

## RECEIPT AND CREDITING OF PAYMENTS

All payments must be made in U.S. dollars and must be received by us consistent with the following payment instructions: Business days are Monday through Friday. Payments received on Saturday, Sunday or legal holidays will be credited on the next business day.

**PAYMENTS BY MAIL:** You may make payments by U.S. mail. Send your payments to Kentucky Bank, P.O. Box 157, Paris, KY 40362-0157. Write your account number on your check or money order, accompanied by the payment coupon. Please allow 5 to 7 days for payments by regular mail to reach us.

**PAYMENTS IN PERSON:** You may make a cash payment or a payment by check or money order at any of our branch locations. Payments made on a business day during our normal business hours will be credited on that day. Payments received on Saturday, Sunday or a legal holiday will be credited on the next business day.

**PAYMENTS MADE THROUGH ONLINE BANKING:** You may make your payments electronically through online banking. If we receive a completed request prior to 5:45 p.m. EST on a business day, your payment will be credited as of that day. If we receive your payment after 5:45 p.m. EST on a business day or on a Saturday, Sunday or legal holiday your payment will be credited on the next business day. If you specify a future date in your request, we will credit your payment as of that day. If the future date you specify is a Saturday, Sunday, or legal holiday your payment will be credited the business day following the effective date of the payment.

For all other payment types of for any payment type above for which you do not follow our payment instructions, crediting of your payments may be delayed for up to 5 days. We may modify these payment instructions by providing updated payment instructions on or with your periodic billing statement.

If a payment is made consistent with our payment instructions but received after our normal business hours on a business day, we will apply your payment to your Credit Line on the next business day.

### THE FOLLOWING IS APPLICABLE ONLY TO CONSUMER LOAN ACCOUNTS

#### BILLING RIGHTS SUMMARY HOME EQUITY PLAN - In Case of Errors or Questions About Your Bill

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us [on a separate sheet] at Kentucky Bank, P.O. Box 157, Paris, Kentucky 40362-0157 as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

- Your name and account number
- The dollar amount of the suspected error.
- Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are unsure about.

You do not have to pay any amount in question while we are investigating, but you are still obligated to pay the parts of your bill that are not in question. While we investigate your question, we cannot report you as delinquent or take any action to collect the amount you question.

#### Special Rules for Credit Card Purchases

If you have a problem with the quality of goods or services that you purchased with a credit cards, and you have tried in good faith to correct the problem with the merchant, you may not have to pay the remaining amount due on the goods or services. You have this protection only when the purchase price was more than \$50 and the purchase was made in your home state or within 100 miles of your mailing address. (If we own or operate the merchant, or if we mailed you the advertisement for the property or services, all purchases are covered regardless of amount or location of purchase.)

#### WHAT TO DO IF YOU THINK YOU FIND A MISTAKE ON YOUR STATEMENT

If you think there is an error on your statement, write to us at:

Kentucky Bank, P.O. Box 157, Paris, KY 40362-0157

In your letter, give us the following information:

- Account information: Your name and account number.
- Dollar amount: The dollar amount of the suspected error.
- Description of problem: If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us within 60 days after the error appeared on your statement. You must notify us of any potential errors in writing. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question. While we investigate whether or not there has been an error, the following are true:

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount. But, if we determine that we made a mistake, you will not have to pay the amount in question or any interest or other fees related to that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

#### YOUR RIGHTS IF YOU ARE DISSATISFIED WITH YOUR CREDIT CARD PURCHASES

If you are dissatisfied with the goods or services that you have purchased with your credit card, and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the purchase.

To use this right, all of the following must be true:

1. The purchase must have been made in your home state or within 100 miles of your current mailing address, and the purchase price must have been more than \$50. (Note: Neither of these are necessary if your purchase was based on an advertisement we mailed to you, or if we own the company that sold you the goods or services.)
2. You must have used your credit card for the purchase. Purchases made with cash advances from an ATM or with a check that accesses your credit card account do not qualify.
3. You must not yet have fully paid for the purchase.

If all of the criteria above are met and you are still dissatisfied with the purchase, contact us in writing at:

Kentucky Bank, P.O. 157, Paris, KY 40362-0157

While we investigate, the same rules apply to the disputed amount as discussed above. After we finish our investigation, we will tell you our decision. At that point, if we think you owe an amount and you do not pay we may report you as delinquent.

#### IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

**TELEPHONE US AT 859-987-1795 OR 800-467-1939 OR WRITE US AT KENTUCKY BANK, P.O. BOX 157, PARIS, KY 40362-0157** as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer on the statement or receipt. We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared.

(1) Tell us your name and account number (if any).

(2) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.

(3) Tell us the dollar amount of the suspected error.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days to do this, we will credit your account for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation.

#### FINANCE CHARGES - HOME EQUITY PLAN

We figure the finance charge on your account by applying the periodic rate to the "daily balance" of your account for each day in the billing cycle. To get the "daily balance" we take the beginning balance of your account each day, add any new purchases/advances/fees, and subtract any payments or credits. This gives us the daily balance.

#### INTEREST CHARGES - KENTUCKY EXPRESS LINE AND PAYSMART

We figure the interest charge on your account by applying the periodic rate to the "daily balance" of your account for each day in the billing cycle. To get the "daily balance" we take the beginning balance of your account each day, add any new purchases/advances/fees, and subtract any payments or credits. This gives us the daily balance.

#### INTEREST CHARGES - PRIVATE LINE

We figure the interest charge on your account by applying the periodic rate to the "average daily balance" of your account. To get the "average daily balance" we take the beginning balance of your account each day, add any new purchases/advances/fees, and subtract any unpaid interest or other finance charges and any payments or credits. This gives us the daily balance. Then, we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the "average daily balance."