

Discretionary Overdraft Privilege Disclosure

The Discretionary Overdraft Privilege Disclosure outlines our practices as it pertains to Overdraft Privilege. The Deposit Account Agreement Disclosures provided to you at the time you opened your account with us controls the duties, obligations and rights of the Depositor, the Authorized Signatories and the Bank with regard to your checking account.

Overdraft Privilege is not a line of credit. However, if you inadvertently overdraw your account, we will have the discretion to pay the overdraft, subject to the limit* of your Overdraft Privilege and the amount of the overdraft fee. Overdraft Privilege may also be available to you even if you have other overdraft services (e.g. line of credit or automatic account transfer) in place on your account. Overdraft Privilege could, at our discretion, be utilized to cover overdrafts, if these other overdraft services have been exhausted.

The Bank is not required to pay any item presented for payment if your account does not contain sufficient available funds. Any discretionary payment by the Bank of an overdraft item does not obligate the bank to pay any other overdraft check (or item), or to provide prior notice of its decision to refuse to pay such check (or item).

Pursuant to the Bank's commitment to always provide you with the best level of service, now and in the future, discretionary Overdraft Privilege may be available to you if you maintain your account in good standing, which includes at least:

- Maintaining a positive balance in your account within every thirty (30) day period for a minimum period of 24 hours;
- Not being in default on any loan or other obligation to the Bank; and
- Not being subject to any judgment, legal or administrative order or levy;
- Having no pending bankruptcy or insolvency proceeding;
- The account is not a Fiduciary, Trust, Escrow, Interest on Lawyers Trust Account (IOLTA), Savings or Money Market;
- The Primary accountholder is 18 years of age or older;
- You continue to make regular deposits every 30 days to your checking account; and
- You are not an executive officer or director of the bank.

The Bank has discretion to pay overdrafts within the Overdraft Privilege limit, but such payment is discretionary. Such payment is not a right of the customer, nor is it an obligation of the Bank. The Bank in its sole and absolute discretion can cease paying overdrafts at any time without notice or cause; and the Bank may revoke Overdraft Privilege for excessive or abusive usage of the service without notice or cause.

Any and all fees and charges, including without limitation the non-sufficient funds fees (as set forth in our fee schedules and deposit account agreement disclosures), will be included up to the maximum amount. Therefore, it is possible that your account will become overdrawn in excess of the Overdraft Privilege amount as a result of the assessment of associated fees and charges.

The total of the discretionary Overdraft Privilege (negative) balance, which includes any and all fees and charges, including all nonsufficient funds/overdraft fees is due and payable upon demand, and depositor and each authorized signatory will continue to be liable, jointly and severally, for all such amounts, and as described in the Deposit Account Agreement Disclosures.

Our standard Overdraft fee of \$36 per item will be imposed for overdrafts created by checks, in-person withdrawals, or by other electronic means as outlined below. The standard Overdraft fee is subject to change. Multiple overdraft fees may be charged in one day. Transactions may not be processed in the order in which they occurred, and the order in which transactions are received and processed may impact the total amount of fees incurred. Additionally,

- We will charge you a \$15.00 per item fee for each item under \$10 that is paid using our discretionary overdraft practices.
- We will charge you a \$36.00 per item fee for each item of \$10.00 or greater that is paid using our discretionary overdraft practices.

^{*}Overdraft limits are subject to change at our discretion and are based on customer standing and account activity.

- We will charge no more than five (5) overdrafts fees per day, for a maximum total of \$180.00.
- If your account is overdrawn for 1 or more consecutive business days, we will charge an additional \$5 per day until your account is brought to a positive balance.

For our **Consumer** (non-commercial) customers The Bank will not pay overdrafts for ATM or everyday debit card transactions unless The Bank has provided you with the notice required by section 205.17(b) of Regulation E (What You Need to Know About Overdraft Services and Fees) and you have **OPTED IN** to the payment of such overdrafts. Regulation E does not require a confirmed Opt-In on **Commercial** (non-consumer) accounts to pay ATM or everyday debit card transactions.

In order to avoid overdrafts due to ATM and everyday debit card transactions, The Bank will place a hold on your account for any ATM or everyday debit card transaction authorized until the transaction settles. ATM and everyday debit card transactions usually settle within two business days after the transaction is authorized. The amount of the hold will be for the amount authorized, or as permitted under applicable payment network rules. Holds on authorized ATM and everyday debit card transactions will be removed prior to settlement where required by applicable payment network rules.

Both consumer and commercial customers may opt out of the Overdraft Privilege services at any time by contacting your local branch or calling 1.855.8VS.BANK.

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