



DISCRETIONARY OVERDRAFT SERVICE POLICY

This policy is not a line of credit, or a right or obligation guaranteed to you. This is a discretionary policy that can be changed or withdrawn at any time without notice.

Under this policy, our standard overdraft practice is to strive to pay your overdrafts when your account meets certain discretionary criteria. The criteria may include, but is not limited to, any or all of the following and is subject to change without notice:

- The age of your account.
- The deposit behavior in your account and any related accounts.
- The overdraft behavior of your account and any related accounts.
- The status of any loan or other obligation to us.
- The status of any legal or administrative order or levy.

We have adopted this discretionary overdraft policy to provide you the highest level of service and for the highest efficiency in managing customer overdrafts consistently and fairly. At our discretion, we may pay and permit transactions for items, including checks, ATM withdrawals, debit card transactions, preauthorized automatic debits, telephone-initiated transfers or other electronic transfers, when you do not have sufficient available funds, although special arrangements or circumstances may change this amount. ***A non-sufficient fund/overdraft fee of \$39.97 per item will be assessed for each item that is submitted in which you do not have sufficient available funds in the account to cover the item amount when it is processed.***

¹Although subject to change without notice, it is our current practice to process account activity each evening for items received prior to the daily cut off time. We sort items for processing first by transaction type in the following order: ATM withdrawals, debit card transactions, pre-authorized debit transactions, telephone-initiated transfers, other electronic transactions and paper-based checks or drafts. Within transaction types, items are processed by item sequence, which would be the earliest date/time for electronic items and the lowest check or draft number for paper-based items. For example, if we receive two of your checks for payment and you make a debit card transaction in the same day, these items will be processed against your account balance that evening. Your account balance is adjusted as each item is processed for the amount of the item, if the item is paid, and/or any applicable non-sufficient fund/overdraft fee that is charged. A non-sufficient fund/overdraft fee will be charged for each item if the amount of the item is greater than the adjusted account balance at the time it is processed.

We are not obligated to pay any item presented for payment if your account does not contain sufficient collected (available) funds, and any discretionary payment of any non-sufficient fund item does not obligate us to pay any additional non-sufficient fund item or to provide prior written notice of our decision to refuse to pay any additional non-sufficient fund item.

If an item is processed for payment and we create an overdraft, pursuant to the Depositor's Account Agreement, you agree to pay us the amount of any overdraft and applicable fees as published, immediately, without notice or demand from us, unless you otherwise specify that you

wish all NSF's returned, upon which you agree to pay us the amount of any applicable fee. Each account holder is jointly and severally responsible under the Depositor's Account Agreement for paying any overdraft amounts.

It is our policy to operate in accordance with all applicable safety and soundness standards. Federal and State laws, particularly the Uniform Commercial Code, unless modified or amended by the Depositor's Account Agreement, controls the duties, obligations and rights of the Depositor, the Authorized Signatories and the Financial Institution with regard to your checking account. The Depositor's Account Agreement terms shall control any possible conflict, if any, between any provision of this overdraft policy and the Depositor's Account Agreement.

If you do not wish to be included under this policy and would prefer to have your non-sufficient fund items returned and/or denied, please call (888) 331-6521. A non-sufficient fund fee will be assessed when your item is returned.