



SECURITY BANK

OVERDRAFT PRIVILEGE POLICY (SERVICE DESCRIPTION)

(A Discretionary Overdraft Service)

It is the policy of Security Bank (“the Bank, we, us, or our”) to comply with applicable laws and regulations, and to conduct business in accordance with applicable safety and soundness standards.

Overdraft Privilege service is not a line of credit. However, if you inadvertently overdraw your account, we will have the discretion to pay the overdraft and charge a fee of \$28.00 (no more than \$84.00 in fees per day will be charged to your account), subject to the limit of your overdraft privilege and the amount of the overdraft fee. The Bank is not obligated 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 us to pay any other overdraft item, or to provide prior notice of our decision to refuse to pay such item.

If your consumer account (primarily used for personal and household purposes) has been open for at least thirty (30) days, and thereafter you maintain your account in good standing, which includes:

- Bringing your account balance to a positive balance within every thirty (30) days,
- Deposits that equal or exceed ODP limit amount in previous thirty (30) days,
- Not being in default on any loan or other obligation to Security Bank, and
- Not being subject to any legal or administrative order or levy,

the bank will have the discretion to pay overdrafts within the overdraft privilege limits. However, payment by us is a discretionary courtesy and not a right of the customer or an obligation of the Bank. Depending on account type, this privilege for consumer checking accounts will generally be limited to a maximum of either \$400 or \$700 overdraft (negative) balance. Any and all fees and charges, including without limitation the non-sufficient funds fees and/or overdraft fees will be included as part of this maximum amount.

An overdraft (negative) balance may result from (a) the payment of checks, electronic funds transfers, or other withdrawal requests; (b) payments authorized by you; (c) the return of items deposited by you; (d) the imposition of applicable service charges; or (e) the deposit of items which according to the Bank’s Funds Availability Policy, are treated as not yet “available” or finally paid.

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, shall be jointly and severally liable for such overdrafts, including any and all fees and charges, including all non-sufficient funds/overdraft fees. The amount of any overdrafts plus our non-sufficient funds and/or overdraft fees that you owe us shall be due and payable upon demand.

Again, while the Bank will have the discretion to pay overdrafts on accounts in good standing (as described above), any such payment is a discretionary courtesy, and not a right of the customer or an actual or implied obligation of the Bank. Overdraft Privilege service is not an actual or implied agreement between you and the Bank. The Bank in its sole and absolute discretion can cease paying



overdrafts at any time without prior notice of reason or cause. We may refuse to pay an overdraft for you at any time, even though your account is in good standing and even though 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.

Incoming transactions will post to your account in the following order. All Credit transactions (deposits) post first, before any debits.

- Checks cashed at Bank
- Bank Payments and Transfers
- ATM & Debit card transactions
- ACH Withdrawals
- Checks written to third-parties

Within each category, Debits will post from lowest to highest dollar amount with exception of Checks, which clear in check number order. Transactions may not be processed in the order in which they occurred. The order in which transactions are received and processed can affect the total amount of overdraft fees incurred.

Limitations: Available only to eligible personal checking accounts primarily used for personal and household purposes. All Business, Public Fund, Charitable Organization and Student/Minor Accounts are not eligible. We may limit the number of accounts eligible for Overdraft Privilege service to one account per household.