

First Net Online Banking and Bill Pay Terms and Conditions Agreement

This Agreement describes your rights and obligations as a user of the Online Banking Service ("Service" or "Services"). It also describes the rights and obligations of Altoona First Savings Bank. Please read this Agreement carefully. As an authorized account holder you must abide by the terms and conditions of this agreement, and those provided to you at account opening, in order to use this Service.

CUSTOMER DISCLOSURE AND AGREEMENT TO RECEIVE ELECTRONIC COMMUNICATIONS

By selecting the "I Agree" button below, you are (1) acknowledging your receipt of the information listed below, (2) agreeing that any contract you enter into with Altoona First Savings Bank for the provision of certain Online Banking Services, may be in electronic form, and (3) agreeing that certain information that may be delivered in connection with the Services may also be in electronic form.

You are also acknowledging receipt of the following information and agree that:

We may provide you with this Agreement and any revisions and amendments thereto in electronic form, and that, if you choose to accept the Agreement, you are consenting to enter into and are entering into an agreement electronically that will govern all future transaction you conduct using the Service.

We may provide you revisions and amendments to the Agreement and such other information, including but not limited to information under Regulation E and under other applicable banking or financial services laws or regulations in connection with the Service, electronically as a part of the Agreement or otherwise as a part of the Services. While you may print and retain a copy of the Agreement or any information provided to you in relation to the Service, we only provide these documents electronically.

You have a right at any time to withdraw, without service charges, your consent to receive information electronically. However, because the Agreement and the Information are provided only in electronic format, your withdrawal of consent will terminate all the Services.

If you wish to withdraw consent to receive information electronically, to terminate the Services, or to update your information such as a change of address, or email address, you may call Altoona First Savings Bank at (814) 943-5411 or contact your local branch office, or write a letter and send it to the address listed at the end of this agreement.

DEFINITIONS

The following definitions apply in this Agreement:

"First Net" or "Service" is the Internet-based service providing access to your account(s) under the terms set forth in this First Net Online Banking and Bill Pay Terms and Conditions Agreement.

"Online account" is an Altoona First Savings Bank account from which you will be conducting transactions using online banking.

"Business Day" refers to Monday through Friday, excluding holidays as determined by Altoona First Savings Bank. All Online transfer requests received after 6:00 p.m. EST, or on a non-Business Day, will be processed immediately, but will be posted to your account or appear in the online history with an effective date of the following Business Day. All Bill Payment requests submitted after 12:00pm EST, or on a non-Business Day, will be processed on the following business day.

"Password" is a series of numbers, letters and characters that you select after the initial sign-on that establishes your connection to the Service. Altoona First Savings Bank requires that your password be a minimum of 8 characters in length and that your password include alpha and numeric characters as well as a minimum of one special character.

"Time of day" references are to Eastern Standard Time.

"We," "us", "our", "Bank" or "Altoona First Savings Bank" refer to Altoona First Savings Bank, which offers the Services provided under this Agreement and holds the accounts accessed by the Services.

ACCESS TO SERVICES

To first sign on to the Service you must select "Sign Up" from the Bank's website homepage www.altoonabank.com. After registering for the service you will gain access to your accounts by using the User ID and Password that you will have created during your first time login session.

HOURS OF OPERATION

The Services are generally available 24 hours-a-day, 7 days a week, except during special maintenance and upgrade periods.

Important Message Concerning First Net Processing Hours

First Net provides 24-hour access to your accounts. You are able to view account details and perform transactions any time of the day. Transfers are credited during the same business day when performed by 6:00pm EST; however, transactions performed after 6:00pm EST or on a non-Business day will be credited immediately but will reflect a posting date of the next business day. Bill payments submitted prior to 12:00pm EST will be processed the same business day; however, bill payments submitted after 12:00pm EST or on a non-business day will not be processed until the next Business day.

BANKING TRANSACTIONS WITH ONLINE BANKING

The Online Banking Service allows you to perform the following activities on eligible accounts:

- Review activity and recent transactions.
- Transfer funds among eligible accounts.

NOTE: Because regulations require Altoona First Savings Bank to limit pre-authorized transfers (including Online banking transfers), the following limitations apply:

Statement Savings and Money Market Accounts - During any month, you may not make more than six (6) withdrawals or transfers to another bank account of yours or to a third party by means of a pre-authorized, automatic transfer or telephonic order or instruction, whether initiated by check, draft, debit card, if applicable, or similar order to a third party. This includes online banking account transfers and bill payments.

New services may be introduced for Online banking from time to time. Altoona First Savings Bank will notify you of the existence of these new services. By using these services when they become available, you agree to be bound by the rules that will be made available to you concerning these services.

BILL PAYMENT SERVICE

The bill payment service allows you to pay bills out of a designated account on a one-time or periodic basis to payees that you designate subject to the limitations described below.

BILL PAYMENT LIMITS

You may not schedule a single bill payment for greater than \$25,000.00.

“SEND ON” DATE vs. “DELIVER BY” DATE

When scheduling a bill payment, note the difference between the “SEND ON” date and the “DELIVER BY” date. The “SEND ON” date is the date we will attempt to deduct the payment amount from your designated account. If the attempted deduction fails because you did not have enough funds in your primary account, we will send you an email indicating this situation. If the second attempted deduction is not successful, the transaction will be cancelled and you will be responsible for rescheduling. If the second attempted deduction is successful, the payment will be processed and remitted to the payee, however the “DELIVER BY” date will be one business day later. If you receive an email because the first attempted deduction was not successful, you should access First Net to determine the date of the second deduction attempt.

If you schedule a payment with the “SEND ON” date as the current date, you must have adequate funds in your account at the time the payment is scheduled. The funds will be deducted shortly after you log out of the session. If you schedule a payment with the “SEND ON” date in the future, there must be adequate funds in your account when we attempt the deduction. This can occur anytime between 12:01 am and 4:00 pm EST.

The “DELIVER BY” date is the date that you can expect the payee to receive your payment. The “DELIVER BY” date for your payment should be no later than the due date the payee has indicated for the payment.

PAYMENT GUARANTEE

If a properly scheduled payment is not received and posted on time by the payee, we will attempt to remove any late fees or assessed finance charges. (Finance charges are calculated based on your

payment amount rather than your entire balance.) If the payee is unwilling or unable to remove them, we will pay the fees and finance charges directly to the payee. In addition, we will attempt to add a note of explanation to your account to ensure that the situation does not negatively impact your credit rating.

The Payment Guarantee applies to late fees and/or finance charges associated with the late posting of a payment, provided that the following conditions are met:

1. The payment was scheduled to be delivered on or before the due date of your bill, excluding any grace periods.
2. The payment was not made to a prohibited payee (see below) or the following type of payee:
 - Payments to payees located in the Armed Forces Postal Codes, such as AE & AP;
 - Payments to settle securities transactions;
 - Payments to payoff special or delayed financing for purchases;
 - Payments to credit counseling agencies who pay creditors on your behalf.
3. The information supplied by you is correct (payee name and address, your name and account number as it appears on the payee's records).
4. You had sufficient funds in your account during our first deduction attempt on the "SEND ON" date.

We will only be responsible for the direct fees or finance charges associated with the late payment. We will not be responsible for any other consequential damages that might arise from the late payment.

PROHIBITED PAYEES

We will not process payments on your behalf to payees meeting any of the following criteria:

- Designated by the Office of Foreign Asset Control as being a prohibited payee
- Having an address outside of the United States (except for APO)
- Court-ordered payments such as alimony, child support, speeding tickets, etc.
- Tax entities
- Collection agencies

If a payment to a prohibited payee is inadvertently processed, the payment guarantee outlined above does not apply to that payment, and we reserve the right to not process a payment to that payee in the future.

CANCELLING BILL PAYMENTS

We may cancel a bill payment if we have reasonable belief that the payment is fraudulent. If we cancel a payment, we will attempt to contact you to inform you of this action.

You may cancel an outstanding bill payment at any time through First Net. Bill payments are considered outstanding until the "SEND ON" date.

You can cancel a "Recurring" transaction by verbal or written no later than 3 business days before the "SEND ON" date of the transaction by contacting Customer Service at the address or phone number listed in this agreement. If you call, we may also require you to put your request in writing and provide it to us within fourteen (14) days. The notice must detail whether the cancellation applies to only one of the recurring transactions, or all transactions in the recurring stream.

INTERNET EMAIL NOTIFICATIONS

It is important to keep a current Internet email address on file with us, as we use this to communicate important security events about your account to you such as:

- Password changes
- User ID changes
- Internet email address changes (sent to old and new addresses)
- Adding New Payees

INACTIVITY / TERMINATION

You are responsible for complying with all the terms of this Agreement and with the terms of the agreement governing the deposit accounts which you access using electronic banking services. We can terminate your Online banking privileges under this Agreement without notice to you for any reason; or if you do not pay any fee required by this Agreement when due, if you do not comply with the Agreement governing your deposit or loan accounts, or your accounts are not maintained in good standing. We will promptly notify you if we terminate this Agreement or your use of the Services for any other reason.

If you are not paying a monthly service charge for the Service, we may convert your account to inactive status if you do not sign on to the Service or have any transaction scheduled through the Service during any consecutive 180 day period. If your account is considered inactive, you must contact us to have the Service activated before you will be able to schedule any transaction through the Service.

To cancel Online banking you must notify Altoona First Savings Bank. Your notification should include your name, address and the effective date to stop the Service(s). You may not terminate your participation in First Net if you have outstanding bill payments scheduled. When the Service is terminated, any pre-scheduled transaction made through First Net will also be terminated. You may notify Altoona First Savings Bank by calling (814) 943-5411 or by writing a letter and sending it to the address listed at the end of this agreement.

FEE SCHEDULE

Altoona First Savings Bank offers the benefits and convenience of First Net to you at no monthly charge. Account research and stop payment charges will be assessed at the rates published in Altoona First

Savings Bank's Schedule of Fees Brochure and deducted from your account at Altoona First Savings Bank.

These fees are subject to change. Altoona First Savings Bank will notify you in writing regarding any fee changes at least thirty (30) days in advance of the effective date of these changes.

ALTOONA FIRST SAVINGS BANK'S RESPONSIBILITIES

Altoona First Savings Bank will be responsible for your actual losses if they were directly caused by our failure to:

- Complete an Electronic Funds Transfer as properly requested.
- Cancel an Electronic Funds Transfer as properly requested.

However, we will not be responsible for your losses if:

- Through no fault of Altoona First Savings Bank, you do not have enough money in your account to make the transfer.
- Through no fault of Altoona First Savings Bank, the transaction would have caused you to exceed your available credit.
- Circumstances beyond our control (e.g., fire, flood, power outage, mail delivery delays, equipment or technical failure or breakdown) prevent the transfer, despite reasonable precautions that we have taken.
- There is a hold on your account, or if access to your account is blocked in accordance with banking policy.
- Your funds are subject to legal process or other encumbrance restricting the transfer.
- Your transfer authorization terminates by operation of law.
- You believe someone has accessed your accounts without your permission and you fail to notify Altoona First Savings Bank immediately.
- You have not properly followed the scheduling instructions, included in this Agreement, to make a transfer or the Payee refuses the Service.
- For the failure of any payee to correctly account for or credit the payment in a timely manner.
- We have received incomplete or inaccurate information from you or a third party involving the account or transfer.
- For changes to the payee's address or account number (unless you have advised us of the change within three (3) Business Days in advance).
- We have a reasonable basis for believing that unauthorized use of your Password or account has occurred or may be occurring, or if you default under this Agreement, the Deposit Account Agreement, a credit agreement, or any other agreement with us, or if we or you terminate this Agreement.

There may be other exceptions stated in this agreement and in other agreements with you. In no event shall we be liable for damages in excess of your actual loss due to our failure to complete a transfer, and we will not be liable for any incidental or consequential damages.

If any of the circumstances listed above shall occur, we shall assist you with reasonable efforts in taking appropriate corrective action to reprocess the transactions that may not have been completed or to correct incorrect transactions that have been processed.

LIMIT OF ALTOONA FIRST SAVINGS BANK'S RESPONSIBILITY

Altoona First Savings Bank agrees to make reasonable efforts to ensure full performance of First Net. Altoona First Savings Bank will be responsible for acting only on those instructions sent through First Net which are actually received and cannot assume responsibility for circumstances over which the bank has no direct control. This includes but not limited to, the failure or malfunctions in communication facilities, which may affect the accuracy or timeliness of messages you send. Altoona First Savings Bank is not responsible for any losses should you give incorrect instructions, or if your payment instructions are not given sufficiently in advance to allow for timely payment or delays in mail service.

Any information you receive from Altoona First Savings Bank is believed to be reliable. However, it can only be provided on a best-efforts basis for your convenience and is not guaranteed. Altoona First Savings Bank is not liable for any deficiencies in the accuracy, completeness, availability, or timeliness of such information, or for any investment or other decision made using this information.

Altoona First Savings Bank is not responsible for any fees incurred for Internet access, or for any computer virus or related problems that may be attributable to services provided by any Internet access service provider.

You are responsible for obtaining, installing, maintaining, and operating all computer hardware and software necessary for performing Online banking. In order to help protect your personal information, we recommend that you install firewalls, anti-virus, and spyware protection software (and update it as required) on your computer. We also recommend that you update your operating system and browser application on a periodic basis to better protect your computer and online banking sessions. Altoona First Savings Bank will not be responsible for any errors or failures from the malfunction or failure of your hardware or software.

The limit of Altoona First Savings Bank's liability shall be as expressly set forth herein. Under no circumstances will Altoona First Savings Bank be liable in contract, tort, or otherwise for any special, incidental, or consequential damages, whether or not foreseeable. By consenting to use the Services, you agree to waive any and all right to any of the aforesaid, and you acknowledge that the limit of your remedy is as otherwise expressly set forth herein.

ELECTRONIC MAIL (EMAIL)

If you send Altoona First Savings Bank an electronic mail message through the Service, Altoona First Savings Bank will be deemed to have received it on the following Business Day. Emails will be answered within a reasonable timeframe.

You should not rely on electronic mail if you need to communicate with Altoona First Savings Bank immediately (e.g., if you need to report an unauthorized transaction from one of your accounts, or if you need to stop a payment that is scheduled to occur).

You agree that Altoona First Savings Bank may respond to you by electronic mail with regard to any matter related to the Service, including responding to any claim of unauthorized electronic funds transfer that you make. Any such electronic mail sent to you by Altoona First Savings Bank shall be considered received within three (3) days of the date sent by Altoona First Savings Bank, regardless of whether or not you sign on to the Service within that time frame.

USE OF YOUR SECURITY PASSWORD

The safety of our customers' accounts and account information is of paramount importance to Altoona First Savings Bank. We go through great lengths to protect confidentiality and the security of your account, and urge you to do the same. You agree not to allow anyone to gain access to the Services or to let anyone know your Password used with the Services. You agree to assume responsibility for all transactions initiated through the Services with your Altoona First Savings Bank User ID, up to the limits allowed by applicable law. While Altoona First Savings Bank continues to provide our customers with the level of online security we believe necessary and appropriate, customers who share their User IDs and Passwords are giving up the full benefit of our security measures and legal protections to which they may be entitled. No Altoona First Savings Bank representative will ever call and ask for your User ID or Password. For more information on security, please refer to the Online Security link under the Account Services tab in First Net.

IF YOUR PASSWORD HAS BEEN LOST OR STOLEN

If you believe your Password has been lost or stolen, call Altoona First Savings Bank immediately at (814) 943-5411, between 8:30am and 4:30pm Monday through Friday. Telephoning Altoona First Savings Bank is the best way of minimizing your losses. You may also restore the security of your Service by immediately changing your Password.

If you never tell us, you could lose all of the money in your account (plus your maximum overdraft line of credit). However, if you tell us within two Business Days, you can lose no more than \$50 if someone used your Password without your permission. If you do NOT tell us within two Business Days after you learn of the loss or theft of your Password, and we can prove we could have stopped someone from using your Password without your permission if you had told us, you could lose as much as \$500.

STATEMENTS

You will continue to receive your regular account statement either monthly or quarterly, depending on the type of account.

IF YOUR STATEMENT SHOWS TRANSFERS THAT YOU DID NOT MAKE

If your statement shows transfers that you did not make, notify Altoona First Savings Bank immediately at (814) 943-5411 or contact your local branch office, or write a letter and send it to the address listed at the end of this agreement.

If you do not notify Altoona First Savings Bank within sixty (60) days after the statement was mailed to you, you may not recover any money lost after the sixty (60) days which would not have been lost if Altoona First Savings Bank had been notified in time.

ERRORS AND QUESTIONS

In case of errors or questions regarding an Online banking transaction, you may call Altoona First Savings Bank at (814) 943-5411 or contact your local branch office, or write a letter and send it to the address listed at the end of this agreement.

We must hear from you at the specified telephone number or address no later than sixty (60) calendar days after we sent you the first statement on which the problem or error appeared. In the communication of the potential error or question:

- Tell us your name, and the account number of the account to which the error relates.
- Describe the error or the transfer you are unsure about, and explain why you believe it is in error or why you need more information.
- Tell us the dollar amount of the suspected error and the date on which it occurred.

If the report is made orally, we may require that you send the complaint or question in writing within ten (10) Business Days from your initial contact. We will notify you with the results of the investigation within ten (10) Business Days after you contact us and will correct any error promptly. If more time is needed, however, we may, at our sole discretion, take up to forty-five (45) calendar days to investigate a complaint or question. If this occurs, we will credit your account within ten (10) Business Days for the amount you think is in error. This will allow you to use the money during the time it takes us to complete our investigation. If your complaint or question is not received in writing within ten (10) Business Days from your original contact, we may not credit your account until the investigation is completed.

If your notice of error concerns a transaction that occurred during the first 30 days after the first deposit to the account was made, the applicable time periods are 20 Business Days in place of 10 Business Days and 90 calendar days in place of 45 calendar days.

If we determined that no error occurred, we will send you a written notice within three (3) Business Days. You may request copies of the documents that were used in the investigation.

Altoona First Savings Bank is not responsible for errors, delays and other problems caused by or resulting from the action or inaction of other financial institutions. Although we will try to assist you in resolving any such problems, you understand that any such errors, delays or other problems are the responsibility of the relevant financial institution or the intended recipient of funds. Any rights you may have against a financial institution for such errors, delays or other problems are subject to the terms of the agreements you have with such financial institution, including any time limits during which complaints must be made.

OTHER AGREEMENTS

In addition to this Agreement, you and Altoona First Savings Bank agree to be bound by and comply with the requirements of the agreements applicable to each of your Online Accounts. Your use of First Net is your acknowledgment that you have received these agreements and intend to be bound by them. You should review other disclosures received by you when you open your accounts at Altoona First Savings Bank, including the charges that may be imposed for electronic funds transfers or the right to make transfers listed in the fee schedules accompanying those disclosures. We will automatically deduct any fees related to this Service from your account each month. All terms and conditions of the disclosures provided to you at account opening, including but not limited to the Truth in Savings, Regulation E Disclosure, Depositor's Agreement and Terms and Conditions apply to this Service.

MODIFICATIONS TO THIS AGREEMENT

Altoona First Savings Bank may modify the terms and conditions applicable to either Service from time to time upon mailing or delivering a notice of the modifications to you at the address shown on our account records, and the revised terms and conditions shall be effective at the earliest date allowed by applicable law. We may send any notice to you via electronic mail and you will have been deemed to have received it three (3) days after it is sent. We reserve the right to terminate this Agreement and your use of the Services in whole or in part at any time without prior notice.

DISCLOSURE OF INFORMATION TO THIRD PARTIES/ PRIVACY POLICY

A copy of Altoona First Savings Bank's Consumer Privacy Statement is available upon request at any of our branches or can be mailed to you upon request by calling Altoona First Savings Bank at (814) 943-5411, or writing a letter and sending it to the address listed at the end of this agreement.

You can also access our Policy online by clicking on the Privacy/Disclosure link on the Altoona First Savings Bank Website.

GOVERNING LAW

This Agreement is governed by the laws of the Pennsylvania and applicable federal law(s).

ADDRESS FOR CORRESPONDENCE

Any written communication to Altoona First Savings Bank in regards to this agreement and anything mentioned within this agreement should be mailed to:

Altoona First Savings Bank
Attention: Electronic Banking
203 North Logan Blvd
Altoona, PA 16602