

Occasional Overdraft Privilege Service Policy

North Brookfield Savings Bank ("we, us or our") offers the Occasional Overdraft Privilege Service. If your account qualifies for Occasional Overdraft Privilege Service, we will consider, without obligation on our part, paying those items for which your account has insufficient or uncollected funds, instead of automatically returning those items unpaid. This document explains how the Occasional Overdraft Privilege Service operates.

Transactions that May Qualify for Occasional Overdraft Privilege Service

An overdraft occurs when you do not have enough money in your account to cover a transaction, based on the "available balance" in your account at the time the transaction is presented for payment. Although there are many reasons why your account might become overdrawn, most overdrafts result from the following:

- a) You write a check, use your debit card, or initiate an electronic funds transfer in an amount that exceeds the amount of funds available in your account (refer to the Combined Account Disclosure/Combined Business Account Disclosure for further information on balance determination);
- 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 check.
- 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 Regulation CC Funds Availability Policy. For example, if you deposit a check into your account, the proceeds of that check may not be available to you for up to seven business days after you deposit the check. If you do not have sufficient available funds in your account, independent to the check, to cover the transaction, you will incur an overdraft.

The Occasional Overdraft Privilege Service Program applies to a variety of transactions, including checks and other transactions made using your checking account number, automatic bill payments, ATM transactions and everyday debit card or electronic transactions. However, on consumer accounts we will not include ATM and everyday debit card transactions within our Occasional Overdraft Privilege Service Program without first receiving your affirmative consent to do so (you must Opt-In). Absent of your affirmative consent, ATM and everyday debit card transactions generally will not be paid under the Occasional Overdraft Privilege Service.

Participation in the Occasional Overdraft Privilege Service is not mandatory. You may cancel the service at any time by notifying one of our Customer Service Representatives. Furthermore, on consumer accounts you may revoke your affirmative consent (Opt-Out) to have ATM and everyday debit card transactions considered for payment under Occasional Overdraft Privilege Service without removing other items from the service. You can Opt-Out at any time by visiting a branch location or contacting us at (508) 867-7442.

As noted above, we retain full discretion to decline to pay any item under the Occasional Overdraft Privilege Service 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. If we do not authorize and pay an overdraft, your transaction will be declined, and we may assess insufficient or uncollected funds fees on your account in accordance with your account agreement and the fee schedule in effect at the time of the overdraft.

Overdraft Fees and Limits

For each overdraft we pay, we will charge the standard per item insufficient/uncollected funds fee as set forth in our Deposit Account Fee Schedule with a daily limit of 5 fees per day. We do not charge for an overdraft item or payment of less than \$10.00. We will notify you by mail if we pay or return any insufficient/uncollected funds item on your account; however, we have no obligation to notify you before we pay or return any item. An item returned unpaid due to insufficient/uncollected funds may be represented multiple times with an insufficient/uncollected funds fee being assessed each time.

Occasional Overdraft Privilege Service is discretionary and is generally limited to a \$500 overdraft (negative) balance for eligible consumer checking accounts; or a \$1,500 overdraft (negative) balance for eligible business checking accounts. Please note that per item insufficient/uncollected funds fees count toward your Occasional Overdraft Privilege Service limit.

Posting Order for Clearing Checks and Electronic Transactions

We may pay items presented on your account in any order in which we choose. Typically, we will utilize a specific posting order when processing your external credit and debit transactions to help minimize the number of overdraft fees. The clearing sequence for checks is lowest to highest dollar amount; smallest withdrawals will post first and largest withdrawals last. The clearing sequence for Automated Clearing House (ACH) electronic transactions is largest deposits first followed by smaller deposits, then smaller withdrawals followed by largest withdrawals. Multiple files may post per day, and each file would follow the posting order outlined.

ATM/POS transactions are posted to your account in the order received.

Accounts Eligible for Occasional Overdraft Privilege Service

Occasional Overdraft Privilege Service is usually extended only to checking accounts in good standing. An account in good standing exhibits, but is not limited to, the following characteristics:

- a) The account has been open for at least thirty (30) days.
- b) The account has deposits totaling at least \$400 or more (\$1,200 for business accounts) within the initial thirty (30) day period, excluding account opening deposit.
- c) The account owner is current on any loan obligations with us; and
- d) The account is not subject to any legal or administrative order or levy, such as bankruptcy or tax lien.

Occasional Overdraft Privilege Service is discretionary and may be cancelled by us at any time. The amounts of any overdrafts, including our fees, are due and payable immediately or on demand. The Occasional Overdraft Privilege Service will be suspended on accounts with a negative balance over thirty

(30) consecutive days. Accounts with a negative balance over sixty (60) consecutive days will be closed and we will pursue all legal remedies and collection actions available to us under applicable law.

Alternative Overdraft Services Available

We offer an automatic transfer overdraft protection service in addition to Occasional Overdraft Privilege Service. The service works by linking a North Brookfield Savings Bank savings or checking account to automatically transfer available funds to cover an overdraft. The fee for this service is \$6.00 per transfer. If you establish this optional service, you may avoid declined transactions, returned checks, overdrafts, or additional fees.

If the linked account does not have sufficient funds to cover the overdraft, the entire balance in the linked account will be transferred to the overdrawn account and the \$6.00 transfer fee will not be charged. However, you will be charged the standard insufficient/uncollected funds fee in the overdrawn account, as set forth in our Deposit Account Fee Schedule.

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 us at (508) 867-7442.