

SimplyBank ("we, us or our") offers Overdraft Privilege service. If your account qualifies for Overdraft Privilege, we will consider, without obligation on our part, paying items for which your account has insufficient or unavailable funds, instead of automatically returning those items unpaid. This document explains how Overdraft Privilege operates.

TRANSACTIONS THAT MAY QUALIFY FOR OVERDRAFT PRIVILEGE

An overdraft occurs when you do not have enough money in your account to cover a transaction. Although there are many reasons why your account might become overdrawn, most overdrafts result from the following:

- a) You write a check, swipe your debit card or initiate an electronic funds transfer in an amount that exceeds the amount of funds available in your account;
- b) You deposit a check or other item into your account and the item is returned unpaid, which causes a negative balance in your account once your balance is reduced by the amount of the returned item;
- c) You have inadequate funds in your account when we assess a fee or service charge; or
- d) You initiate a transaction before funds deposited into your account are "available" or "finally paid" according to our Funds Availability Policy.

The Overdraft Privilege service applies to a variety of transactions, including checks and other transactions made using your checking account number, automatic bill payments, ATM transactions and reoccurring debit card transactions; however, we will not include ATM and everyday debit card transactions within our Overdraft Privilege service without first receiving your affirmative consent to do so. Absent your affirmative consent, ATM and everyday debit card transactions generally will not be paid under Overdraft Privilege.

Participation in Overdraft Privilege is not mandatory. You may decline the service anytime by notifying one of our service representatives. Furthermore, you may revoke your affirmative consent to have ATM and everyday debit card transactions considered for payment under Overdraft Privilege without removing other items from the service. Simply inform us of your preference.

As noted above, we retain full discretion to decline to pay any item under the Overdraft Privilege program. This means we can refuse to pay any overdraft for any reason. Even if we decide to pay an overdraft item absent an agreement to the contrary, such payment does not create any duty to pay future overdrafts.

FEES

If we do not authorize and pay an overdraft, your transaction will be declined or returned unpaid, and we may assess Returned Item fees on your account in accordance with your account agreement and the fee schedule in effect at the time of the overdraft. **Returned Item fees may be charged each time an item is presented for payment – even if it was previously presented and returned.**

For each overdraft we pay, we will charge the standard per item overdraft fee set forth in our fee schedule. The maximum number of overdraft fees that we will charge you for overdrawing your account is limited to six (6) per day. We will notify you by mail if we pay or return any overdraft items on your account; however, we have no obligation to notify you before we pay or return any item. The amount of any overdrafts, including our fees, are due and payable immediately or on demand.

ACCOUNTS ELIGIBLE FOR OVERDRAFT PRIVILEGE

Overdraft Privilege is a discretionary service. We may in our sole discretion limit the number of accounts eligible for Overdraft Privilege to one account per household or per taxpayer identification number. Further, Overdraft Privilege is usually extended only to accounts in good standing. An account in good standing exhibits, but is not limited to, the following characteristics:

- a) The account demonstrates consistent deposit activity;
- b) The account owner is current on all loan obligations with us; and
- c) The account is not subject to any legal or administrative order or levy, such as bankruptcy or tax lien.

OVERDRAFT PRIVILEGE LIMITS

Overdraft privilege limits are dynamic, meaning they may change as often as daily and may decrease to as low as \$0 (zero). The decision to change your overdraft limit, and how often, is based on a variety of factors that include the age of your account, the type and number of transactions, and satisfactory account history, to name a few. Please note that per item overdraft fees count toward your Overdraft Privilege limit.

We offer other overdraft protection services in addition to Overdraft Privilege. These include overdraft protection linked to another account of yours with us, such as a savings account. If you apply and are approved for these optional services, you may save money on the total fees you pay us for overdrafts.

Overdrafts should not be used to pay ordinary or routine 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 one of our customer service representatives at your local branch office.