

## **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 items for which your account has insufficient or unavailable funds, instead of automatically returning those items unpaid. This document explains how 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. 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 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 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 funds in your account, independent of 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 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 (Opt-In). Absent your affirmative consent, ATM and everyday debit card transactions generally will not be paid under Occasional Overdraft Privilege Service.

Participation in Occasional Overdraft Privilege Service is not mandatory. You may cancel the service 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 one of our Customer Service Representatives 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 set forth in our Deposit Account Fee Schedule (currently \$30.00\*) with a daily limit of 6 charges. We do not charge for overdraft items less than \$10.00. We will notify you by mail if we pay or return any insufficient/uncollected funds items 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 a discretionary service 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.

\*Account holders with an 18-65 checking account will be charged \$5.00.

#### Posting Order for Clearing Checks and Electronic Transactions

We may pay items presented on your account in any order 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.

#### 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 each thirty (30) day period;
- c) The account demonstrates consistent deposit activity;
- d) The account owner is current on all loan obligations with us; and
- e) The account is not subject to any legal or administrative order or levy, such as bankruptcy or tax lien.

Occasional Overdraft Privilege Service is a discretionary service 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. 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. This is a pre-established transfer from another North Brookfield Savings Bank statement savings or checking account. The fee for this service is \$5.00 per transfer. If you establish this optional service, you may save money on the total fees you pay us for overdraft protection services.

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 (508) 867-7442.

# **What You Need to Know about Overdrafts and Overdraft Fees**

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts in two different ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to a savings account, which may be less expensive than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains our standard overdraft practices.

## **What are the standard overdraft practices that come with my account?**

We do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number
- Automatic bill payments

We do not authorize and pay overdrafts for the following types of transactions unless you ask us to (see below):

- ATM Transactions
- Everyday debit card transactions

We pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction.

If we do not authorize and pay an overdraft, your transaction will be declined.

## **What fees will I be charged if North Brookfield Savings Bank pays my overdraft?**

Under our standard overdraft practices:

- We will charge you a fee of up to \$30.00 (\$5.00 for 18/65 accounts) each time we pay an overdraft.
- There is a daily limit of 6 fees per day
- We do not charge for overdraft amounts less than \$10.00

## **What if I want North Brookfield Savings Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions?**

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, call 866-711-6272 or complete the form below and present it at a branch or mail it to:

**North Brookfield Saving Bank, Operations Department  
35 Summer Street, North Brookfield, MA 01585**

You may revoke your consent to have ATM and everyday debit card transactions considered for payment under our standard overdraft practices at any time by visiting a branch or contacting us at 866-711-6272.

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I want North Brookfield Savings Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Printed Name: \_\_\_\_\_ Date: \_\_\_\_\_

Account Number: \_\_\_\_\_