

COMMUNITY FINANCIAL SERVICES BANK "BOUNCE PROTECTION AND CARD OPT IN" CUSTOMER OVERDRAFT POLICY

An insufficient balance could result in several ways, such as the payment of checks, electronic funds transfer, or authorized electronic withdrawals, or other withdrawal requests such as ATM, Point of Sale, internet or phone transfers: **Note that ATM and one-time debit card transactions will not be paid unless you have opted in for that service.** You will receive a separate notice to opt in to this service. Overdrafts may also result from other payments authorized by you, the return of unpaid items deposited by you, the imposition of bank fees or service charges, or the deposit of items which, according to the bank's Funds Availability Policy are not yet treated as collected and therefore are not available for use.

We are not obligated to pay any item presented for payment if your account does not contain sufficient funds. However, if you maintain your account in good standing, defined as making regular deposits to bring your account to a positive balance at least once every 30 days, and there are not legal orders outstanding, we may approve your reasonable overdrafts as a non-contractual courtesy. If you use Bounce Protection, you should remember the bank's normal insufficient funds (NSF) fee of \$35 for each transaction will be deducted from your limit. Whether your overdrafts will be paid is discretionary and we reserve the right not to pay. For example, we typically do not pay overdrafts if your account is not in good standing, or you are not making regular deposits, or you have too many overdrafts and exceed your overdraft limit. Your Bounce Protection will also be suspended from remaining available funds if a deposit is not made within the 30 day time frame. If your account remains overdrawn, a recurring daily overdraft fee will be assessed each business day your account remains overdrawn, after the 5th business day (see schedule of Fee and Charges). The amount of any overdraft plus our insufficient funds handling fee charge(s) that you owe shall be due and payable upon demand.

The order in which transactions are received and processed can also affect the total amount or overdraft fees incurred. The bank's general practice of processing items is to pay small items first and charge the standard NSF fee on the largest items.

We may refuse to pay an overdraft for you at any time, although we may have previously paid overdrafts for you. You will be notified by mail of any non-sufficient funds items paid or returned that you may have; however, we have no obligation to notify you before we pay or return any item. If there is an overdraft paid by us on an account with more than one (1) owner on the signature card, each owner, and agent if applicable, drawing/presenting the item creating the overdraft, shall be jointly and severally liable for such overdraft, plus our Insufficient Funds handling fee charge(s). You should note that your Bounce Protection limit is included in your available balance provided by a teller, through our Datalink 24 phone system or Internet Banking. Your current balance does not include Bounce or any other overdraft protection, if applicable.

You may choose to remove Bounce Protection at any time by signing an Opt Out waiver. Other overdraft programs are available as an alternative to the Bounce Protection program. These programs include Sweep Protection from another account and Cash Reserve.

LIMITATIONS: Available on individually or jointly owned accounts in good standing for personal, household or sole-proprietorship use; not available to corporations, partnerships, LLCs or other business entities. New accounts must meet the following guidelines to receive Bounce Protection: (1) Account must be open for 30 days (2) Average Ledger balance must equal 1/2 of Bounce Limit within the opening 30 days. CFSB reserves the right to limit participation to one account per household and to discontinue this product with 30 days prior notice. Bounce Protection that has not been utilized at least once in a twenty-four consecutive month period will be deactivated.

DEFINITIONS: Available balance is your regular checking account balance and may include bounce protection, cash reserve, memo posted items and holds. Ledger or current balance is your regular checking account balance including any memo posted deposits or withdrawals and does not include Bounce or other overdraft protection, if applicable.