

CREDIT CARD MARKETING AND RECEIVABLES PURCHASE AGREEMENT

This Credit Card Marketing and Receivables Purchase Agreement (the “Agreement”) dated as of March 7, 2014 (the “Effective Date”), is by and between Newtown Savings Bank, a savings bank chartered in the State of Connecticut (“Client”) and Pinnacle Bank, a Tennessee banking corporation, doing business as Apex Cardmember Services (“Issuer”). Each may be referred to herein as a “Party” or collectively as “Parties.” Capitalized terms used in the Agreement that are not defined in this paragraph are generally defined either in Article I (“Definitions”), in Exhibit 5 (“Privacy and Security of Confidential Information”), or in the context of their first use.

RECITALS

A. Issuer is a duly registered principal member of MasterCard and Visa and, as such, is authorized to establish MasterCard® and Visa® credit card accounts.

B. Client intends to market and offer credit cards, issued and owned by Issuer, to consumers and businesses. With Issuer’s approval and at Client’s sole expense, Client is engaging Corserv Holdings, Inc. (“Corserv”) as a service provider pursuant to a separate Credit Card Services Agreement between Client and Corserv (the “Credit Card Services Agreement”), so that Corserv may work with Client to conceive and manage the marketing campaigns, and provide certain Processing Services that include credit card application processing and new account set-up activities related thereto.

C. Client will provide and pay for all Processing Services required to manage the Card Portfolio and administer and service the Cardholder Accounts, much of which will be subcontracted by Client to Corserv pursuant to the Credit Card Services Agreement.

D. Issuer desires to sell and transfer to Client from time to time, among other things, all Receivables resulting from the Cardholder Accounts in the Card Portfolio, and Client desires to purchase and accept such Receivables from Issuer at such time, all in accordance with the terms and conditions of this Agreement.

In consideration of the foregoing recitals, the following mutual and respective covenants and agreements of the Parties, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I - DEFINITIONS

Section 1.1 Except as otherwise specifically indicated, the following terms shall have the following meanings in this Agreement (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

(a) “Advertising” means the promotion of products or services in connection with the Program through mediums such as, but not limited to, signage, brochures, inserts, direct mail, Internet, television, radio, magazines, newsletters, corporate sponsorship activities, news items, interviews, articles, speeches or appearances in other public forum.

(b) "Agreement" means this Credit Card Marketing and Receivables Purchase Agreement, as amended or otherwise modified from time to time.

(c) "Applicant" means any individual or business entity that is a customer or a prospective customer of Client, and who requests that Issuer issue a Card and provide a Cardholder Account pursuant to the Program.

(d) "Business Day" means any day other than a Saturday, a Sunday or a day on which financial institutions in Tennessee are authorized or obligated by law or executive order to be closed.

(e) "Card" means any credit card or other access device that Client markets and that Issuer issues to a Cardholder for access to a Cardholder Account pursuant to the Program and subject to this Agreement, which Card shall feature System Marks and may also feature Client Marks.

(f) "Card Portfolio" means the Receivables that result from use of the Cards and Cardholder Accounts, subject to the Cardholder Agreements between Issuer and Cardholders.

(g) "Card Program Terms" shall have the meaning set forth in Section 4.1 below.

(h) "Cardholder" means a person or business entity issued a Card pursuant to the Program, including those authorized to use the Card, obligated to make Cardholder Account payments pursuant to a Cardholder Agreement, or both.

(i) "Cardholder Account" means each revolving line of credit account that Issuer provides or has provided for use by a Cardholder, and that is or was accessible by a Card, pursuant to the Program and subject to the terms of a Cardholder Agreement between the Issuer and Cardholder. Cardholder Accounts include accounts that have open to buy credit lines and accounts that are closed. Cardholder Accounts shall exclude any other revolving credit card accounts issued by Issuer.

(j) "Cardholder Agreement" means the agreement between Issuer and a Cardholder governing the terms and use of a Card and Cardholder Account.

(k) "Cardholder Information" means all data and information regarding the Cardholders, including personally identifying information, transaction history, spending patterns, and merchant activity.

(l) "Change in Control" means: (i) the transfer of the power to vote, directly or indirectly, fifty-one percent (51%) or more of the voting stock of Client or its parent holding company, if any; (ii) the transfer of fifty-one percent (51%) or more of any direct or indirect, legal or beneficial, ownership interest, of Client or its parent holding company, if any; or (iii) the sale, transfer, or assignment of all or substantially all of the assets of Client or its parent holding company, if any, to any third party not in control of Client as of the Effective Date.

(m) “Client’s Auditing Party” shall have the meaning set forth in Section 8.1(d) below.

(n) “Client Indemnified Parties” shall have the meaning set forth in Section 10.2

(o) “Collections” shall mean all payments received by Issuer in respect of the Receivables, in the form of cash, checks or any other form of payment, including Insurance Proceeds and revenues from any other third party offerings to Cardholders.

(p) “Confidential Information” shall have the meaning set forth in Section 1.1 of Exhibit 5.

(q) “Corserv” shall have the meaning set forth in the Recitals above.

(r) “Customer” shall have the meaning set forth in Section 1.2 of Exhibit 5.

(s) “Daily Settlement Report” shall have the meaning set forth in Section 3.4(b).

(t) “Discloser” shall have the meaning set forth in Section 1.3 of Exhibit 5.

(u) “Dispute” shall have the meaning set forth in Section 14.11(a) below.

(v) “Financing Receivables” shall mean Receivables, other than Principal Receivables, that are due from a Cardholder and that post to a Cardholder Account, for periodic rate finance charges (interest) and all other Cardholder Account fees and charges as provided in a Cardholder Agreement, including but not limited to any applicable interest charges, over-limit fees, late charges, returned payment fees, annual or periodic membership fees and annual service charges, if any, account set-up fees, participation fees, program fees, transaction charges, cash advance fees, balance transfer fees, and other similar fees and charges.

(w) “Governmental Requirements” means, collectively, all statutes, rules, regulations, orders, judgments, or determinations that apply to the marketing, origination, servicing, and collection of Cards and Cardholder Accounts, including, but not limited to, applicable provisions of the Federal Trade Commission Act, the Truth in Lending Act, Regulation Z, the Electronic Fund Transfer Act, Regulation E, the Equal Credit Opportunity Act, Regulation B, the Gramm-Leach-Bliley Act, any other applicable consumer credit or consumer protection law, and any privacy and anti-money laundering law promulgated by a governmental authority.

(x) “Graphic Standards” means all standards, policies, and other requirements adopted by the Issuer, Client, or a System from time to time with respect to use of its Marks.

(y) “Indemnified Party” or “Indemnifying Party” shall have the meaning set forth in Section 10.3 below.

(z) “Initial Term” shall have the meaning set forth in Section 11.1 below.

(aa) “Insurance Proceeds” means any amounts recovered pursuant to any insurance and insurance type products covering any Cardholder with respect to any Receivable, and any commissions resulting from the sale of any insurance products; provided, however, no insurance products will be sold to Cardholders without the prior written approval of Client.

(bb) “Issuer Indemnified Parties” shall have the meaning set forth in Section 10.1.

(cc) “Issuer’s Auditing Party” shall have the meaning set forth in Section 7.1(d).

(dd) “Interchange Fee” means the fee paid to Issuer by any financial institution or entity that acquires Cardholder Account transactions from a merchant, as established by a System.

(ee) “Lien” shall mean any lien, security interest or other encumbrance.

(ff) “Mark” means the service marks and trademarks of a System, Issuer, or Client, including but not limited to the names and other distinctive marks or logos which identify a System, Issuer, or Client.

(gg) “Marketing Program” means a program intended to generate sales from a targeted population for a specific credit card product using specific delivery channels. Marketing Programs can include any form of solicitation to the public, including but not limited to branch sales, call center contacts, Internet marketing, direct mail, purchase of radio or television commercial airtime, purchase of classified or display advertising space, printing of brochures or other sales materials for distribution, or other recognized means of directly selling goods or services or acquiring sales leads.

(hh) “MasterCard” means MasterCard International, Inc. a Delaware corporation.

(ii) “Membership” means the membership in a System and licensing rights thereto obtained by Issuer.

(jj) “Minimum Reserve Balance” shall have the meaning set forth in Section 3.4(d) below.

(kk) “Monthly Cardholder Account Fee” shall have the meaning set forth in Section 3.3 below.

(ll) “Nonpublic Personal Information” shall have the meaning set forth in Section 1.4 of Exhibit 5.

(mm) “Party” shall have the meaning set forth in the preamble above.

(nn) “Principal Receivables” shall mean all Receivables, other than Financing Receivables, that are due from a Cardholder and post to a Cardholder Account, for purchases,

cash advances, balance transfers, and other transactions made with a Cardholder Account, whether through a merchant, financial institution, or device, and net of any charge-backs or returns made by a Cardholder and processed through the System.

(oo) “Processing Services” shall mean those services which are necessary to issue a Card, establish a Cardholder Account, process a related Cardholder Account transaction, and service and collect a Cardholder Account, in accordance with Governmental Requirements, the Rules of any System and Regulatory Authority and the terms of the applicable Cardholder Agreements. Such services shall include but not be limited to: underwriting, set-up, activation and maintenance of the Card and Cardholder Account, credit line management, customer service, collections, remittance processing, transaction authorization, processing, statement preparation and issuance, fulfillment in connection with the rewards program and any other cardholder benefits provided to Cardholders, Cardholder dispute resolution, security and fraud control, and activity reporting.

(pp) “Program” shall have the meaning set forth in Section 2.1 below.

(qq) “Purchase Price” shall have the meaning set forth in Section 3.3 below.

(rr) “Purchased Assets” shall have the meaning set forth in Section 3.1 below.

(ss) “Receivables” shall mean all amounts payable by a Cardholder to Issuer on any Cardholder Account from time to time, including all Principal Receivables and all Financing Receivables. A Receivable shall be deemed to have been created at the end of the Business Day on the date of processing of such Receivable by a System.

(tt) “Recipient” shall have the meaning set forth in Section 1.5 of Exhibit 5.

(uu) “Regulation B” means the regulation implementing the Equal Credit Opportunity Act, 12 C.F.R. Part 1002, all amendments thereto and official interpretations thereof issued by the Consumer Financial Protection Bureau.

(vv) “Regulation E” means the regulation implementing the Electronic Fund Transfer Act, 12 C.F.R. Part 1005, all amendments thereto and official interpretations thereof issued by the Consumer Financial Protection Bureau.

(ww) “Regulation Z” means the regulation implementing the Truth in Lending Act, 12 C.F.R. Part 1026, all amendments thereto and official interpretations thereof issued by the Consumer Financial Protection Bureau.

(xx) “Regulatory Authority” means, as the context requires, the Department of Financial Institutions of the State of Tennessee, the Federal Reserve Board, the Federal Deposit Insurance Corporation, National Credit Union Administration, the Consumer Financial Protection Bureau, the Office of the Comptroller of the Currency, and any federal or state regulatory authority or agency having jurisdiction over Issuer or Client.

(yy) “Renewal Term” shall have the meaning set forth in Section 11.1 below.

(zz) “Reserve Account” means an interest-bearing demand deposit account maintained by Client at Issuer for the purpose described in Section 3.4(d) below.

(aaa) “Rules” means the by-laws and operating rules of any System, including but not limited to the Payment Card Institute Data Security Standard, and the published policies and procedures of Issuer, as promulgated by the Issuer’s Board of Directors or senior management to ensure the continued safety and soundness of Issuer and to provide management and oversight of Issuer’s third-party relationships, as such rules, policies, and procedures may be amended from time to time, and which have been or will be provided in writing or otherwise made available to Client.

(bbb) “Settlement” means the movement and reconciliation of funds to and from the Systems to facilitate Cardholder Account transactions and to pay certain Systems Fees due in connection with the Cardholder Accounts, all in accordance with the Rules.

(ccc) “System” means MasterCard, Visa, Cirrus, Plus, and/or any other card network system capable of transmitting items and Settlement thereof.

(ddd) “Systems Fees” means daily, monthly and quarterly charges and assessments associated with Cardholder Accounts and related transactions, but not including Issuer’s cost of System membership or of owning and maintaining a Bank Identification Number (“BIN”), InterBank Card Association number (“ICA”) or other Issuer Identification Number with a System for the Cardholder Accounts.

(eee) “Tail Period” shall have the meaning set forth in Section 11.4(b).

(fff) “Term” means the Initial Term and any Renewal Term.

(ggg) “Visa” means Visa, USA, Inc., a Delaware corporation.

ARTICLE II - THE PROGRAM

Section 2.1 General Program Description and Relationship of Participants. The purpose of this program (“Program”) is to: (a) allow Client to market Cards to prospective Cardholders on terms acceptable to both Parties; (b) allow Client to purchase Receivables from Issuer on terms acceptable to both Parties; and (c) establish which Party will provide, arrange and pay for services associated with the Cardholder Accounts and Receivables. Before Issuer provides a Cardholder Account to an Applicant, the Parties will work cooperatively and in a timely manner to agree on the underwriting criteria Issuer will apply for the Program and on the terms and conditions of the Cardholder Agreement between Issuer and the Cardholder. Client, using services provided by Corserv, will implement Marketing Programs to generate applications in connection with the Program and assist in the processing and submission of applications in accordance with policies and procedures approved by Issuer. Once an application presented by Client has been approved by Issuer, Issuer will become the issuer of the approved Card and the owner of the Cardholder Account. Issuer will notify Client of approved applications in a timely manner. Client will provide and pay for the cost of providing Cardholders with the Cardholder Agreement, and other

disclosures, plastics and fulfillment materials in the time and manner Issuer, acting in a commercially reasonable manner, requires to open a Cardholder Account, all subject to approval by Issuer. Client's responsibilities for buying Receivables from Issuer on a daily basis are described in Article III. Client's responsibilities for providing Processing Services associated with the Cardholder Accounts and Receivables are described in Article IV.

Section 2.2Product Design. The Parties acknowledge that execution of this Agreement is predicated specifically upon and shall serve as confirmation of acceptance of the initial credit policy as provided on Exhibit 3 and products and pricing as provided on Exhibit 2. The parties will work cooperatively and in a timely manner with each other and with Corserv to consider any proposed changes to the underwriting criteria for the Program and all terms and conditions of the Cardholder Accounts. The reasons Issuer may not approve changes to specific criteria or terms include, but are not limited to, any determination by Issuer that such criteria or terms: (a) may violate Governmental Requirements or Rules; (b) may reasonably threaten the goodwill, reputation or safety and soundness of Issuer, including but not limited to the interest rate and balance computation method, any fees to be paid by Cardholders, opening credit limits and credit limit increases, and underwriting criteria; or (c) cannot be accommodated efficiently in Issuer's established operating environment.

Section 2.3Approval of Materials. Client must obtain written approval from Issuer of all relevant Advertising and Marketing Program materials and of plastic designs prior to use in connection with the Program. Issuer shall have the right to review and approve or disapprove any materials used in connection with the Program bearing Issuer's name or any Mark of Issuer or any System prior to dissemination or use of such materials. For any of the foregoing, Issuer's approval shall not be unreasonably withheld or delayed.

Section 2.4Advertising and Marketing. Client shall actively promote, advertise and market Cardholder Accounts to its existing and prospective customers. Client shall be responsible for all costs and expenses associated with Advertising and developing and implementing any Marketing Program under this Agreement, including, but not limited to (a) lead list acquisition, scrubbing and management, (b) preparation and distribution of Program offerings and associated solicitation materials, (c) development and placement of Advertising, and (d) compensation owed to its own staff and any third party marketing contractors or organizations that provide Advertising or Marketing Program services to Client pursuant to a written agreement with Client or subject to prior written approval by Client.

Section 2.5Application Processing. Client, using Processing Services provided by Corserv, shall perform and pay for all Processing Services required to accept and process Cardholder Account applications in accordance with Issuer's pre-approved underwriting policies and operating procedures, including but not limited to those that govern: (a) applicant screening and fraud detection; (b) application transmission, data entry and storage; (c) underwriting and assigning credit lines to Cardholder Accounts; (d) compliance with Governmental Requirements including but not limited to Issuer's Customer Identification Program as described in Exhibit 3 to this Agreement; (e) preparation and delivery of Issuer's approval and decline letters; (f) customer service; and (g) auditing and reporting.

Section 2.6New Account Set-up. Client shall be responsible for providing and paying for the Processing Services required to set up approved Cardholder Accounts on Corserv's processing platform, and for providing Cardholders with the agreed-upon Cardholder Agreements, required disclosures, plastics and other fulfillment materials, all subject to pre-approval by Issuer.

Section 2.7Third Party Providers. Each Party or both Parties may contract with third parties for the performance of some of the functions required by this Agreement to be performed in accordance with the provisions of this Agreement. Issuer shall have the right, in its sole discretion, to approve or disapprove of any third party service providers to the Program that are providing material services, which approval shall not be unreasonably withheld. Issuer has approved Client's use of Corserv and Corserv's subcontractors to design and implement the Marketing Programs and to provide certain application processing and new account set-up services for approved Cardholder Accounts. Each party is responsible for paying any third-party service provider it may retain in connection with the Program. Each party shall be liable for its own actions or omissions and those of its third-party service providers in connection with the Program. Each party is responsible for overseeing and appropriately monitoring the work or services of any third party service providers it uses in connection with the Program, although Issuer shall have the right to monitor and review the work and services of any third-party service provider that Client retains in connection with the Program, at Issuer's expense.

Section 2.8Use of Issuer's Marks. Issuer does hereby grant to Client (with no right to sublicense other than for use by Client's subcontractors solely in connection with the Program) a non-exclusive, non-transferable royalty-free limited license to use the Marks of Issuer and any applicable System that Issuer has approved for use in connection with the Program, subject to Graphics Standards established by Issuer or the System. Client agrees that such Marks must properly identify Issuer in its capacity as the Card issuer under this Agreement, and must be used solely in connection with Client's rights and obligations pursuant to this Agreement and with the prior written approval of Issuer. Issuer shall be responsible for any cost incurred by Client as a result of a change in Issuer's Marks or Graphic Standards initiated by Issuer. The license granted hereunder shall expire upon the later of: (i) the expiration of the Term; or (ii) the expiration of any Tail Period. Client will provide Issuer with copies of the form of all materials that utilize any Marks of Issuer or any System, prior to the use thereof by Client, its affiliates or its service providers. Issuer reserves the right to amend, modify, terminate or disapprove any use of such Marks if Issuer determines, in its reasonable discretion, that such use could cause Issuer reputational or economic harm, or that such use constitutes or could potentially constitute a violation of: Governmental Requirements that govern the Parties, the Program, or the Advertising or the Marketing Programs; the Rules; or the Graphics Standards of the Issuer or any applicable System. Issuer will use its reasonable best effort to provide its approval of any Advertising and Marketing Program materials and plastic designs (and any proposed changes thereto) within five (5) Business Days of receipt of a request for approval from Client. If, after five (5) Business Days Issuer has not approved a request, Client shall contact Issuer to arrange for a meeting regarding the required approval.

Section 2.9 Use of Client's Marks. Client hereby grants to Issuer (with no right to sublicense) a non-exclusive, non-transferrable, royalty-free license to use the Marks of Client that it has approved for use in connection with the Program, subject to any Graphics Standards established by the Client. Issuer agrees that any such Marks must be used solely in connection with Issuer's obligations pursuant to this Agreement. Client shall be responsible for any cost incurred by Issuer as a result of a change in Client's Marks initiated by Client. The license granted hereunder shall expire upon the later of: (i) expiration of the Term; or (ii) the expiration of any Tail Period. Issuer will provide Client with copies of the form of all materials that utilize any of Client's Marks prior to the use thereof by Issuer, its affiliates or service providers. Client reserves the right to amend, modify, terminate or disapprove any use of such Client's Marks if Client determines, in its reasonable discretion, that such use could cause Client reputational or economic harm, or that such use constitutes or could potentially constitute a violation of: Governmental Requirements that govern the Parties, the Program, or the Advertising or the Marketing Programs; the Rules; or the Graphics Standards of the Client. Client will use its reasonable best effort to provide its approval of any Advertising and Marketing Program materials and plastic designs (and any proposed changes thereto) within five (5) Business Days of receipt of a request for approval from Issuer. If, after five (5) Business Days Client has not approved a request, Issuer shall contact Client to arrange for a meeting regarding the required approval.

ARTICLE III - PURCHASE AND SALE OF RECEIVABLES

Section 3.1 Transfer of Receivables to Client.

(a) Sale of Receivables. Issuer will originate all advances to Cardholder Accounts with its own funds. In consideration of the Purchase Price and Monthly Cardholder Account Fee, and upon the terms and subject to the conditions set forth herein, Issuer on each Business Day hereby sells, assigns, transfers, sets over and otherwise conveys to Client, without recourse and subject to the terms and conditions specifically set forth herein, and Client hereby purchases and accepts from Issuer on such Business Day, subject to the terms and conditions specifically set forth herein, all of Issuer's right, title and interest in, to and under: (i) all Receivables; and (ii) all Collections and Interchange Fees with respect to, and all proceeds of, all of the foregoing (in the case of (i) and (ii) to the extent not previously purchased by Client hereunder) (together, the "Purchased Assets").

(b) True Sale. The Parties to this Agreement intend that each of the transactions contemplated by this Section 3.1 shall be, and shall be treated as, a purchase by Client and a sale by Issuer, of the Purchased Assets, including, but not limited to, the Receivables, and not as a lending transaction. Except as set forth in this Agreement, the foregoing sales, transfers, assignments and/or contributions do not constitute and are not intended to result in a creation or assumption by Client of any obligation or liability with respect to any Cardholder Agreement.

Section 3.2 No Liens and No Retained Residual Interest. Issuer shall assign and transfer the Receivables included in the Purchased Assets hereunder free and clear of all Liens, except for those specifically reserved by Issuer herein. Further, it is the express intent of Issuer and Client that the conveyance of the Purchased Assets, including, but not limited

to, the Receivables and other property by Issuer pursuant to this Agreement be construed as a complete sale of such Purchased Assets to Client, and that Issuer retain no residual interest of any kind in any of the transferred Purchased Assets. Finally, it is the express intent of Issuer and Client that, except as otherwise provided in this Agreement, no warranty or representation of any kind is made by Issuer hereunder in regard to the Purchased Assets, which are transferred on an “as is, where is” basis.

Section 3.3Purchase Price and Fees. The parties agree that the purchase price to be paid by Client to Issuer in respect of the Purchased Assets conveyed to Client under this Agreement shall be a dollar amount equal to the aggregate amount of all Principal Receivables sold on such date (the “Purchase Price”). Issuer shall convey all Financing Receivables, Collections and Interchange Fees to Client for no additional consideration. As further consideration for Issuer’s agreement to convey the Purchased Assets to Client, Client shall pay Issuer a monthly fee according to the fee schedule in Exhibit 1 (the “Monthly Cardholder Account Fee”). Furthermore, Client shall reimburse Issuer for System Fees as incurred by Issuer and as reflected on the Daily Settlement Report (as defined in Section 3.4(b)).

Section 3.4Settlement, Funds Movement and Reconciliation.

(a) Daily Settlement. Each Business Day, Issuer will perform Settlement for the Card Portfolio, transferring required net settlement funds (including payment of any Systems Fees due) to or from the Systems. Issuer will also transfer amounts due each Business Day to appropriate third parties in connection with the Cardholder Accounts, such as, but not limited to, balance transfer, credit balance refund and rewards activity. Issuer will, on each Business Day, provide services to resolve transactions that reject from Cardholder Accounts and clear exceptions, balancing the aggregate balances on Cardholder Accounts to account level detail provided by the processing system provided by Corserv. Balancing reports from the processing system that confirm the Receivables balances and exceptions will be made available to Client each Business Day.

(b) Daily Settlement Report. By 3:00 P.M. Central Standard Time each Business Day, Issuer shall provide Client with a daily settlement report showing the net amount of funds due from Client to Issuer (the “Daily Settlement Report”), comprised of the Purchase Price less the amount of Collections and Interchange Fees, plus Systems Fees and any other amounts disbursed by Issuer on behalf of Client, all based on reports received from the relevant Systems and the processing system on that day, generated for the period from and including the second preceding Business Day. The Daily Settlement Report will also reflect accounting entries to be posted by Client for Cardholder activity such as billed interest, cardholder fees, and charge-offs. On or after the second Business Day of each month, the Daily Settlement Report will also include the Monthly Cardholder Account Fee due to Issuer for the previous month calculated in accordance with Exhibit 1.

(c) Payment of Amounts Due to Issuer. On each Business Day, Issuer will initiate a next Business Day ACH charge or credit to Client for the amount due in accordance with the current day’s Daily Settlement Report which ACH charge Client will not refuse, reject or return. Client authorizes Issuer to collect any amounts shown as due on the Daily Settlement

Report. If Issuer is unable to collect amounts shown as due via the ACH charge, including, but not limited to, as a result of Client's refusal, rejection or return of such ACH charge, Issuer may immediately offset any uncollected amounts from Client's Reserve Account, and Client shall be required to replenish the balance in the Reserve Account to the level prescribed in Section 3.4(d) below by the close of business on the next Business Day. In the event that Client disagrees with or disputes amounts shown on the Daily Settlement Report and the Parties are unable to resolve such dispute within five (5) Business Days, Issuer agrees, if requested to do so by Client, to set aside funds equal to such disputed amounts in an escrow account held at Issuer until such disputed amounts are reconciled and agreed upon. In the event that Client and Issuer are unable to resolve disputed amounts in a reasonable amount of time not to exceed thirty (30) days, such disputes will be resolved according to Section 14.11 of this Agreement.

(d) Reserve Account. Not later than the first offer of Program credit card accounts to prospective cardholders, Client shall establish and maintain a reserve account at Issuer (the "Reserve Account"). Issuer shall pay interest on the Reserve Account at a rate equal to the monthly average Federal Funds Effective Rate as published on the Board of Governors of the Federal Reserve System's website at <http://www.federalreserve.gov/releases/h15/data.htm>, or such other site as is used from time to time by the Federal Reserve to publish such rate. The rate used for a given month will be the monthly average rate published for the most recent prior full month. Issuer will pay Client the interest monthly in arrears based on the Reserve Account's daily available balance within 3 Business Days of the end of each monthly period. The balance of funds Client must maintain in the Reserve Account shall not be less than the greater of: (i) three (3) times the daily amount of net purchase and cash advance volume averaged over the number of business days in the last month of the preceding calendar quarter; (b) \$150,000; or (c) any quarterly risk-based and adjusted amount Issuer establishes during the Term as provided in Exhibit 4 (the "Minimum Reserve Balance"). On the second Business Day of each calendar quarter during the Term of this Agreement, Issuer shall calculate and inform Client of the amount of the Minimum Reserve Balance that Client shall be required to maintain for the duration of that quarter. On the second Business Day of each calendar quarter, Client authorizes Issuer to initiate an ACH debit or ACH credit to Client's designated deposit account in the amount needed to adjust the Reserve Account balance to its then-current Minimum Reserve Balance. In the event that Client disagrees with or disputes Issuer's calculation of the Minimum Reserve Balance and the Parties are unable to resolve such dispute in a reasonable amount of time not to exceed thirty (30) days, such disputes will be resolved according to Section 14.11 of this Agreement.

Section 3.5 Further Assurances. The Parties hereby agree from time to time, at the other's request, to execute and deliver such other instruments of conveyance and transfer and take such other action as either Party may reasonably require to convey, transfer and vest in Client the Purchased Assets, and to put Client in possession of the Purchased Assets to be sold, conveyed, transferred and delivered in accordance with this Agreement.

Section 3.6 Optional Sale of Charged-off Accounts. If Client so elects, Issuer agrees to transfer to Client as of any calendar quarter-end closing date during the Term of this Agreement, any Cardholder Accounts that have been previously charged-off by Issuer as a credit loss (not fraud loss) for the consideration of \$10 per charged-off Cardholder Account. Client shall purchase and acquire all of Issuer's rights to receive any payments on

such acquired charged-off Cardholder Accounts and the obligations of Issuer after the closing date, but excluding Issuer's obligation for any breach of the cardholder agreement or any other act or omission by Issuer while Issuer owned the Cardholder Accounts. Client shall be responsible at its expense for providing notice to affected Cardholders, consistent with applicable law, of the purchase of their Cardholder Accounts by Client. The Parties agree to execute and deliver such instruments of conveyance and transfer and to take such other action as either Party may reasonably require to convey, transfer and vest in Client such Cardholder Accounts.

ARTICLE IV - CARD PROGRAM TERMS AND PORTFOLIO MANAGEMENT

Section 4.1 Card Program Terms. Because Client is assuming the risk of loss relative to the Receivables purchased hereunder (including Client's absolute obligation to indemnify and hold harmless Issuer from any and all losses relative to the purchased Receivables, and as provided in Section 10.1 below), Issuer agrees to work cooperatively with Client and Corserv to establish reasonable terms and conditions for Cardholder Accounts, underwriting criteria, solicitations and notices, and portfolio management strategy (collectively, "Card Program Terms"). Issuer, as the provider of the Cardholder Accounts, shall have final responsibility for determining that such Card Program Terms are permissible for Issuer under Governmental Requirements and consistent with its own safety and soundness objectives. All such Card Program Terms shall comply with all applicable Governmental Requirements and Issuer's policies and guidelines, copies of which have been or will be provided or made available to Client. The Parties acknowledge that material changes to the Card Program Terms could cause substantial reputational or financial harm to each Party, increase costs or expenses associated with the Program, and increase the risk of violating applicable Rules and Governmental Requirements. Accordingly, each party agrees to consult with the other party for any proposed material change to agreed upon Card Program Terms that may affect the Card Accounts or Receivables. Client's failure to obtain Issuer's prior written approval of a change to the Card Program Terms shall be a material breach of this Agreement. Each party shall use its reasonable commercial efforts to review and respond to requested changes to the Card Program Terms within five (5) Business Days of receipt of a request.

Section 4.2 Card Portfolio Management and Processing Services. Client shall provide and pay for all Processing Services that are required to administer and service all Cards, all Cardholder Accounts, and the Card Portfolio, including but not limited to the transmittal of Issuer's Cardholder Account statements and Issuer's privacy notice in the time and manner required by Governmental Requirements and this Agreement and fulfillment in connection with the Program cardholder rewards program. Client shall contract with Corserv for the performance of certain Processing Services relating to the Card Portfolio. Client shall obtain Issuer's prior written consent before contracting with any third party other than Corserv for the performance of material services in connection with the Card Portfolio. For purposes of the foregoing sentence, "material services in connection with the Card Portfolio" shall include, but not be limited to the following: any instance where (i) a third party stores, accesses, transmits or performs transactions on Cardholder Information; (ii) a third party markets products or services to the Cardholders, but only to the extent such marketing

activities are directed solely to Cardholders or are characterized as offers made in connection with Cardholder Accounts; or (iii) a third party performs a service involving Card payment transactions. Any collections activity performed by Client or its subcontractors in connection with delinquent Program Accounts shall be in conformance with specific written policies and procedures provided to Client by Issuer and in compliance with Governmental Requirements.

Section 4.3 Termination of Origination of New Accounts. Client has an absolute obligation to purchase each and every Receivable from Issuer, on each and every Business Day, as provided herein. If Client fails, refuses or is otherwise unable to purchase any Receivable arising from the Card Portfolio, pay any amount due to Issuer pursuant to a Daily Settlement Report or to maintain the required Minimum Reserve Balance, then, in addition to any of Issuer's other rights and remedies under this Agreement or applicable law (including, but not limited to, those under Section 11.2 of this Agreement), Issuer may elect to immediately suspend the origination of new Cardholder Accounts, except to the extent that Issuer has made pre-approved and unexpired Card offers to prospective Cardholders. If Issuer elects to suspend its origination of new Cardholder Accounts, Issuer will provide Client with notice of such election, which shall be effective as of the date of the notice. Notwithstanding any longer cure period set forth elsewhere in this Agreement, Client must cure the circumstances that prompted Issuer's decision to suspend origination of new Cardholder Accounts by delivering the unpaid amount due and/or replenishing the Minimum Reserve Balance within two (2) Business Days from the date Issuer provides Client with notice in accordance with the terms of this Agreement. Such cure amount shall include the full amount of the Purchase Price due for all Receivables to be purchased during the timeframe of the default and reimbursement of any of Issuer's costs and expenses (including reasonable attorney fees) incurred by Issuer because of such default plus a payment of an additional five percent of the total amount then due as a late fee. In the event that acts of God, flood, fire, interruption of transmission or communication facilities, equipment failure, terrorism or war causes Client to be unable to conduct normal day-to-day settlement with the Federal Reserve Bank, Issuer agrees to waive its rights to collect the late fee described in the preceding sentence unless and until Client fails to pay all amounts due on the second Business Day after Client is able to resume normal day-to-day settlement with the Federal Reserve Bank. Upon Client's payment of all amounts then owed to Issuer (including any applicable late fee), Issuer's election to suspend the origination of new Cardholder Accounts shall be deemed withdrawn; provided however, that if a failure by Client as described in this Section 4.3 is not cured within two (2) Business Days or occurs a second time during any consecutive twelve-month period, Issuer may elect to make the suspension of origination of new Cards and Cardholder Accounts permanent and terminate this Agreement.

ARTICLE V - REPRESENTATIONS AND WARRANTIES OF CLIENT

Section 5.1 Express Representations and Representations. As of the date hereof and as of the date of each purchase of Receivables pursuant to Section 3.1(a), Client represents and warrants to Issuer as follows:

(a) **Binding Agreement.** This Agreement is valid, binding and enforceable against Client in accordance with its terms subject to the provisions of applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, receivership and conservatorship

laws and all other laws relating to or affecting the enforcement of creditors rights generally, now or hereafter in effect, and subject to public policy and general principles of equity.

(b) Formation. Client is a savings bank duly formed, validly existing and in good standing under the laws of the State of Connecticut and is authorized to do business in each state in which the nature of Client's activities makes such authorization necessary or where the failure to be so authorized would not have a material adverse effect on Client's ability to carry out its duties or meet its obligations under this Agreement.

(c) Legal Authority. Client has the full power and authority to execute and deliver this Agreement and to perform all its obligations under this Agreement. The provisions of this Agreement and Client's performance of its obligations under this Agreement are not in conflict with Client's charter, bylaws or any other organizational document of Client or any material agreement, contract, lease or obligation to which Client is a party or by which it is bound.

(d) No Pending Actions. There is not pending or threatened against Client any litigation or proceeding, or any judicial, tax or administrative action, that reasonably could be expected to be determined adversely, and which, if so determined, would materially and adversely affect Client's ability to perform its obligations under this Agreement.

(e) Compliance with Laws and Rules. Client is in compliance in all material respects with all Rules and laws applicable to its business, including, but not limited to, all relevant Governmental Requirements (including all privacy and anti-money laundering laws) and System Rules, and that apply to Client's performance of its obligations under this Agreement and participation in the Program.

ARTICLE VI - REPRESENTATIONS AND WARRANTIES OF ISSUER

Section 6.1As of the date hereof and as of the date of each sale of Receivables pursuant to Section 3.1(a), Issuer represents and warrants to Client as follows:

(a) Binding Agreement. This Agreement is valid, binding and enforceable against Issuer in accordance with its terms subject to the provisions of applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, receivership and conservatorship laws and all other laws relating to or affecting the enforcement of creditors rights generally, now or hereafter in effect, and subject to public policy and general principles of equity.

(b) Formation. Issuer is a banking corporation, duly formed, validly existing and in good standing under the laws of the State of Tennessee, and is authorized to do business in each state in which the nature of Issuer's activities makes such authorization necessary or where the failure to be so authorized would not have a material adverse effect on Issuer's ability to perform its obligations under this Agreement.

(c) Legal Authority. Issuer has the full power and authority to execute and deliver this Agreement and to perform all its obligations under this Agreement. The provisions of this Agreement and the performance by Issuer of its obligations under this Agreement do not

conflict with Issuer's charter or bylaws or any material agreement, contract, lease or obligation to which Issuer is a party or by which it is bound.

(d) No Pending Actions. There is not pending or threatened against Issuer any litigation or proceeding, or any judicial, tax or administrative action, that reasonably could be expected to be determined adversely, and which, if so determined, would materially and adversely affect Issuer's ability to perform its obligations under this Agreement.

(e) Compliance with Laws and Rules. Issuer is in compliance in all material respects with all Rules and laws applicable to its business, including, but not limited to, Governmental Requirements (including all privacy and anti-money laundering laws) and all System Rules, and that apply to Issuer's performance of its obligations under this Agreement and participation in the Program.

ARTICLE VII - COVENANTS OF CLIENT

Section 7.1Express Covenants. Client covenants and agrees with Issuer as follows:

(a) Compliance with Laws and Rules. Client will comply, in all material respects and at its own expense, with all Rules and laws applicable to its business, including, but not limited to, all Governmental Requirements (including all privacy and anti-money laundering laws), System Rules, and any rules, orders and regulations issued by the Regulatory Authorities, and that relate to the Program and the matters and transactions contemplated by this Agreement.

(b) Notice of Inaccuracy in Representation or Warranty; Breach of Covenant or Material Adverse Change. Client shall give prompt written notice to Issuer of any of the following items or events, if any such item or event may reasonably be expected to have an adverse effect on the continuing operation of Client or Client's ability to perform its obligations under this Agreement: (i) any fact or condition that causes or constitutes a breach of any of Client's representations and warranties included herein; (ii) any material breach by Client of a covenant of Client's contained in this Agreement; (iii) any material adverse change in Client's business, operations, material properties and assets, results of operations or condition (financial or otherwise) which would directly and materially affect Client's ability to perform its obligations hereunder; or (iv) any pending or threatened litigation involving a claim for damages that equal or exceed one quarter of one percent (0.25%) of Client's total assets individually, or that equal or exceed one-half of one percent (0.50%) of Client's total assets in the aggregate, or any pending or threatened investigation of tax deficiencies or other proceedings before governmental bodies or officials.

(c) Consumer Complaints. Client will report in writing to Issuer all written consumer complaints from regulatory or consumer protection agencies that Client or its third-party service providers receive relating to the Program, Marketing Programs, Cardholder Accounts within two (2) Business Days of Client's receipt of such complaint, and will forward other written consumer complaints that in any way concern Issuer, within five (5) Business Days of Client's receipt. Such report shall include the complainant's name and address, and a brief summary of the complaint. Client will promptly provide Issuer with any applicable background information or documentation concerning any complaint described in this Section 7.1(c) and

assist Issuer in Issuer's investigation and resolution of any such complaint. Client understands and agrees that Issuer remains responsible for responding to and resolving such consumer complaints that relate to the Program and the Cardholder Accounts; and Issuer agrees to resolve any such complaints as soon as possible and in accordance with all Governmental Requirements.

(d) Audit Rights. Client agrees that, at Issuer's sole discretion, Issuer's duly appointed representatives or agents ("Issuer's Auditing Party") shall have the right to inspect, audit, and examine all of the records Client and any of its third-party service providers maintain relating to the Program. Issuer shall pay Issuer's Auditing Party to inspect, audit, and examine Program records maintained by Client or its third-party service providers, but Issuer is not responsible for paying Client or its third-party service providers for any indirect costs and expenses they may incur by cooperating with any inspection, audit, and examination conducted by Issuer's Auditing Party. The Parties agree that any such inspection, audit, and examination shall occur during the normal business hours of Client or its third-party service provider, after Issuer gives Client reasonable advance notice of not less than five (5) Business Days, but not more frequently than two times per calendar year. Issuer's Auditing Party shall have the right to make abstracts from Client's books, accounts, data, reports, papers, and computer records directly pertaining to the subject matter of this Agreement, and Client shall make all such records, books, accounts, data, reports, papers, and computer records reasonably available to Issuer's Auditing Party for the purpose of conducting such inspections and audits. Issuer's Auditing Party shall comply with all laws relating to, and in making abstracts of, Client's books, accounts, data, reports, papers, and computer records, and Issuer and Issuer's Auditing Party shall remain subject to the information privacy and security provisions in Exhibit 5 to this Agreement.

(e) Examination Cooperation. Client agrees to cooperate with any examination or audit of Issuer or any entity that is an affiliate thereof which may be required or requested by any Regulatory Authority or System with audit or examination authority over Issuer or such affiliate, to the fullest extent requested by Issuer or such Regulatory Authority or System. Client shall use its reasonable best efforts to promptly provide to Issuer information which may be required or requested by any Regulatory Authority or System in connection with their audit or review of Issuer or the Program, and shall reasonably cooperate with Issuer or such Regulatory Authority or System in connection with any audit or review of Issuer. Client shall also use its reasonable best efforts to promptly provide such other information that Client has access to on a non-confidential basis as Issuer, any Regulatory Authority or the System may from time to time reasonably request with respect to third parties under contract with Client to provide services in connection with the Program.

(f) Notice of Adverse Action by any Regulatory Authority. Client will deliver to Issuer, within five (5) Business Days of the date of receipt, any notice of actual or threatened investigation or action issued by any Regulatory Authority that seeks to materially and adversely limit Client's performance of its obligations under this Agreement unless Client is prohibited by the Regulatory Authority, applicable laws or regulations, from sharing or disclosing the content of any such notice.

(g) Notice of Adverse Action by System. Client will deliver to Issuer, within five (5) Business Days of the date of receipt, any notice of actual or threatened action issued by

Visa, MasterCard, or any other System that reasonably could have a material and adverse effect on Client's ability to perform its obligations under this Agreement.

(h) Client Privacy Notices. The Parties agree that the Cards and Cardholder Accounts offered pursuant to this Agreement are financial products and services that are jointly offered, endorsed, and sponsored by both Parties. Upon Issuer's request, Client shall furnish Issuer with each form of privacy notice that Client is furnishing or has furnished to consumers and customers who may become Applicants and Cardholders. Client shall, at its own expense, furnish all of its consumers and customers with Client's privacy notice in the time and manner required by the Governmental Requirements. Each such privacy notice must disclose that Client will share information with service providers and others for Client's everyday business purposes, and with Client's joint marketing partners, subject to any applicable opt-out rights or disclosures to which the consumer or customer is entitled under applicable law. Client agrees not to share information with Issuer about Client's consumers and customers in any manner that violates Client's privacy policy or any Governmental Requirement. These provisions are in addition to those that are separately established by Section 12.1 and Exhibit 5 to this Agreement.

(i) Collections. Client agrees that any Collections made by or on behalf of a Cardholder, and received at Client's facilities or by Client personnel, shall be deemed received in trust for benefit of Issuer. Client agrees to remit such funds to Issuer promptly, for Cardholder Account processing and accounting according to the Processing Services.

ARTICLE VIII - COVENANTS OF ISSUER

Section 8.1Express Covenants. Issuer covenants and agrees with Client as follows:

(a) Compliance with Laws and Rules. Issuer will comply, in all material respects and at its own expense, with all Rules and laws applicable to its business, including, but not limited to, all Governmental Requirements (including all privacy and anti-money laundering laws), System Rules, and any rules, orders and regulations issued by the Regulatory Authorities, which relate to the Program and the matters and transactions contemplated by this Agreement and apply to Issuer's performance of its obligations under this Agreement.

(b) Notice of Inaccuracy in Representation or Warranty; Breach of Covenant or Material Adverse Change. Issuer shall give prompt written notice to Client of any of the following items or events, if any such item or event may reasonably be expected to have an adverse effect on the continuing operation of Issuer or Issuer's ability to perform its obligations under this Agreement: (i) any fact or condition that causes or constitutes a breach of any of Issuer's representations and warranties included herein; (ii) any material breach by Issuer of a covenant of Issuer contained in this Agreement; (iii) any material adverse change in Issuer's business, operations, material properties and assets, results of operations or condition (financial or otherwise) which would directly or materially affect Issuer's ability to perform its obligations hereunder; or (iv) any pending or threatened litigation involving a claim for damages that equal or exceed one quarter of one percent (0.25%) of Issuer's total assets individually, or that equal or exceed one-half of one percent (0.50%) of Issuer's total assets in the aggregate, or any pending or threatened investigation of tax deficiencies or other proceedings before governmental bodies or officials.

(c) Consumer Complaints. Issuer will report, in writing, to Client all written consumer complaints directed to regulatory or consumer protection agencies that Issuer or its agents receive relating to the Marketing Programs or that in any way concern the Program or Cardholder Accounts, as soon as reasonably practicable but not later than five (5) Business Days after Issuer's receipt of such complaint. Such report shall include the complainant's name and address, a brief summary of the complaint, and, when resolved, a brief summary of the resolution. Client understands and agrees that Issuer remains responsible for responding to and resolving such consumer complaints that relate to the Program and the Cardholder Accounts; and Issuer agrees to resolve any such complaints as soon as possible and in accordance with all Governmental Requirements.

(d) Audit Rights. Issuer agrees that, at Client's sole discretion, Client's duly appointed representatives or agents ("Client's Auditing Party") shall have the right to inspect, audit, and examine all of Issuer's records relating to the obligations of Issuer contemplated by this Agreement. Client shall pay Client's Auditing Party to inspect, audit and examine such records maintained by Issuer, but Client is not responsible for paying Issuer for any indirect costs and expenses it may incur by cooperating with any such inspection, audit, and examination by Client's Auditing Party. The Parties agree that any such inspection, audit, or examination shall occur during Issuer's normal business hours, and after Client gives Issuer reasonable advance notice of not less than five (5) Business Days, but not more frequently than two times per calendar year. Client's Auditing Party shall have the right to make abstracts from Issuer's books, accounts, data, reports, papers, and computer records directly pertaining to the subject matter of this Agreement, and Issuer shall make all such records, books, accounts, data, reports, papers, and computer records available to Client's Auditing Party for the purpose of conducting such inspections and audits. Client's Auditing Party shall comply with all laws relating to, and in making abstracts of, Issuer's books, accounts, data, reports, papers, and computer records, and Client and Client's Auditing Party remain subject to the information privacy and security provisions in Exhibit 5 to this Agreement.

(e) Examination Cooperation. Issuer agrees to cooperate with any examination or audit of Client or any entity that is an affiliate thereof which may be required by any Regulatory Authority or System with audit or examination authority over Client or such affiliate, to the fullest extent requested by Client or such Regulatory Authority or System. Issuer shall use its reasonable best efforts to promptly provide to Client information that Issuer has access to on a non-confidential basis which may be required by any Regulatory Authority or System in connection with their audit or review of Client or the Card Portfolio and shall reasonably cooperate with Client or such Regulatory Authority or System in connection with any audit or review of Client.

(f) Notice of Adverse Action by Any Regulatory Authority. Issuer will deliver to Client, within five (5) Business Days of the date of receipt, any notice of actual or threatened investigation or adverse action issued by any Regulatory Authority that seeks to materially and adversely limit Issuer's performance of its obligations under this Agreement, unless the Issuer is prohibited by the Regulatory Authority or applicable laws or regulations from sharing or disclosing the content of any such notice.

(g) Notice of Adverse Action by System. Issuer will deliver to Client, within five (5) Business Days of the date of receipt, any notice of actual or threatened action issued by Visa, MasterCard or any other System that reasonably could have a material and adverse effect on Issuer's ability to perform its obligations under the Agreement.

(h) Issuer Privacy Notices. Upon Client's request and to allow Client to provide Processing Services in the time and manner required by the Agreement, Issuer shall furnish Client with Issuer's form of privacy notice for distribution to Applicants and Cardholders. Each such privacy notice will disclose that Issuer may share information with service providers and others for Issuer's everyday business purposes. Issuer agrees that its use and disclosure of information about Cardholders and prospective Cardholders shall be limited to those uses and disclosures that relate directly to the Cardholder Accounts and the Program or that are otherwise required by Governmental Requirements. Issuer agrees not to use any Cardholder list or Cardholder Information for any purposes that are unrelated to the Program without Client's prior consent. These provisions are in addition to those that are separately established by Exhibit 5 to this Agreement.

(i) Memberships in System. Issuer shall obtain and maintain at its sole expense a principal license with Visa, MasterCard, or any other System with similar worldwide merchant acceptance that Issuer elects to make available for the Program, and shall pay all fees, dues, and assessments associated therewith (including any cost of maintaining BIN's and ICA's for the Card Portfolio) before such fees, dues and assessments become delinquent. Issuer shall retain its Membership in at least one such System in good standing and shall abide in all material respects with all Rules of any such System, including maintenance of any collateral required in connection with the Program. Issuer shall sponsor Client as an affiliate in connection with the Program at Client's sole cost and expense. If Issuer has any cause to move the Cardholder Accounts from one System to another, Issuer shall be responsible for all costs associated with such re-branding.

(j) Issuer of Cards. Issuer shall be the issuer of the Cards and the provider of all Cardholder Accounts, although Issuer shall sell ownership of the Receivables to Client as provided in Article III of this Agreement.

(k) Standards. Issuer shall operate the Program and otherwise satisfy its obligations hereunder in accordance with this Agreement, in compliance with all Governmental Regulations, in a professional and workmanlike manner with a comparable degree of care applied to its operation of credit card programs issued to its own customers.

(l) Client Employee and Trustee (Board Member) Accounts. The Parties may mutually agree to establish an agent bank-like relationship with regard to accounts for employees and trustees that will include either Issuer or Client-branded Cards issued by Issuer, with the related receivables retained by Issuer. As part of this relationship, the Parties agree that Issuer shall accept and process applications for Client's employees and trustees and issue Cards to qualifying applicants.

ARTICLE IX - ALLOCATION OF CERTAIN EXPENSES

Section 9.1Costs and Expenses Paid by Issuer. Except as otherwise provided in this Agreement, Issuer shall be solely responsible for its annual Membership fees related to Issuer's license with and Membership in any System utilized by the Program, and any fees and penalties assessed by any such System or Regulatory Authority due to Issuer's actions or the actions of any third party, other than Client or Client's employees (provided Issuer shall be liable for any penalties to the extent such penalties result from Client's compliance with its obligations hereunder and/or Issuer's instructions regarding the Program), retained by Issuer.

Section 9.2Costs and Expenses Paid by Client. Client shall be solely responsible for and promptly pay when due the following:

(a) Advertising and Marketing Program. All Advertising and Marketing Program costs and other expenses associated with the marketing and offering of Cardholder Accounts to prospective Cardholders, promotion of Cardholder Account use by Cardholders, application processing and new Cardholder Account set-up and fulfillment, including but not limited to the costs and expenses described in Article II above;

(b) Card Portfolio Management & Processing Services. All costs and expenses associated with the administration and servicing of all Cardholder Accounts, including but not limited to the costs and expenses described in Article IV above;

(c) Amounts Due in Connection with Daily Settlement Reports. All amounts due to Issuer pursuant to Article III, including but not limited to amounts due for Systems Fees, the Purchase Price and Monthly Cardholder Account Fees;

(d) Fines. All fines and penalties assessed by any Regulatory Authority or System due to the actions, inactions, or omissions of Client or its employees, representatives, third party service providers or agents (except to the extent such fines or penalties result from Client's compliance with its obligations hereunder and/or Issuer's instructions regarding the Program); and

(e) Due Diligence. All expenses associated with Client's due diligence review of any third party outsource vendor relationships contemplated in this Agreement.

ARTICLE X - INDEMNIFICATION AND LIMITATION OF LIABILITY

Section 10.1 Indemnification by Client. Client covenants and agrees to indemnify, defend and hold harmless Issuer, its parent, subsidiaries and affiliates, and their respective officers, directors, employees, successors and permitted assigns ("Issuer Indemnified Parties"), as such, against any losses, liabilities, costs, damages or expenses (including costs of investigation and defense and reasonable attorneys' fees) whether or not arising from any legal action, claim, demand or proceeding brought or threatened against any Issuer Indemnified Party by a third party as a result of (a) any breach of any representation or warranty of Client contained in this Agreement; (b) any use of Issuer's Trade Names by

Client or any of its employees, representatives or subcontractors other than in accordance with the terms of this Agreement; (c) Client's breach of any covenant or obligation of Client in this Agreement; (d) any act or omission of Client or its employees, representatives or third party providers which violates any law, by-laws or Governmental Requirements; or (e) the actions, inactions, failure to act or omissions of Client's third party providers; provided, Client shall not be required to indemnify the Issuer Indemnified Parties if such claim arises out of (i) an act of fraud, embezzlement or criminal activity by any Issuer Indemnified Party, (ii) gross negligence or willful misconduct by Issuer Indemnified Party, or (iii) the failure of Issuer to comply with, or to perform its obligations under, this Agreement.

Section 10.2 Indemnification by Issuer. Issuer covenants and agrees to indemnify, defend and hold harmless Client and its parent, subsidiaries and affiliates, and their respective officers, directors, employees, successors and permitted assigns ("Client Indemnified Parties"), as such, against any losses, liabilities, costs, damages or expenses (including costs of investigation and defense and reasonable attorneys' fees) whether or not arising from any legal action, claim, demand, or proceeding brought or threatened against any Client Indemnified Party by a third party as a result of (a) any breach of any representation or warranty of Issuer contained in this Agreement; (b) any use of Client's Trade Names by Issuer or any of its employees, representatives or subcontractors other than in accordance with the terms of this Agreement; (c) Issuer's breach of any covenant or obligation of Issuer contained in this Agreement; (d) any act or omission of Issuer or any of its employees or representatives which violates any law, by-laws or Governmental Requirements; (e) any claim against a Client Indemnified Party for infringement of any patent, copyright, trademark or other intellectual property right based upon Client's participation in the Program in accordance with the terms of this Agreement or (f) the actions, inactions, failure to act or omissions of Issuer's third party providers; provided, that Issuer shall not be required to indemnify the Client Indemnified Parties if such claim arises out of (i) an act of fraud, embezzlement or criminal activity by any Client Indemnified Party, (ii) gross negligence or willful misconduct by any Client Indemnified Party, or (iii) the failure of Client or any of its representatives to comply with, or to perform its obligations under, this Agreement.

Section 10.3 Notice and Right to Assume Control. If any third party claim or demand is asserted against any Issuer Indemnified Party or Client Indemnified Party (individually or collectively, the "Indemnified Party") by any person who is not a Party to this Agreement in respect of which the Indemnified Party may be entitled to indemnification under the provisions of Sections 10.1 or 10.2 above, written notice of such claim or demand shall promptly be given to any Party or Parties (individually or collectively, the "Indemnifying Party") from whom indemnification may be sought. The Indemnifying Party shall have the right, by notifying the Indemnified Party within ten (10) days of its receipt of the notice of the claim or demand, to assume the entire control (subject to the right of the Indemnified Party to participate at the Indemnified Party's expense and with counsel of the Indemnified Party's choice) of the defense, compromise or settlement of the matter, including, at the Indemnifying Party's expense, employment of counsel of the Indemnifying Party's choice that is reasonably acceptable to the Indemnified Party. If the Indemnifying Party gives notice to any Indemnified Party that the Indemnifying Party will assume control

of the defense, compromise or settlement of such claim the Indemnifying Party will be deemed to have waived all defenses to the claims for indemnification by the Indemnified Party with respect to that matter. No such third party claim will be settled or compromised without the prior written consent of each Indemnified Party. Any damage to the assets or business of the Indemnified Party caused by a failure of the Indemnifying Party to defend, compromise or settle a claim or demand in a reasonable and expeditious manner, after the Indemnifying Party has given notice that it will assume control of the defense, compromise or settlement of the matter, shall be included in the damages for which the Indemnifying Party shall be obligated to indemnify the Indemnified Party.

Section 10.4 No Special Damages. Neither Party shall be liable to the other for any special, indirect, incidental, consequential, punitive or exemplary damages, including, but not limited to, lost profits, even if such Party has knowledge of the possibility of such damages; provided, however, that the limitations set forth in this Section 10.4 shall not apply to or in any way limit an Indemnifying Party's obligations under this Agreement for third party claims.

ARTICLE XI - TERM AND TERMINATION

Section 11.1 Term and Expiration. The term of this Agreement shall commence on the Effective Date and continue for five (5) years (the "Initial Term") unless terminated earlier as provided below. After the Initial Term, the Agreement shall automatically extend for additional periods of three years each (a "Renewal Term") unless a party hereto has provided at least six months' written notice to the other party of its desire to terminate this Agreement at the end of the Initial Term or any Renewal Term. The Parties acknowledge and agree, however, that Client shall have an additional thirty (30) days for providing non-renewal notification in order to assess its strategy if Client receives a notice of non-renewal from Corserv of the Credit Card Services Agreement.

Section 11.2 Termination by Issuer. In addition to the termination rights set forth in Section 11.1, Issuer shall have the right to terminate this Agreement upon the occurrence of one or more of the following events:

(a) Failure to Perform Obligations. Failure by Client to observe or perform its obligations to Issuer under and in accordance with this Agreement, but only if the failure continues for a period of thirty (30) days after Issuer provides written notice of such failure to Client, or such shorter cure period as may otherwise be provided for in this Agreement, including, but not limited to, pursuant to Section 4.3 of this Agreement;

(b) Breach of Representation or Warranty. The breach by Client of any representation or warranty made hereunder or the material inaccuracy of any information furnished by or on behalf of Client by it to Issuer in connection with or arising out of this Agreement;

(c) Certain Voluntary Bankruptcy Proceedings. Client or any financial services holding company affiliated with Client: (i) voluntarily commences any proceeding or files any petition seeking relief under Title 11 of the United States Code or any other Federal,

state or foreign bankruptcy, insolvency, liquidation or similar law, (ii) applies for or consents to the appointment of a receiver, trustee, custodian, sequestrator or similar official for Client or for a substantial part of its property or assets, (iii) makes a general assignment for the benefit of creditors, or (iv) takes formal action for the purpose of effecting any of the foregoing;

(d) Certain Involuntary Bankruptcy Proceedings. The commencement of an involuntary proceeding, the filing of an involuntary proceeding, or the filing of an involuntary petition in a court of competent jurisdiction seeking (i) relief in respect of Client, or of a substantial part of its property or assets under Title 11 of the United States Code or any other Federal, state or foreign bankruptcy, insolvency, receivership or similar law, (ii) the appointment of a receiver, trustee, custodian, sequestrator or similar official for Client or for a substantial part of its property or assets, or (iii) the winding up or liquidation of Client if such proceeding or petition shall continue un-dismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall continue unstayed and in effect for sixty (60) days;

(e) Change in Law, Regulation or Rules. Upon any change to, enactment of, change in interpretation, or enforcement of any Governmental Requirement or Rule which Issuer determines would have a material adverse effect upon its ability to perform Issuer's obligations under this Agreement or upon Issuer's costs or revenues with respect to the Program;

(f) At the Direction of Regulatory Authority or System. Upon direction to Issuer from any Regulatory Authority or System to cease the Program or materially limit the performance of Issuer's obligations under this Agreement;

(g) Termination of Credit Card Services Agreement. Upon termination of the Credit Card Services Agreement;

(h) Voluntary Bankruptcy Proceedings Involving Corserv. Corserv: (i) voluntarily commences any proceeding or files any petition seeking relief under Title 11 of the United States Code or any other Federal, state or foreign bankruptcy, insolvency, liquidation or similar law, (ii) applies for or consents to the appointment of a receiver, trustee, custodian, sequestrator or similar official for Client or for a substantial part of its property or assets, (iii) makes a general assignment for the benefit of creditors, (iv) takes formal action for the purpose of effecting any of the foregoing; or

(i) Involuntary Bankruptcy Proceedings Involving Corserv. The commencement of an involuntary proceeding or the filing of an involuntary proceeding or the filing of an involuntary petition in a court of competent jurisdiction seeking (i) relief in respect of Corserv, or of a substantial part of its property or assets under Title 11 of the United States Code or any other Federal, state or foreign bankruptcy, insolvency, receivership or similar law, (ii) the appointment of a receiver, trustee, custodian, sequestrator or similar official for Corserv or for a substantial part of its property or assets, or (iii) the winding up or liquidation of Corserv if such proceeding or petition shall continue un-dismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall continue unstayed and in effect for sixty (60) days.

Section 11.3 Termination by Client. In addition to the termination rights set forth in Section 11.1, Client shall have the right to terminate this Agreement upon the occurrence of one or more of the following events:

(a) Failure to Perform Obligations. Failure by Issuer to observe or perform its obligations to Client under and in accordance with this Agreement, but only if the failure continues for a period of thirty (30) days after Client provides written notice of such failure to Issuer;

(b) Breach of Representation or Warranty. The breach by Issuer of any representation or warranty made by it hereunder or the material inaccuracy of any information furnished by or on behalf of Issuer to Client in connection with or arising out of this Agreement;

(c) Certain Voluntary Bankruptcy Proceedings. Issuer or any financial services holding company affiliated with Issuer: (i) voluntarily commences any proceeding or files any petition seeking relief under Title 11 of the United States Code or any other Federal, state or foreign bankruptcy, insolvency, liquidation or similar law; (ii) applies for or consents to the appointment of a receiver, trustee, custodian, sequestrator or similar official for Issuer or for a substantial part of its property or assets; (iii) makes a general assignment for the benefit of creditors; or (iv) takes formal action for the purpose of effecting any of the foregoing;

(d) Certain Involuntary Bankruptcy Proceedings. The commencement of an involuntary proceeding or the filing of an involuntary proceeding or the filing of an involuntary petition in a court of competent jurisdiction seeking (i) relief in respect of Issuer, or of a substantial part of its property or assets under Title 11 of the United States Code or any other Federal, state or foreign bankruptcy, insolvency, receivership or similar law, (ii) the appointment of a receiver, trustee, custodian, sequestrator or similar official for Issuer or for a substantial part of its property or assets, or (iii) the winding up or liquidation of Issuer if such proceeding or petition shall continue un-dismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall continue unstayed and in effect for sixty (60) days;

(e) Change in Law, Regulation or Rules. Upon any change to, enactment of, change in interpretation, or enforcement of any Governmental Requirement or Rule which Client determines would have a material adverse effect upon its ability to perform Client's obligations under this Agreement or upon Client's costs or revenues with respect to the Program;

(f) At the Direction of Regulatory Authority or System. Upon direction to Client from any Regulatory Authority or System to terminate this Agreement or the Credit Card Services Agreement, cease the Program or materially limit the performance of Client's obligations under this Agreement or under the Credit Card Services Agreement;

(g) Termination of Credit Card Services Agreement. Upon termination of the Credit Card Services Agreement for a reason other than pursuant to Section 4(d) of the Credit Card Services Agreement (as a result of a Change in Control of Client);

(h) Termination of System Membership. Upon termination of Issuer's membership in any System that leaves Issuer without any System license that Issuer can use in connection with the Program;

(i) Voluntary Bankruptcy Proceedings Involving Corserv. Corserv: (i) voluntarily commences any proceeding or files any petition seeking relief under Title 11 of the United States Code or any other Federal, state or foreign bankruptcy, insolvency, liquidation or similar law, (ii) applies for or consents to the appointment of a receiver, trustee, custodian, sequestrator or similar official for Client or for a substantial part of its property or assets, (iii) makes a general assignment for the benefit of creditors, (iv) takes formal action for the purpose of effecting any of the foregoing;

(j) Involuntary Bankruptcy Proceedings Involving Corserv. The commencement of an involuntary proceeding or the filing of an involuntary proceeding or the filing of an involuntary petition in a court of competent jurisdiction seeking (i) relief in respect of Corserv, or of a substantial part of its property or assets under Title 11 of the United States Code or any other Federal, state or foreign bankruptcy, insolvency, receivership or similar law, (ii) the appointment of a receiver, trustee, custodian, sequestrator or similar official for Corserv or for a substantial part of its property or assets, or (iii) the winding up or liquidation of Corserv if such proceeding or petition shall continue un-dismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall continue unstayed and in effect for sixty (60) days;

(k) Change in Control of Client. Upon consummation of a Change in Control of Client;

(l) Increase in Minimum Reserve Balance. If pursuant to Exhibit 4 of this Agreement, the Minimum Reserve Balance is increased by Issuer to an amount in excess of seven times the average daily Purchase Price; or

(m) Default of Corserv Agreement. In the event any act or omission by Issuer is the sole and direct cause of Client's default of its Credit Card Services Agreement with Corserv, Client has provided written notice of such cause to Issuer immediately upon receipt of notice of default from Corserv, and Issuer has failed to cure such default within the applicable cure period provided in the Corserv Agreement.

Section 11.4 Consequences of Termination.

(a) Survival of Certain Obligations. From and after the termination of this Agreement, the Parties hereto shall have no further obligations hereunder, except: (i) for those provisions of this Agreement which by their terms survive the termination of this Agreement, including, but not limited to, as a result of the survival provisions included in Section 14.15; or (ii) as otherwise set forth in this Section 11.4.

(b) Termination Scenarios Involving a Tail Period. In the event that this Agreement is terminated pursuant to Section 11.1, Section 11.2(e), (g), (h) or (i), or any subsection of Section 11.3 except Section 11.3(f), Section 11.3(k) and Section 11.3(l), unless

otherwise ordered by a Regulatory Authority, and if Client so elects, Issuer agrees to transfer, as of the effective date of termination or a date mutually acceptable to the Parties that is not more than ninety (90) days after that (the “Tail Period”), not less than all of the Cards and Cardholder Accounts (excluding accounts that have been charged off as fraud losses and accounts that have been closed with a zero balance for twenty four (24) consecutive months or longer) to Client or Client’s designee, for the consideration of eighteen dollars (\$18.00) per Cardholder Account. If Client elects and Issuer agrees, Issuer will continue to issue Cards for Cardholders as provided in the Card Program Terms, and Client will continue to purchase Receivables, pay the Purchase Price, pay the Monthly Cardholder Account Fees, and perform its other obligations under this Agreement, through the end of the Tail Period or any earlier date acceptable to the Parties by which Issuer can complete its transfer of the Cards and Cardholder Accounts to another issuing financial institution, at no cost to Issuer and on terms acceptable to Issuer. Client must use its commercially reasonable efforts to arrange for the transfer of the Cardholder Accounts prior to the expiration of the Tail Period. If Client has not transferred the Cards and Cardholder Accounts to a specific alternative issuer prior to the expiration of the Tail Period, Issuer may at its option cancel the Cards and close Cardholder Accounts in accordance with their terms or issue a re-branded card at or before the expiration of a Card, at which point the account will cease to be a Cardholder Account subject to the terms of this Agreement, provided that in no event will Issuer re-issue cards bearing the brand of a financial institution headquartered in the State of Connecticut in connection with an account that was a Cardholder Account.

(c) Termination Scenarios without a Tail Period and Termination Fee. In the event that this Agreement is terminated by Issuer pursuant to Sections 11.2(a), (b), (c), (d) or (f), by Client pursuant to Section 11.3(f), Sections 11.3(k) or (l), or if Client notifies Issuer prior to the expiration of the Tail Period that Client will not arrange for Issuer’s transfer of the Cardholder Accounts to another issuer, Issuer may take any action it reasonably deems necessary with respect to the Cards and Cardholder Accounts, including but not limited to (i) canceling any or all Cards and/or terminating charge and cash advance privileges and (ii) retaining Collections and Interchange Fees received after the date of termination up to an amount sufficient to repay any Receivables for which Client has failed to pay the Purchase Price. In the event that Client terminates this Agreement pursuant to Section 11.3(k) or 11.3(l), Client shall pay to Issuer within two (2) Business Days of the termination of this Agreement, an early termination fee equal to twenty five thousand dollars (\$25,000).

(d) Termination of Marketing Efforts. In the event of any termination of this Agreement, Client shall discontinue all Advertising and terminate any Marketing Programs that are underway and Issuer shall not be obligated to originate any new Cardholder Accounts other than those for which a firm offer of credit was extended prior to the termination date.

(e) Unwinding of Program. Issuer and Client acknowledge that: (i) the value of Client’s investment is dependent on the maintenance of the Cardholder Accounts even after termination of the Agreement, and/or Client’s ability to acquire and move the Cards and Cardholder Accounts to another issuer; and (ii) Issuer’s name, reputation and goodwill is dependent on the fair and appropriate handling of Cardholder Accounts upon termination. The Parties will exercise their best efforts to protect their interests and to wind down the relationship as quickly as possible should termination occur. Upon transfer of the Cardholder Accounts to

another issuer (or the expiration and/or cancelation of all Cards), and after the payment of all amounts due Issuer in connection with such transfer and this Agreement, any remaining funds in the Reserve Account will be returned to Client. The Parties will cooperate to ensure a smooth and orderly wind-down of the Program, and to avoid disruption, confusion or harm to either party. In no event will any Client or Issuer make any public statement or customer communication regarding the wind-down without the express prior written approval of the other Party, which approval shall not be unreasonably withheld or delayed. The parties will work cooperatively to effect a transfer/transition of the other Party's Confidential Information in a party's possession, custody or control within a timely manner.

(f) Termination of Corserv Agreement Only. In the event that Corserv ceases to provide services related to the Program and the Parties have agreed to continue this Agreement, Issuer will use commercially reasonable efforts to assist Client to transition to the successor service provider for the Program.

ARTICLE XII - CONFIDENTIALITY

Section 12.1 Privacy and Security of Confidential Information. The Parties agree that the terms governing the privacy and use of Confidential Information are set forth in Exhibit 5, in addition to all other terms in this Agreement that apply to limitations on use and disclosure of information and establish other general contractual duties that govern the relationship of the Parties.

ARTICLE XIII - INSURANCE

Section 13.1 Each party shall maintain, throughout the term of this Agreement, appropriate comprehensive general liability (which shall include contractual liability), errors and omissions, bodily injury, property damage, automobile and employee theft and dishonesty insurance policies, the limit of which shall be no less than a combined single limit of \$1,000,000 per occurrence.

Section 13.2 Each party shall provide the other party, within five (5) Business Days of any request made by such other party, with in effect declaration pages evidencing coverage.

ARTICLE XIV - MISCELLANEOUS

Section 14.1 Notice. All notices, requests, demands and other communications required by this Agreement shall be in writing and shall be deemed to have been duly given as and when mailed, postage prepaid, certified mail, return receipt requested, to the Parties at the following address:

To Issuer: Pinnacle Bank
150 3rd Avenue South
Suite 900
Nashville, TN 37201
Attention: Mr. Jamie Sweeney, SVP

To Client: Newtown Savings Bank
39 Main Street
Newtown, CT 06470
Attention: Executive Offices

Section 14.2 Entire Agreement; Amendments. This Agreement constitutes the entire Agreement between the Parties and supersedes all prior agreements, understandings, and arrangements, oral or written, between the Parties with respect to the subject matter hereof, each of which is merged into and subsumed by this Agreement. This Agreement may not be modified or amended except by an instrument or instruments in writing signed by the Party against whom enforcement of any such modification or amendment is sought.

Section 14.3 Expenses. Except as otherwise provided in this Agreement, the Parties shall pay their own expenses (including, without limitation, the fees and expenses of their own agents, representatives, counsel, and accountants) incidental to the preparation and performance of this Agreement.

Section 14.4 Section and Other Headings. The various captions and section headings in this Agreement are included for convenience only and shall not affect the meaning or interpretation of any provision of this Agreement. References in this Agreement to any "Section" are to the applicable section of this Agreement.

Section 14.5 Successors and Third Parties. This Agreement and the rights and obligations hereunder shall bind, and inure to the benefit of, the Parties and their successors and permitted assigns.

Section 14.6 Separate Counterparts. This Agreement may be executed in separate counterparts which shall collectively and separately be considered one and the same Agreement.

Section 14.7 Severability. In the event that any part of this Agreement is deemed by a court, Regulatory Authority, System, or other public or private tribunal of competent jurisdiction to be invalid or unenforceable, such provision shall be deemed to have been omitted from this Agreement. The remainder of this Agreement shall remain in full force and effect, and shall be modified to any extent necessary to give such force and effect to the remaining provisions, but only to such extent.

Section 14.8 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to conflicts of law principles that would provide for the application of the laws of another jurisdiction.

Section 14.9 Assignment. This Agreement may not be assigned without the prior written consent of the other Party in its sole discretion; provided, however, that Issuer shall be permitted to assign the Agreement to an affiliate thereof without the prior written consent of Client. Issuer's consent to an assignment by Client to an affiliate will not be unreasonably withheld.

Section 14.10 Waivers. Neither Party shall be deemed to have waived any of its rights, powers, or remedies hereunder except when such waiver is in writing and is signed by an authorized agent or representative of the waiving Party. Either Party may, by an instrument in writing, waive compliance by the other Party with any term or provision of this Agreement on the part of the other Party to be performed or complied with. The waiver by either Party of a breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

Section 14.11 Disputes.

(a) Duty to Notify. In the event of any dispute, controversy, or claim arising out of or relating to this Agreement or the making, construction, interpretation, performance, breach, termination, enforceability or validity thereof (hereinafter, a “Dispute”), the Party raising such Dispute shall notify the other promptly and no later than sixty (60) days from the date of its discovery of the Dispute.

(b) Cooperation to Resolve Disputes. The Parties shall cooperate and attempt in good faith to resolve any Dispute promptly by negotiating between persons who have authority to settle the Dispute and who are at a higher level of management than the persons with direct responsibility for administration and performance of the provisions or obligations of this Agreement that are the subject of the Dispute.

(c) Arbitration. Any Dispute which cannot otherwise be resolved as provided in paragraph (b) above shall be resolved by binding arbitration conducted in accordance with the commercial arbitration rules of JAMS, and judgment upon the award rendered by the arbitral tribunal may be entered in any court having jurisdiction thereof. The arbitration tribunal shall consist of a single arbitrator who shall be a licensed attorney with experience with financial institutions and financial contracts. The arbitrator shall be mutually agreed upon by the Parties. In the absence of such agreement, within 30 days from the first referral of the Dispute to JAMS, JAMS shall designate the arbitrator from its list of candidates. The place of arbitration shall be Wilmington-, Delaware, unless the Parties shall have agreed to another location within 15 days from the first referral of the Dispute to JAMS. The arbitral award shall be final and binding. The Parties waive any right to appeal the arbitral award, to the extent a right to appeal may be lawfully waived. Each Party retains the right to seek judicial assistance: (i) to compel arbitration, (ii) to obtain interim measures of protection prior to or pending arbitration, (iii) to seek injunctive relief in the courts of any jurisdiction as may be necessary and appropriate to protect the unauthorized disclosure of its Confidential Information, and (iv) to enforce any decision of the arbitrator, including the final award. The prevailing party in any action to enforce this Agreement will be entitled to recovery of its reasonable attorneys’ fees and costs in connection with such action.

(d) Confidentiality of Proceedings. The arbitration proceedings contemplated by this Section 14.11 shall be as confidential and private as permitted by law. To that end, the Parties shall not disclose the existence, content or results of any proceedings conducted in accordance with this Section 14.11, and materials submitted in connection with such proceedings shall not be admissible in any other proceeding, provided, however, that this confidentiality

provision shall not prevent a petition to vacate or enforce an arbitral award, and shall not bar disclosures required by any laws or regulations.

Section 14.12 Equitable Relief. In addition to the rights of termination hereunder and any other rights at law, the Parties agree that money damages would be inadequate for a breach of any of the confidentiality provisions of this Agreement including, but not limited to, Article XII of this Agreement and the Parties shall also have the right to specifically enforce this Agreement or obtain other equitable relief for breaches or threatened breaches thereof.

Section 14.13 Non-Competition. Client agrees that, in consideration of and as an inducement for Issuer to make the Program available to Client as provided in this Agreement, Client (and its affiliates) shall not during the Term, either directly or indirectly, establish, provide, endorse, support, sponsor or promote any revolving credit card accounts other than the Cardholder Accounts.

Section 14.14 Relationship of Parties. Issuer and Client agree that they are independent contractors to each other in performing their respective obligations hereunder. Nothing in this Agreement or in the working relationship being established and developed hereunder shall be deemed, nor shall it cause, Issuer and Client to be treated as partners, joint ventures, or otherwise as joint associates for profit.

Section 14.15 Survival. The provisions of Articles III, IV, IX, X, XI, XII (including those privacy and security provisions established by Exhibit 5), and XIV shall survive termination or expiration of this Agreement.

Section 14.16 Non-Exclusive. The Program and the Marketing Program are provided by Issuer to Client on a non-exclusive basis.

Section 14.17 No Third Party Beneficiary. This Agreement will not confer any rights or remedies upon any person other than the Client, the Issuer, and their respective successors and assigns.

Signature page to follow

IN WITNESS WHEREOF, this Agreement is executed by the Parties' authorized officers or representatives and shall be effective as of the date first above written.

Newtown Savings Bank
(Client)

Pinnacle Bank
(Issuer)

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Exhibit 1
Fee Schedule

Monthly Cardholder Account Fee

\$.75 per month per Cardholder Account for 0-1,000 accounts (\$750 for first 1,000 CA)

\$.50 per month per Cardholder Account for 1,001 – 5,000 accounts (\$2,000 for next 4,000 CA)

\$.45 per month per Cardholder Account in excess of 5,000 accounts (.45 for each CA over 5,000)

Minimum Fee = \$500/month, with an initial due date of the first business day of the first calendar month in which applications for Cardholder Accounts will be decisioned by the Issuer.

For purposes of this Exhibit, Cardholder Accounts shall not include any accounts that have been closed with a zero balance for twenty four (24) consecutive months or longer.

Exhibit 2

Initial Products and Pricing (Consumer)

Product Name	Consumer Platinum	Consumer Platinum Rewards	MasterCard World/Visa Signature Rewards
Annual Fee (\$)	None	None	None
Purchases: Intro Rate/Term	0% for 6 months	None	None
Balance Transfers: Intro Rate/Term	0% for 6 months	None	None
Other Intro Offers (Bonus points, etc.)		5000 bonus points upon \$1000 spend in first 3 months	10,000 bonus points upon \$3000 spend in first 3 months
Purchases: Go To Rate(s): Variable	Prime + 5.74% to Prime + 13.74% (Based on credit score)	Prime + 9.74% to Prime + 15.74% (Based on credit score)	Prime + 9.74% to Prime + 15.74% (Based on credit score)
Cash: Go To Rate(s)	21.00% Fixed	21.00% Fixed	21.00% Fixed
Cash Credit Line	25% of Total Credit Line	25% of Total Credit Line	25% of Total Credit Line
Penalty Rate	None	None	None
BT Fee (%)	3%	3%	3%
BT Fee (Min \$)	\$10	\$10	\$10
BT Fee (Max \$)	None	None	None
Cash Advance Fee (%)	4%	4%	4%
Cash Advance Fee (Min \$)	\$10	\$10	\$10
Cash Advance Fee (Max \$)	None	None	None
Late Fee (\$)	\$25 for first occurrence in a six-month period; \$35 for additional occurrences; not to exceed more than min pay amount; do not charge if balance less than \$100	\$25 for first occurrence in a six-month period; \$35 for additional occurrences; not to exceed more than min pay amount; do not charge if balance less than \$100	\$25 for first occurrence in a six-month period; \$35 for additional occurrences; not to exceed more than min pay amount; do not charge if balance less than \$100
Return Payment Fee (\$)	\$25 for first occurrence in a six-month period; \$35 for additional occurrences; not to exceed more than min pay amount; do not charge if balance less than \$100; do not charge if returned payment results in late fee	\$25 for first occurrence in a six-month period; \$35 for additional occurrences; not to exceed more than min pay amount; do not charge if balance less than \$100; do not charge if returned payment results in late fee	\$25 for first occurrence in a six-month period; \$35 for additional occurrences; not to exceed more than min pay amount; do not charge if balance less than \$100; do not charge if returned payment results in late fee
Overlimit Fee (\$)	None	None	None
Expedited Card Fee (\$)	\$30 per card	\$30 per card	\$30 per card
Other Fees/Features		1 Point per \$ of net purchases	1 Point per \$ of net purchases
Minimum Interest Charge (\$)	\$1.00	\$1.00	\$1.00
Foreign Exchange Fee (%)	1.5%	1.5%	1.5%
Minimum Payment	The Minimum Payment you must pay by the due date after each Billing Cycle will include all past due and overlimit amounts for your Account, plus the greater of: (a) \$25.00 or any lesser amount that would pay the New Balance in full; (b) 2.0% of the New Balance; or (c) 1.0% of the New Balance, plus all Interest Charges and Fees due for the Billing Cycle shown on your Statement.	The Minimum Payment you must pay by the due date after each Billing Cycle will include all past due and overlimit amounts for your Account, plus the greater of: (a) \$25.00 or any lesser amount that would pay the New Balance in full; (b) 2.0% of the New Balance; or (c) 1.0% of the New Balance, plus all Interest Charges and Fees due for the Billing Cycle shown on your Statement.	The Minimum Payment you must pay by the due date after each Billing Cycle will include all past due and overlimit amounts for your Account, plus the greater of: (a) \$25.00 or any lesser amount that would pay the New Balance in full; (b) 2.0% of the New Balance; or (c) 1.0% of the New Balance, plus all Interest Charges and Fees due for the Billing Cycle shown on your Statement.

Exhibit 2

Initial Products and Pricing (Commercial)

Product Name	Business Platinum	Business Platinum Rewards	Business MasterCard World/Visa Signature Rewards	Corporate - No Rewards	Corporate - Rewards
Annual Fee (\$)	None	None	None	None	\$25 per card
Purchases: Intro Rate/Term	0% for 6 months	None	None	None	None
Balance Transfers: Intro Rate/Term	0% for 6 months	None	None	N/A	N/A
Other Intro Offers (Bonus points, etc.)	None	None	None	None	None
Purchases: Go To Rate(s): Variable	Prime + 5.74% to Prime + 13.74% (Based on credit score)	Prime + 9.74% to Prime + 15.74% (Based on credit score)	Prime + 9.74% to Prime + 15.74% (Based on credit score)	Prime + 15.74%	Prime + 15.74%
Cash: Go To Rate(s)	21.00% Fixed	21.00% Fixed	21.00% Fixed	21.00% Fixed	21.00% Fixed
Cash Credit Line	25% of Total Credit Line	25% of Total Credit Line	25% of Total Credit Line	25% of Total Credit Line	25% of Total Credit Line
Penalty Rate	None	None	None	None	None
BT Fee (%)	3%	3%	3%	N/A	N/A
BT Fee (Min \$)	\$10	\$10	\$10	N/A	N/A
BT Fee (Max \$)	None	None	None	N/A	N/A
Cash Advance Fee (%)	4%	4%	4%	4%	4%
Cash Advance Fee (Min \$)	\$10	\$10	\$10	\$10	\$10
Cash Advance Fee (Max \$)	None	None	None	None	None
Late Fee (\$)	\$25 on balances up to \$500; \$35 on balances of \$500 or more (do not charge if balance less than \$100)	\$25 on balances up to \$500; \$35 on balances of \$500 or more (do not charge if balance less than \$100)	\$25 on balances up to \$500; \$35 on balances of \$500 or more (do not charge if balance less than \$100)	\$25 on balances up to \$500; \$35 on balances of \$500 or more (do not charge if balance less than \$100)	\$25 on balances up to \$500; \$35 on balances of \$500 or more (do not charge if balance less than \$100)
Return Payment Fee (\$)	\$35	\$35	\$35	\$35	\$35
Overlimit Fee (\$)	\$35 (do not charge if less than \$100 overlimit)	\$35 (do not charge if less than \$100 overlimit)	\$35 (do not charge if less than \$100 overlimit)	\$35 (do not charge if less than \$100 overlimit)	\$35 (do not charge if less than \$100 overlimit)
Expedited Card Fee (\$)	\$30 per card	\$30 per card	\$30 per card	\$30 per card	\$30 per card
Other Fees/Features		1 Point per \$ of net purchases	1 Point per \$ of net purchases		1 Point per \$ of net purchases
Minimum Interest Charge (\$)	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Foreign Exchange Fee (%)	1.5%	1.5%	1.5%	1.5%	1.5%
Minimum Payment	The Minimum Payment you must pay by the due date after each Billing Cycle will include all past due and overlimit amounts for your Account, plus the greater of: (a) \$50.00 or any lesser amount that would pay the New Balance in full; (b) 3.0% of the New Balance; or (c) 1.5% of the New Balance, plus all Interest Charges and Fees due for the Billing Cycle shown on your Statement.	The Minimum Payment you must pay by the due date after each Billing Cycle will include all past due and overlimit amounts for your Account, plus the greater of: (a) \$50.00 or any lesser amount that would pay the New Balance in full; (b) 3.0% of the New Balance; or (c) 1.5% of the New Balance, plus all Interest Charges and Fees due for the Billing Cycle shown on your Statement.	The Minimum Payment you must pay by the due date after each Billing Cycle will include all past due and overlimit amounts for your Account, plus the greater of: (a) \$50.00 or any lesser amount that would pay the New Balance in full; (b) 3.0% of the New Balance; or (c) 1.5% of the New Balance, plus all Interest Charges and Fees due for the Billing Cycle shown on your Statement.	Pay in full	Pay in full

Exhibit 3
Initial Credit Policy

[Provided in a Separate File]

Exhibit 4

Minimum Reserve Balance

Issuer shall monitor Client's credit worthiness and financial condition using the Kroll Bond Rating Agency ("KBRA") Ratings. If during any calendar quarter, Client's KBRA Financial Strength Rating is a "D" (on a scale of A – E), the amount of the Minimum Reserve Balance for the next calendar quarter shall not be less than five (5) times the daily Purchase Price averaged over the last month of the preceding calendar quarter. If during any calendar quarter, Client's KBRA Financial Strength Rating is an "E", the amount of the Minimum Reserve Balance for the next calendar quarter shall not be less than seven (7) times the daily Purchase Price averaged over the last month of the preceding calendar quarter.

If the KBRA Ratings become unavailable or Issuer identifies a more predictive, nationally recognized source for credit worthiness ratings of financial institutions, Issuer may substitute an alternative third party rating service and comparable risk adjustments to the Minimum Reserve Balance.

If Client becomes subject to any enforcement order issued and announced to the public by a Regulatory Authority which in Issuer's commercially reasonable judgment indicates a threat to Client's ability to perform its obligations under this Agreement, the amount of the Minimum Reserve Balance may be increased by written notice from Issuer to an amount not to exceed ten (10) times the daily Purchase Price averaged over the last month of the preceding calendar quarter until such time as the enforcement order is lifted by the Regulatory Authority; however, Client shall have the right to terminate this Agreement in accordance with the provisions of Section 11.3(l) of this Agreement.

Exhibit 5

Privacy and Security of Confidential Information

1. DEFINITIONS.

1.1 “**Confidential Information**” means:

- (a) The Agreement and any information, excluding Nonpublic Personal Information, that Recipient obtains, maintains, processes or otherwise is permitted to access from or about Discloser, or associated in any way with this Agreement, which is generally not known to the public or which has been identified as confidential or proprietary by a Party, including without limitation: trade secrets; business information of whatever nature; financial and marketing information; current and potential business products, services, and plans; personal information concerning a Party’s employees or contractors; business records; business manuals, policies and procedures; and strategic and development plans;
- (b) Any Nonpublic Personal Information that Recipient obtains, maintains, processes or otherwise is permitted to access from or about any Customer of Discloser.

1.2 “**Customer**” means any person or business entity who applies for, obtains, or has applied for or obtained a financial product or service from a Party, including Applicants and Cardholders maintaining a Cardholder Account with Issuer and obligated to pay Receivables, and any person who provides personally identifiable information acting as an officer, member, manager, principal, guarantor, co-signer, or other representative of an Applicant or Cardholder.

1.3 “**Discloser**” means a Party disclosing its own Confidential Information to the other Party.

1.4 “**Nonpublic Personal Information**” means any information from or about a Customer: (i) that relates to a Customer; (ii) that relates to or derives from any transaction directly between Discloser and any Customer; or (iii) that is a list, description or other grouping of Customers.

1.5 “**Recipient**” means a Party that receives Confidential Information of the other Party.

2. OWNERSHIP OF AND RIGHTS TO NONPUBLIC PERSONAL INFORMATION ABOUT CUSTOMERS.

- 2.1 Client acknowledges and agrees that all Nonpublic Personal Information about an Applicant that is made available to either Party in connection with an application for a Card and Cardholder Account, or that is otherwise prepared, collected, or used by either Party in connection with an application for a Card and Cardholder Account, shall be considered Confidential Information of Issuer in its capacity as Discloser and shall pertain to a Customer of Issuer; provided, however, that any Nonpublic Personal Information that Client separately obtains from or about a Customer in connection with other financial products or services provided by

Client, and excluding the Card and Cardholder Account provided by Issuer, shall be considered Confidential Information of Client in its capacity as Discloser and pertain to a Customer of Client with respect to such Nonpublic Personal Information.

- 2.2 Client acknowledges and agrees that all Nonpublic Personal Information about a Cardholder that is made available to either Party in connection with a Card and Cardholder Account, or that is otherwise prepared, collected, or used by either Party in connection with a Card or Cardholder Account, for purposes of providing, maintaining, servicing, or collecting a Cardholder Account of any Cardholder, shall be considered the Confidential Information of Issuer in its capacity as Discloser and shall pertain to a Customer of Issuer; provided, however, that any such Nonpublic Personal Information about a Cardholder that relates specifically to any Receivable or closed Cardholder Account that Client has acquired from Issuer under the Agreement shall be considered the Confidential Information of Client from the time it acquires any such Receivable or closed Cardholder Account from Issuer.

3. USE AND CONFIDENTIALITY OF CONFIDENTIAL INFORMATION.

- 3.1 Recipient agrees that it shall use Discloser's Confidential Information solely for performing Recipient's obligations under the Agreement.
- 3.2 Recipient agrees that it shall not sell, rent, lease or otherwise directly or indirectly disclose Discloser's Confidential Information to any third party, except as expressly authorized by the Agreement or as otherwise expressly authorized in advance and in writing by Discloser.
- 3.3 Recipient agrees that it shall take all reasonable steps to protect the confidentiality of Discloser's Confidential Information, using the same standard of care that Recipient uses to protect its own Confidential Information, and not less than any standard of care established by Rules and Governmental Requirements and that is considered commercially reasonable under the circumstances.
- 3.4 Recipient agrees that it shall give access to Discloser's Confidential Information only to those employees, officers or agents of Recipient who have a need to know in connection with the performance of Recipient's obligations under the Agreement.
- 3.5 Recipient agrees not to copy or duplicate Discloser's Confidential Information, except as necessary to fulfill Recipient's obligations under the Agreement or as required by any applicable Rules or Governmental Requirements.
- 3.6 Recipient agrees not to edit Discloser's Confidential Information
- 3.7 If Recipient is permitted under the terms of this Exhibit or the Agreement to disclose Discloser's Confidential Information to a third party, then Recipient shall ensure that any such third party is subject to binding confidentiality obligations with respect to such Confidential Information that are at least as restrictive as those contained in this Exhibit.

4. EXCLUSIONS AND EXCEPTIONS.

- 4.1 The confidentiality obligations in this Exhibit do not apply to Confidential Information, except Nonpublic Personal Information about a Customer, that:
- (a) is a part of the public domain when disclosed to Recipient, or that subsequently becomes a part of the public domain through no act or omission of Recipient;
 - (b) was in Recipient's lawful possession without an accompanying secrecy obligation prior to disclosure by Discloser, as documented in Recipient's written records;
 - (c) is lawfully disclosed to Recipient by a third party without an accompanying secrecy obligation or breach of any duty or agreement by which such third party is bound; or
 - (d) is independently developed by Recipient for purposes and uses that are unrelated to the Agreement, with written verifiable proof thereof provided to Discloser upon its request.
- 4.2 This Exhibit shall not be deemed to prohibit disclosures:
- (a) required by Governmental Requirements, provided that prior notice of any such disclosure not prohibited by Governmental Requirements has been given to Discloser, in a time and manner that would permit Discloser to take legal action at its own cost and expense to prevent the disclosure or seek an appropriate protective order;
 - (b) required to protect and defend Recipient's rights or property or protect under exigent circumstances the personal safety of the public or Recipient's clients or customers;
 - (c) as required in the course of an examination by a Regulatory Authority with jurisdiction over Recipient; or
 - (d) to Recipient's professional auditors and counsel, provided that such advisors are obligated to maintain the confidentiality of the information they receive.

5. RETRANSMISSION, RETURN, AND DESTRUCTION OF DISCLOSER'S CONFIDENTIAL INFORMATION.

- 5.1 If Recipient is permitted to retransmit any Confidential Information of Discloser under the terms of the Agreement, Recipient's mode of retransmission must be at least as secure as the mode by which Discloser transmitted such Confidential Information to Recipient.
- 5.2 Upon Discloser's request, Recipient shall promptly return Discloser's Confidential Information to Discloser in the same format as provided by Discloser or destroy Discloser's Confidential Information, except to the limited extent that Recipient is required to maintain copies of Discloser's Confidential Information for legal, regulatory, or accounting reasons or pursuant to Recipient's document

retention policies. Any copies of Discloser's Confidential Information that Recipient maintains for legal, regulatory, or accounting reasons or pursuant to Recipient's document retention policies shall remain subject to the duties of confidentiality, privacy, and security set forth in this Exhibit.

- 5.3 Nothing in this Exhibit or the Agreement shall be construed to grant Recipient any rights, title or interest in or to any of Discloser's Confidential Information.

6. INFORMATION SECURITY AND DISPOSAL STANDARDS.

- 6.1 Recipient agrees to implement and maintain a comprehensive written information security program that complies with all applicable Rules and Governmental Requirements and includes appropriate administrative, technical and physical safeguards to:
- (a) ensure the safety and confidentiality of Discloser's Confidential Information;
 - (b) protect against unauthorized access to and use of Discloser's Confidential Information;
 - (c) protect against anticipated threats or hazards to the security or integrity of Discloser's Confidential Information; and
 - (d) properly dispose of Discloser's Confidential Information.
- 6.2 Recipient agrees that such measures shall comply with and meet the objectives of all applicable Rules and Governmental Requirements, including without limitation the Interagency Guidelines Establishing Information Security Standards.
- 6.3 Recipient shall implement a written security and disaster recovery plan consistent with the standards and practices of the respective industries of Recipient and Discloser, and all applicable Rules and Governmental Requirements.
- 6.4 Recipient further agrees to cooperate in Discloser's monitoring of Recipient's compliance with the foregoing obligations that relate to the Program, the Cardholder Accounts, and the Receivables, and as reasonably requested by Discloser from time to time, including, without limitation, by providing Discloser with an opportunity to review information security audits, test results, reports and similar materials that Recipient might prepare or have prepared for it from time to time and that are applicable to the Program, the Cardholder Accounts, and/or the Receivables (excluding examination reports addressed to a Party by a financial institution agency with supervisory authority over such Party).

7. NOTIFICATION OF SECURITY BREACH.

- 7.1 Recipient agrees to comply with all applicable Governmental Requirements and take appropriate actions to address incidents of unauthorized access to Discloser's Confidential Information, including by notifying Discloser as soon as possible of any unauthorized access to or disclosure of Discloser's Confidential Information, or any breach of this Exhibit (including without limitation any instance of theft,

unauthorized access by fraud, deception or other malfeasance or inadvertent access).

- 7.2 In the event of any such breach of this Exhibit, unauthorized access, disclosure or breach of security, Recipient shall further provide to Discloser, in writing, such details concerning the incident in question as Discloser may request, solely to the extent such details directly relate to the breach, unauthorized access or disclosure.
- 7.3 Recipient shall obtain Discloser's express written approval for the form, content and timing of any communication that Discloser may allow Recipient to provide Discloser's Customers about any breach or potential breach of information security related to Discloser's Confidential Information concerning any such Customers.
- 7.4 In the event of any known breach of security related to Discloser's Confidential Information concerning a Customer, Recipient shall:
 - (a) conduct an investigation of the security breach and collect and preserve all data and evidence concerning the security breach;
 - (b) take all steps appropriate and necessary to contain, prevent and mitigate any further security breach;
 - (c) provide immediate notice to Discloser of any such known security breach, which shall not be later than twenty-four (24) hours after Discloser learns about or discovers any such breach of information security;
 - (d) provide Discloser with a written report concerning any such known security breach within three (3) Business Days;
 - (e) document and detail the remedial action taken by Recipient, and planned to be taken by Recipient, to remediate any such known breach of information security.
 - (f) If Issuer's systems are breached such that Cardholder Information of Client's customers is accessed, Issuer will be responsible for the cost of providing notice to affected customers and providing them with a minimum of up to one year of credit monitoring service, and pay the costs of reissuing any card necessitating reissue as the result of any such breach.
 - (g)

8. RED FLAGS.

- 8.1 Each Party shall establish reasonable policies and procedures designed to detect, prevent, and mitigate the risk of identity theft related to Customers who are consumers, including but not limited to policies and procedures to detect patterns, practices, or specific activities that indicate the possible existence of identity theft ("Red Flags"). Each Party shall ensure that any services that provide to the other Party are provided in accordance with such policies and procedures.
- 8.2 Each Party shall promptly (and within not more than two Business Days from the time the Red Flag is established) notify the other Party about any Red Flags

associated with a Customer who is a consumer, and reasonably cooperate in the other Party's investigation of such matter.

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