

ARBITRATION PROVISION AND CLASS ACTION WAIVER ADDENDUM

IMPORTANT - AFFECTS YOUR LEGAL RIGHTS

PLEASE READ THIS SECTION CAREFULLY. IF YOU DO NOT REJECT IT, THIS SECTION WILL APPLY TO YOUR ACCOUNT, AND MOST DISPUTES BETWEEN YOU AND US WILL BE SUBJECT TO INDIVIDUAL ARBITRATION.

YOU HAVE THE RIGHT TO REJECT THIS AGREEMENT TO ARBITRATION PROVISION AND CLASS ACTION WAIVER, BUT IF YOU WISH TO REJECT IT, YOU MUST DO SO WITHIN 30 DAYS IN THE MANNER SET FORTH BELOW.

This Arbitration Provision and Class Action Waiver (the “Arbitration Provision”) applies to (a) business and consumer credit card accounts and (b) any type of business or consumer deposit account, including, but not limited to, checking accounts, savings accounts, IRAs, or certificates of deposit. You or we may submit to binding arbitration any claim, dispute, or matter in question, whether in contract, tort, statute or otherwise (including the interpretation and scope of this Arbitration Provision, and the arbitrability of the claim or dispute), between you and us or our employees, agents, successors or assigns, which arises out of or relates to any account you have with us, the Terms and Conditions applicable to any account you have with us, this Arbitration Agreement, or any resulting transaction or relationship (including any such relationship with third parties who do not sign this contract) to be resolved by neutral, binding arbitration and not by a court action. Claims and disputes include, but are not limited to, claims or disputes arising from or relating in any way to transactions involving your account(s); any interest, charges, or fees assessed on your account(s); any service(s) related to your account(s); any communications related to your account(s); and any collection or credit reporting of your account(s). Claims and disputes also include claims or disputes arising from or relating in any way to advertising and solicitations, or the application for, approval, or establishment of your account(s). Claims and disputes are subject to arbitration regardless of whether they are based on contract, tort, statute, regulation, common law or equity, or whether they seek legal or equitable remedies. All claims or disputes are subject to arbitration whether they arose in the past, may currently exist, or may arise in the future. Arbitration will apply even if (a) your account is closed, sold, or assigned or (b) you pay us in full any outstanding debt you owe.

Even if all parties have opted to litigate a claim, dispute, or matter in question in court, you or we may elect arbitration with respect to any claim, dispute, or matter in question made by a new party or any new claim, dispute, or matter in question later asserted in that lawsuit.

Exceptions to Arbitration.

- You or we will not arbitrate any claim, dispute, or matter in question within any “core proceedings” under the United States bankruptcy laws. If federal law provides that a claim or dispute is not subject to binding arbitration, this Arbitration Provision shall not apply to such claim, dispute, or matter in question.
- This arbitration agreement does not apply if, on the date you open your account or on the date we seek to invoke this arbitration agreement, you are a member of the Armed Forces or a dependent of such a member covered by the federal Military Lending Act. For more information on whether you are covered by the Military Lending Act, contact your local Judge Advocate General’s (JAG) office to learn more about lending restrictions and your rights as a servicemember, or visit <https://legalassistance.law.af.mil/>.
- You or we may, whether or not any arbitration has begun, pursue any self-help or similar remedies, including taking property or exercising other rights under the law; seek attachment, garnishment, receivership or other provisional remedies from a court having jurisdiction to preserve the rights of or to prevent irreparable injury to you or me; or foreclose against any property by any method or take legal action to recover any property. Foreclosing or exercising a power of sale, beginning and continuing a judicial action, or pursuing self-help remedies will not constitute a waiver of the right to compel arbitration.

- The only other exception to the arbitration requirement is that you have the right to file and pursue a claim or dispute in a small claims court instead of arbitration if the claim or dispute is in that court’s jurisdiction **and** proceeds only on an individual basis. You and we retain the right to seek remedies in small claims court for disputes or claims within that court’s jurisdiction, unless such action is transferred, removed or appealed to a different court.

CLASS ACTION WAIVER. YOU HEREBY WAIVE, WITH RESPECT TO ANY DISPUTE: (I) THE RIGHT TO PARTICIPATE IN A CLASS ACTION, PRIVATE ATTORNEY GENERAL ACTION OR OTHER REPRESENTATIVE ACTION IN COURT OR IN ARBITRATION, EITHER AS A CLASS REPRESENTATIVE OR CLASS MEMBER; AND (II) THE RIGHT TO JOIN OR CONSOLIDATE CLAIMS WITH CLAIMS OF ANY OTHER PERSON. The foregoing waiver is referred to in this subparagraph as the “class action waiver”. You and we agree that no arbitrator shall have authority to conduct any arbitration in violation of this class action waiver or to issue any relief that applies to any person or entity other than you and/or to us individually. Any claim or dispute is to be arbitrated by a single arbitrator on an individual basis and not as a class action. You expressly waive any right you may have to arbitrate a class action.

ARBITRATION. ARBITRATION MUST BE ON AN INDIVIDUAL BASIS. ALSO, YOU MAY NOT BRING CLAIMS AGAINST US ON BEHALF OF ANY ACCOUNTHOLDER WHO IS NOT AN ACCOUNTHOLDER ON YOUR ACCOUNT, AND YOU AGREE THAT ONLY ACCOUNTHOLDERS ON YOUR ACCOUNT MAY BE JOINED IN A SINGLE ARBITRATION WITH ANY CLAIM YOU HAVE. The arbitrator shall have no authority to entertain any claim, dispute, or matter in question as a class action or on any other similar representative basis, nor shall the arbitrator have any authority to consolidate any claim, dispute, or matter in question brought by separate claimants (except for claimants on the same account). This means that the arbitrator also shall have no authority to make any award for the benefit of, or against, any person other than the individual who is the named party. If these terms prohibiting class, representative, or consolidation procedures are held to be legally unenforceable for any reason with respect to a claim, dispute, or matter in question, then the claim, dispute, or matter in question must be handled through litigation in court instead of by arbitration.

By agreeing to these terms and conditions, you are agreeing to the requirement that disputes be resolved by individual arbitration instead of class actions and/or jury trials. A rejection of the arbitration agreement shall not be deemed a rejection of the class action waiver.

American Arbitration Association.

You may choose the American Arbitration Association (“AAA®,”), 1633 Broadway, 10th Floor, New York, New York 10019 (www.adr.org), or any other neutral organization to conduct the arbitration subject to our approval. You may get a copy of the rules of an arbitration organization by contacting the organization or visiting its website. Arbitrators shall be attorneys or retired judges and shall be selected pursuant to the applicable rules. A single arbitrator will resolve any claim, dispute, or matter in question, whether individual or joint in nature, or whether based on contract, tort, or any other matter at law or in equity. The arbitrator may consolidate any claim, dispute, or matter in question with any related disputes, claims, or other matters in question so long as they relate to the same account holder(s). The arbitrator shall apply governing substantive law and the applicable statute of limitations. The arbitrator will honor all claims of privilege recognized by law. The arbitrator will determine whether a dispute is arbitrable.

The AAA’s Commercial Arbitration Rules, in effect on the date of this Agreement, will govern the selection of the arbitrator and the arbitration process, unless otherwise agreed to in this Agreement or another writing. For consumer accounts, you and we acknowledge that the AAA may in its discretion, apply the Consumer Arbitration Rules to arbitration clauses in agreements between individual consumers under certain circumstances and the Commercial Arbitration Rules and Mediation Procedures to arbitration clauses in agreements relating to commercial accounts. Rules and forms may be obtained from, and claims may be filed with, AAA (www.adr.org)

at American Arbitration Association Case Filing Services, 1101 Laurel Oak Road, Suite 100, Voorhees, NJ 08043.

Location, Cost, and Awards.

The arbitration hearing shall be conducted in the federal district in which you reside.

For consumer accounts, we will pay your filing, administration, service, or case management fee and your arbitrator or hearing fee all up to a maximum of \$2,500, unless the law or the rules of the chosen arbitration organization require us to pay more. The amount we pay may be reimbursed, in whole or in part, by decision of the arbitrator if the arbitrator finds that any of your claims are frivolous under applicable law.

Each party shall be responsible for its own attorney, expert and other fees, unless awarded by the arbitrator under applicable law. If the chosen arbitration organization's rules conflict with this Arbitration Provision, then the provisions of this Arbitration Provision shall control. Any arbitration under this Arbitration Provision shall be governed by the Federal Arbitration Act (9 U.S.C. § 1 et. seq.) and not by any state law concerning arbitration. Any award by the arbitrator shall be in writing and will be final and binding on all parties, subject to any limited right to appeal under the Federal Arbitration Act.

Subject to the prohibition on class, representative, and consolidation procedures set forth above, the arbitrator will have the power to award to a party any damages or other relief provided for under applicable law.

Finality and Judgment.

The arbitrator's decision will be final and binding except for any review allowed by the Federal Arbitration Act. Any request for a review must be filed with the AAA not later than 30 days after the original award issues. Appeal costs will be allocated consistent with the AAA's rules and processes to comply with due process. Any court having jurisdiction may enter a judgment or decree on the arbitrator's award. The judgment or decree will be enforced as any other judgment or decree.

Rejection.

You may reject this Arbitration Provision but only if we receive from you a written notice of rejection within 30 days of your receipt of this Addendum. You must send the notice of rejection to: Pendleton Community Bank, Inc., 128 North Main Street, Franklin, WV 26807. Your rejection notice must include your name, address, phone number, account number and original, personal signature. No one else may sign the rejection notice for you. Your rejection notice must not be sent with any other correspondence. **Rejection notices sent to any other address, or sent by electronic mail or communicated orally, will not be accepted or effective.** Rejection of arbitration will not affect your other rights or responsibilities under this Agreement. If you reject arbitration, neither you nor we will be subject to the arbitration agreement in these Terms and Conditions. Rejection of arbitration will not constitute rejection of any prior or future arbitration agreement between you and us.

Survivability.

This Arbitration Provision shall survive any termination, payoff, or transfer of this contract. If any part of this Arbitration Provision, other than waivers of class action rights, is deemed or found to be unenforceable for any reason, the remainder shall remain enforceable. If a waiver of class action rights is deemed or found to be unenforceable for any reason in a case in which class action allegations have been made, the remainder of this Arbitration Provision shall be unenforceable. For all sections other than the Class Action Waiver section, if any provision of the arbitration agreement is adjudged to be void, voidable, or otherwise unenforceable, in whole or in part, such provision shall, without affecting the validity of the remainder of the Arbitration Agreement, be severed from this Arbitration Agreement. All remaining provisions shall remain in full force and effect.