

people's bank



Mellon

Investor Services Program

Program Sponsored and Administered by

Mellon Bank, N.A.

not by People's Bank

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INVESTOR SERVICES PROGRAM OVERVIEW

The Mellon Investor Services Program (the “Program”) offers you a variety of convenient, low-cost services to make it easier for you to invest in the common stock of People’s Bank (“People’s”). The Program has various features and you can choose the Program features that best meet your investment needs. The principal terms and conditions of the Program are summarized in this brochure. Mellon Bank, N.A. (the “Administrator”) administers the Program, and certain administrative support will be provided to the Administrator by Mellon Investor Services, a registered transfer agent. A copy of the full terms and conditions of the Program is available from the Administrator upon request at no charge.

The Program is designed for long-term investors who wish to invest and build their share ownership over time. The Program offers a convenient and economical means to own shares. **Unlike an individual stock brokerage account, the timing of purchases and sales is subject to the provisions of the Program, as discussed on pages 4 through 8.**

You can participate in the Program if you are a registered holder of People’s common stock. If you do not own People’s common stock, you can become a participant by making your initial purchase directly through the Program. The Program provides you with the opportunity to reinvest dividends and an alternative to traditional methods of buying, holding and selling People’s common stock.

Read on for a more detailed description of the features of the Mellon Investor Services Program as offered for People’s. If you would like to participate in the Program, complete the enclosed Enrollment Form and mail it to the Administrator in the postage-paid envelope provided for your convenience.

KEY FEATURES OF PROGRAM

ANYONE CAN PARTICIPATE

You may participate in the Program if you currently own People's common stock that is registered in your name or you can participate by making your initial investment in common stock through the Program with a minimum initial investment of \$250.

OPTIONAL CASH PURCHASES

Once you are a registered shareholder, you can buy People's common stock and pay no fees or commissions. You can purchase as little as \$100, up to \$10,000 monthly, and either pay by check or have your payment automatically deducted from your bank account.

CONVENIENT SHARE SALES

You can sell People's common stock and pay fees lower than those typically charged by stockbrokers for small transactions.

FULL INVESTMENT

Full investment of your funds is possible because you will be credited with both whole shares and fractional shares. Dividends will be paid not only on whole shares but also proportionately on fractional shares.

AUTOMATIC DIVIDEND REINVESTMENT

You can reinvest all or a portion of your dividends in additional shares of People's common stock, or the Administrator will remit any dividends to you either by check or by automatic deposit to a bank account you designate.

SHARE SAFEKEEPING

You can deposit your People's common stock certificates with the Administrator for safekeeping, at no cost to you. You can request withdrawal of any or all of your whole shares of People's common stock. A certificate for those shares will be sent to you, free of charge.

GIFTS AND OTHER SHARE TRANSFERS

You can make gifts or other transfers of People's common stock you hold in your Program account.

TRANSACTION REPORTING

You will receive a notice after each transaction showing the details and your share balance in your Program account.

SUMMARY OF TERMS & CONDITIONS

1. How can I participate in the Program?

If you already own People's common stock and the shares are registered in your name, you may participate immediately. If your shares are held for you in a brokerage account, you may make arrangements with your stockbroker to have some or all of the shares of People's common stock registered directly in your name. If you do not currently own any People's

common stock, you can participate by making an initial investment in People's common stock through the Program. Please see question number five for details regarding an initial investment.

2. How do I get started?

You can get started in the Program by completing the enclosed Enrollment Form along with the items required and mailing them to the Administrator in the prepaid envelope. Your participation will begin promptly after the Enrollment Form is received. Once you have enrolled, your participation continues automatically, as long as you wish.

3. How do I reinvest dividends?

You may choose to reinvest all or a portion of the dividends paid on shares of People's common stock you own in additional shares of People's common stock. You may change your election at any time by writing to the Administrator. To be effective with respect to a particular dividend, any such change must be received by the Administrator on or before the record date for that dividend.

You may, of course, choose not to reinvest any of your dividends, in which case the Administrator will remit any dividends to you by check or automatic deposit to a bank account you designate.

4. When are dividends reinvested?

If you have chosen the dividend reinvestment feature, the Administrator will invest dividends in additional shares of People's common stock purchased on the open market as promptly as practicable, on or after the payable date, normally within one week. In the unlikely event that, due to unusual market conditions, the Administrator is unable to invest the funds within 30 days, the Administrator will remit the funds to you by check. No interest will be paid on funds held by the Administrator pending investment.

5. How do I make an initial investment?

If you do not own People's common stock in a Program account, you can make an initial cash investment for as little as \$250, and not more than \$10,000, by completing an Enrollment Form and submitting it with your check. Only checks made payable to Mellon Bank, N.A. will be accepted. No third party checks will be accepted.

6. How do I make additional investments?

If you already own People's common stock and are enrolled in the Program and want to make additional purchases, you can send a check to the Administrator for each purchase. Attach your check to the contribution form on your Program statement and mail it to the Administrator at the address specified on the statement. Or, if you wish to make regular monthly purchases, you may authorize automatic monthly deductions from your bank account. This feature enables you to make ongoing investments in an amount that is comfortable for you, without having to write a check each time. Additional cash purchases are subject to a minimum purchase requirement of \$100 per investment and a maximum of \$10,000 per month.

7. When will shares be purchased?

Upon receipt of the funds, the Administrator will invest initial and additional cash investments in whole and fractional shares purchased on the open market as promptly as practicable, at least once each week. In the unlikely event that, due to unusual market conditions, the Administrator is unable to invest the funds within 35 days, the Administrator will return the

funds to you by check. No interest will be paid on funds held by the Administrator pending investment.

8. Will I receive certificates for shares purchased?

No certificates will be issued because the Program provides for share safekeeping. For your convenience, shares purchased under the Program will be maintained by the Administrator in your name in non-certificated form. You may, however, request a stock certificate from the Administrator at any time, free of charge.

9. What is safekeeping?

Shares of People's common stock that you buy under the Program will be maintained in your Program account in non-certificated form for safekeeping.

If you own People's common stock in certificated form, you may deposit your certificates for those shares with the Administrator for safekeeping, free of charge. Certificates forwarded to the Administrator by registered mail will be automatically covered by an Administrator blanket bond up to the first \$100,000 of value. Safekeeping protects your shares against loss, theft or accidental destruction. Safekeeping also provides a convenient way for you to keep track of your shares. Only shares held in safekeeping may be sold through the Program.

10. Can I get certificates if I want them?

Yes. If you should ever want a stock certificate for all or a portion of the whole shares of People's common stock in your Program account, contact the Administrator by phone or in writing and a certificate will be mailed to you within four business days of receiving your request. Please allow an additional five to seven business days for the Post Office to deliver your certificate.

11. How can I transfer or give gifts of shares?

You may transfer or give gifts of People's common stock to anyone you choose by contacting the Administrator and requesting a Gift/Transfer Form. After the transfer or gift is completed, upon your request, the Administrator will send you a non-negotiable gift announcement, which you can present to the recipient. A notice indicating the deposit of People's common stock will also be forwarded to the recipient.

12. How do I sell shares?

You can sell shares in your Program account, or any other eligible book entry shares, at any time by contacting the Administrator by phone or in writing. A sale request that is received before 1:00 p.m. Eastern Time, will, subject to market conditions and other factors, generally be sold the same day. A sale request that is received after 1:00 p.m. Eastern Time, will, subject to market conditions and other factors, generally be sold the following business day. Please note that the Administrator cannot and does not guarantee the actual sale date or price, nor can it stop or cancel any outstanding sales or issuance requests. All requests are final. The Administrator will mail a check to you (less applicable sales fees) on the transaction settlement date, which is three business days after your shares have been sold. Please allow an additional five to seven business days from the settlement date for the Post Office to deliver your check.

Alternatively, you may choose to sell your shares through a stockbroker of your choice, in which case you would have to request that the Administrator electronically transfer your shares to your stockbroker or request a certificate for your shares from the Administrator prior to such sale. The cost of selling shares through your stockbroker is set by your broker's fee schedule, not by the Program. See question number 10 for instructions on how to obtain a certificate.

13. What are the costs?

There is no fee for enrolling in the Program. Participation is voluntary and you may discontinue your participation at any time. However, there are fees associated with some of the Program's services. Please refer to the separate Investor Services Program Fee Schedule for more information on transaction and trading fees.

14. What about taxes?

The Administrator will send a Form 1099-DIV to you and to the Internal Revenue Service after each year end reporting all dividend income you received during the year on your People's common stock (consisting of dividends and transaction or trading fees paid on your behalf by People's). If you sell shares through the Program, the Administrator will send a Form 1099-B to you and to the Internal Revenue Service after year end, showing the total proceeds of the transactions. We recommend that you keep your transaction statements, which are helpful for record keeping and tax purposes.

15. How can I vote my shares?

You will receive proxy material for all of your shares, and your shares will be voted in accordance with your direction. If you wish, you may vote your shares in person at shareholder meetings.

16. What provisions are made for non-U.S residents?

Cash investments from non-U.S. residents must be in United States currency and will be invested in the same manner as investments from other participants. Each participant is responsible for reviewing the applicable laws of his or her country of residence prior to investing in People's common stock. All dividends will be subject to withholding under the terms of any applicable tax treaty provisions.

17. How will I keep track of my investments?

The Administrator will send a transaction notice confirming the details of each transaction you make. If you continue to participate in the Program, but have no transactions, the Administrator will send you an annual statement detailing the status of your holdings of People's common stock in your Program account.

18. How would I terminate my participation?

You may withdraw entirely from the Program by contacting the Administrator by phone or in writing. Upon termination, you will receive a certificate for the whole shares held for you under the Program and a check for any fractional shares based on the current market value, net of any applicable fees. Thereafter, future dividends will be sent directly to you by check or to a bank account you designate. Alternatively, if you so direct, the Administrator will sell all whole and fractional shares in your Program account and send you a check for the proceeds, net of any applicable fees. Termination notices should be received by the Administrator four days prior to a dividend record date to avoid the reinvestment of the current dividend or any possible delay in receipt of your shares and/or cash. If your Program account balance falls below one full share, the Administrator reserves the right to liquidate the fraction and remit the proceeds, less any applicable fees, to you at your address of record.

19. What if I have questions about the Program?

Enrollment, purchase or sale of share requests and other transactions or services offered by the Program should be directed to the Administrator through the following:

Internet

You can enroll in the Program, obtain information, and perform certain transactions on your People's Bank account on-line via Investor ServiceDirect®. To gain access, you will require a password which you may establish when you visit the website. If you have forgotten your password, call 1-877-978-7778 to have it reset.

To access Investor ServiceDirect® please visit the Mellon Investor Services website at:

www.melloninvestor.com

Telephone

Telephone Shareholder customer service, including sale of shares, toll-free within the United States and Canada:

1-800-953-2592

International Telephone Inquiries:

1-201-329-8660

An automated voice response system is available 24 hours a day, 7 days a week. **Customer Service Representatives** are available from 9:00 a.m. to 7:00 p.m., Eastern Standard Time, Monday through Friday (except holidays).

In Writing

You may also write to the Administrator at the following address:

**Mellon Bank, N.A.
c/o Mellon Investor Services
P.O. Box 3338
South Hackensack, NJ 07606-1938**

Be sure to include your name, address, social security number, daytime phone number, and reference People's Bank on all correspondence.

Note: The Mellon Investor Services Program is designed for the long-term investor and does not afford the same flexibility as a stockbroker's account.

People's has appointed Mellon Bank, N.A. as Administrator for the Program. The Program is not sponsored or administered by People's. Securities held by the Administrator in your Program account are not subject to protection under the Securities

Investor Protection Act of 1970. The Administrator may use, and commissions may be paid to a broker-dealer which is affiliated with the Administrator. Investors must make independent investment decisions based upon their own judgment and research.

People's Bank is traded on NASDAQ under the ticker symbol "PBCT".

**A COPY OF THE TERMS AND CONDITIONS IS AVAILABLE
FROM THE ADMINISTRATOR
UPON REQUEST AT NO CHARGE**