

Overdraft Services

OVERDRAFT PROTECTION SERVICES

Bank offers three different overdraft protection services for your deposit account. These include our Ready Reserve Line of Credit overdraft protection, Overdraft Sweep Program, which sweeps funds from another deposit account of yours to cover your overdrafts, and Overdraft Privilege program, which is a discretionary service designed to cushion your personal checking account by giving you an assigned Overdraft Privilege Limit. If you apply and are qualified for any of these optional products, you may save money on the total overdraft fees you pay us for overdraft protection.

READY RESERVE LINE OF CREDIT

You may apply at any time for a Ready Reserve Line of Credit (LOC), which can be used to cover personal checking account overdrafts. There is a LOC annual fee of \$30. The LOC provides minimum advances of \$100 to cover your checking account overdrafts. The LOC Agreement contains specific terms and conditions that cover both the Bank and you as the borrower.

If you are approved for a LOC, a credit limit and maximum draw amounts are established in the Agreement and require you to comply with LOC agreement terms as to repayment. A LOC is not suitable for all customers, and requires the account holder to undergo credit underwriting and qualify from a creditworthiness basis, including having acceptable credit history and repayment capacity. Minimum payments and interest rate are established by the Agreement. Either party may terminate the Agreement at any time. Not all customers may qualify. Advances for purposes other than covering checking account overdrafts are not permitted.

OVERDRAFT SWEEP

(FUNDS SWEPT FROM ANOTHER DEPOSIT ACCOUNT)

Personal checking account holders who also maintain another deposit account with our Bank, including either checking or savings, may enter into a Sweep Agreement which will authorize us to sweep funds from one of your deposit accounts into your personal checking account to cover deposit account overdrafts. There is a one time Overdraft Sweep set up fee of \$20 and the minimum amount to be transferred is \$100. There will be a fee of \$2 for each sweep completed. If there is not \$100 available in the account funds are to be swept from, the Sweep Agreement provides for sweeping the amount available.

The sweep of funds from the additional checking or savings account to cover deposit account overdrafts does not modify the terms and conditions of any of the deposit accounts, and they will remain subject to the account's individual terms and conditions, which are not modified by executing a Sweep Agreement. If a sweep is made into your personal checking account to cover deposit account overdrafts, the Bank retains the right to require not less than 7 days written notice of withdrawal depending on account type being swept from. Sweep Agreements remain in effect until terminated by the account holder and can be terminated by the Bank at any time. Some sweep transaction limitations may apply if sweeping from a money market or savings account.

OVERDRAFT PRIVILEGE PROGRAM

Bank will offer a discretionary service called Overdraft Privilege designed to cushion your personal checking account from inadvertent overdrafts. We are not obligated to pay every overdraft and not all accounts are eligible. Overdraft Privilege may reduce the possibility of your checks being returned. Also, if you opt-in you may reduce the possibility of your debit card or ATM transactions being refused. There is no charge to you unless you use the service. Some restrictions do apply. You may refuse this service at any time.

The Overdraft Privilege program works this way: Rather than automatically returning all NSF (Non Sufficient Funds) check or debit items that you may have, we will consider, without obligation on our part, payment of your reasonable overdrafts up to your assigned Overdraft Privilege Limit. If you have opted-in, we will also consider honoring your one time debit card or ATM transactions up to your Overdraft Limit. Our normal NSF Paid Item Fee/NSF Returned Item Fee will be charged for each item that would create an overdraft on your account.

OVERDRAFT PRIVILEGE DELIVERS THESE BENEFITS:

- ◆ More confident check writing
- ◆ A cushion from the hassle and merchant fees associated with a returned check
- ◆ Freedom from concern that ATM or one time debit card transactions will be rejected (If you have opted-in)
- ◆ After you opt-in for ATM and one-time debit card transactions, it requires no further action by you and there are no additional forms to sign.

OVERDRAFT PRIVILEGE FOR NEW ACCOUNTS

For new deposit account holders we will consider payment of your inadvertent check and ACH overdrafts up to \$400. You do not need to do anything to get this protection and you may refuse the service at account opening or any time thereafter. If you specifically opt-in to the payment of overdrafts on your one-time debit card and ATM overdrafts, we will also consider payment of them up to your limit.

Bank will consider, without obligation on our part, continuing to approve your reasonable overdrafts up to your assigned Overdraft Privilege Limit as long as you maintain your account in good standing, which includes at least: (a) Continuing to make deposits consistent with your past practices and depositing at least \$300 or more in your account within each thirty (30) day period. (b) You are not in default on any loan obligation to us. (c) You bring your account to a positive balance (not overdrawn) immediately, or as soon as possible and at least once every thirty (30) days, and (d) your account is not the subject of any legal or administrative order or levy, such as bankruptcy or a tax lien. Standard Overdraft Fees are:

- ◆ No fee if your account is overdrawn \$5 or less at the end of the day
- ◆ \$10 NSF item paid fee for items \$10 or less
- ◆ \$32 NSF item paid fee for items over \$10
- ◆ A daily \$4 overdraft fee will be charged the 4th business day following the initial overdraft and continues each additional day the account is overdrawn more than \$5.00

OVERDRAFT PRIVILEGE FOR EXISTING ACCOUNTS

For existing deposit account holders who were enrolled in Overdraft Privilege in good standing for 60 days, the Bank will consider payment of your inadvertent check and ACH overdrafts up to \$900. You do not need to do anything to continue to receive this protection. If you opt-in to the overdraft program for your one-time debit card and ATM overdrafts, we will also consider payment of them up to your established limits.

Bank will consider, without obligation on our part, continuing to approve your reasonable overdrafts up to your assigned Overdraft Privilege Limit as long as you maintain your account in good standing, which includes at least: (a) Continuing to make deposits consistent with your past practices, and depositing at least \$300 or more in your account within each thirty (30) day period. (b) You are not in default on any loan obligation to us. (c) You bring your account to a positive balance (not overdrawn) immediately, or as soon as possible and at least once every thirty (30) days, and (d) your account is not the subject of any legal or administrative order or levy, such as bankruptcy or a tax lien. Standard Fees are:

- ◆ No fee if your account is overdrawn \$5 or less at the end of the day
- ◆ \$10 NSF item paid fee for items \$10 or less
- ◆ \$32 NSF item paid fee for items over \$10
- ◆ A daily \$4 overdraft fee will be charged the 4th business day following the initial overdraft and continues each additional day the account is overdrawn more than \$5.00

ADDITIONAL OVERDRAFT PRIVILEGE DISCLOSURES

Bank may refuse to pay an NSF item for you at any time, even though your account is in good standing, and even though we may have previously paid NSF items for you. You will be notified by mail or email of any NSF items paid or returned that you may have; however, we have no obligation to notify you before we pay or return any item. The amount of any overdrafts, including our fees, that you owe us shall be due and payable immediately.

If there is an overdraft paid by us on an account with more than one (1) owner on the signature card, each owner, and agent if applicable, drawing/presenting the item creating the overdraft, shall be jointly and severally liable for such overdrafts, including our fees.

Overdraft Privilege is available only for eligible personal checking accounts that are maintained in good standing. Savings Accounts, Money Market Accounts, Trust Accounts, Public Fund/Charitable Organization Accounts and business accounts are not eligible for this service. We may, at Bank's sole option and discretion, limit the number of your accounts eligible for Overdraft Privilege to one account per household and/or one account per taxpayer identification number.

If you retain Overdraft Privilege, transactions initiated for payment against your checking account(s) may be paid by the Bank using, and up to, your assigned Overdraft Privilege Limit, including any fees. The eligible transaction types will include, without limitation but may be dependent upon your opting in: checks, ACH, electronic items including one-time debit card purchases, ATM, check card, online banking, bill payment services, recurring debit card transactions and telephone banking transactions. If you decide to not retain Overdraft Privilege, we may still pay, at our option, your NSF items resulting from checks or recurring ACH debits.

Transactions including checks, ATM withdrawals, wire transfers or ACH transfers may not be processed in the order in which they occur. Transactions on your account are processed by transaction code from smallest item to largest, and this may affect overdraft fees.

You may incur multiple overdraft fees in a day up to a limit of \$196 per day. Our Overdraft Privilege service does not constitute an actual or implied agreement between you and us, nor does it constitute an actual or implied obligation of or by the Bank. This service represents a purely discretionary courtesy or privilege that we may provide to you from time to time and which may be withdrawn or withheld by us at any time without prior notice or reason or cause.

CUSTOMER OVERDRAFT OPTION TO DISCONTINUE SERVICE

You may choose at any time to discontinue or not participate in any of the Overdraft Services listed in this brochure by notifying us by phone or in writing. You may reach us at your local branch or 888.773.0016.

IF YOU NEED HELP

Of course, overdraft services should not be routinely used to pay for ordinary or everyday expenses, and you should not rely on overdrafts as a means to cover these expenses. If at any time you feel you need help with your financial obligations, please contact a customer service representative at any one of our convenient locations. If you have been paying multiple overdraft fees we may be contacting you to explain that there may be less expensive alternative products that may be better suited for your needs. Please call Overdraft Services at 888.773.0016 to discuss options or visit us at your local branch.

