw cash from your checking account.
* Deposit funds to your savings account.
* Withdraw cash from your savings account.
* Transfer funds between your checking and savings accounts.
Tell us apply to: (a) other types of VISA commercial debit cards that are not VISA Business Cards; (b) transactions using your personal identification for transactions processed through a VISA network or, for ATM transactions, a Plus network. The zero liability limit described below does not include any transaction allegedly conducted by (i) a business co-owner, (ii) the cardholder or person authorized by the cardholder, or (iii) any other person with an interest in or authority to transact business on the account.

The zero liability limit described below only applies to debit cards that are United States issued VISA Consumer Cards or VISA Business Cards law:

For VISA Business Cards: (a) in order for an unauthorized transaction to be covered by the zero liability limit described above you must notify us within sixty (60) calendar days of the mailing of the first statement showing the unauthorized transaction; and (b) an "unauthorized transaction" does not include any transaction allegedly conducted by (i) a business co-owner, (ii) the cardholder or person authorized by the cardholder, or (iii) any other person with an interest in or authority to transact business on the account.

To notify us of lost or stolen cards, or of unauthorized transactions, call or write to us at the telephone number or address set forth in the Liability for Unauthorized Transfers paragraph below. This will help prevent unauthorized access to your account and minimize any inconvenience. We may require you to provide a written statement regarding an unauthorized VISA debit card transaction in order for the zero liability limit described above to be applied.

VISA is a registered trademark of Visa in the United States and other countries.

In addition to the limitations set forth above, the following limitations may be applicable to your accounts:

Liability for Unauthorized Transfers. Tell us AT ONCE if you believe your VISA debit card has been lost or stolen or if you believe any unauthorized transactions have been made using your VISA debit card. Your liability for unauthorized VISA debit card transactions that are processed through a VISA or Plus network, as applicable, will be zero dollars ($0.00). However, to the extent allowed under applicable law (see for example the Liability for Unauthorized Transfers paragraph below) we may hold you liable for the entire amount of an unauthorized transaction if we find, based on substantial evidence, that you have been grossly negligent or fraudulent in the handling of your deposit account or VISA debit card.

For VISA Business Cards: (a) in order for an unauthorized transaction to be covered by the zero liability limit described above you must notify us within sixty (60) calendar days of the mailing of the first statement showing the unauthorized transaction; and (b) an "unauthorized transaction" does not include any transaction allegedly conducted by (i) a business co-owner, (ii) the cardholder or person authorized by the cardholder, or (iii) any other person with an interest in or authority to transact business on the account.

To notify us of lost or stolen cards, or of unauthorized transactions, call or write to us at the telephone number or address set forth in the Liability for Unauthorized Transfers paragraph below. This will help prevent unauthorized access to your account and minimize any inconvenience. We may require you to provide a written statement regarding an unauthorized VISA debit card transaction in order for the zero liability limit described above to be applied.

VISA is a registered trademark of Visa in the United States and other countries.

In addition to the limitations set forth above, the following limitations may be applicable to your accounts:

Liability for Unauthorized Transfers. Tell us AT ONCE if you believe your card, ATM PIN, POS card or PIN, Audio Response PIN, or online banking PIN 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 two (2) business days after you learn of the loss or theft of your card or code, you can lose no more than $50.00 if someone used your card or code without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your card or code, and we can prove that we could have stopped someone from using your card or code without your permission if you had told us, you could lose as much as $500.00. Also, if your statement shows transfers that you did not make, including those made by card code or other such means, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods. If you believe that your card or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call (931) 528-5441, or write us at Bank of Putnam County, 140 South Jefferson Ave, Cookeville, TN 38501. You should also call the number or write this address if you believe a transfer has been made using the information from your check without your permission.

Illegal Transactions. You may not use your ATM, POS, or Debit Card, or other access device for any illegal or unlawful transaction, and we may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness. Notwithstanding the foregoing, we may collect on any debt arising out of any illegal or unlawful transaction.

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

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

Documentation.

Periodic Statement. You will get a monthly account statement from us, unless there are no transactions in a particular month. In any case you will get a statement quarterly. You will get a quarterly statement from us on your savings account if this is the only account you maintain and the only possible electronic transfer to or from the account is a preauthorized deposit.

Terminal Receipt. You can get a receipt at the time you make a transfer to or from your account using one of our ATMs or a POS terminal. However, receipts for transactions of $15.00 or less may not always be available.

Direct Deposits. If you have arranged to have direct deposits made to your account at least once every sixty (60) days from the same person or company, you can call us at (931) 836-6448 to find out whether or not the deposit has been made.

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

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

In Case of Errors or Questions About Your Electronic Transfers. Telephone us at (931) 528-5441, or write us at Bank of Putnam County, 140 South Jefferson Ave, Cookeville, TN 38501 as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

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

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

We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty five (45) days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account.

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

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

If a notice of error involves unauthorized use of your point of sale debit card with the VISA logo when it is used as a VISA point of sale debit card, we will provide provisional credit within five (5) business days after you notify us instead of within ten (10) or twenty (20) business days. We may withhold providing this accelerated provisional credit, to the extent allowed under applicable law, if the circumstances or account history warrants the delay.

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

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

Personal Identification Number (PIN). The ATM PIN, POS PIN or Audio Response PIN issued to you is for your security purposes. The numbers are confidential and should not be disclosed to third parties or recorded on the card. You are responsible for safekeeping your PIN(s). You agree not to disclose or otherwise make your ATM PIN, POS PIN or Audio Response PIN available to anyone not authorized to sign on your accounts.
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
the substitute check, you may be able to recover additional amounts under other law.
You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of
withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).
account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was
to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your
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
checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have
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 front of a 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.

What is a substitute check?
To make check processing faster, federal law permits credit unions and 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 a 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.

What are my rights regarding substitute checks?
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 (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your
account more than once for the same check). 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 (for example, bounced check fees).
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 also are 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 $2,500.01 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.

**How do I make a claim for a refund?**

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 Bank of Putnam County, P.O. Box 2809, Cookeville, TN, 38502, (931) 528-5441. You must contact us within 40 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 have suffered a loss (for example, you think the amount withdrawn was incorrect);
* 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
* Both a copy of the Substitute Check and the following information: the check number, the amount of the check and the name of the person to whom you wrote the check