

# Overdraft Services

## OVERDRAFT PROTECTION SERVICES

Our Bank's Overdraft Protection Services are designed to help protect our customers from the inconvenience and merchant fees incurred when overdrawing their personal checking accounts. With one of our overdraft services, you will have protection from the hassle and fees associated with a returned item. Multiple overdraft protection options mean you can choose the overdraft protection service that is appropriate for you. You can opt-out of any of our Overdraft Services at any time.

### READY RESERVE LINE OF CREDIT

A Ready Reserve Line of Credit provides line of credit advances to cover your overdrafts and help prevent your account from becoming overdrawn:

- Transfers are made in \$100 increments up to your credit limit to cover overdrafts in your deposit account
- Subject to credit underwriting based on a credit application and credit approval
- \$30 annual Ready Reserve fee
- No additional per use fees
- A.P.R. 19.00%

See *Ready Reserve LOC Agreement* or talk to a Pinnacle Bank representative for complete details.

### OVERDRAFT TRANSFER

You can also arrange for funds to be transferred from your other checking or savings accounts with us into your personal checking account if it becomes overdrawn. Features of Overdraft Transfer include:

- Transfers are made in \$100 increments to cover overdrafts providing you have funds in your other Checking or Savings accounts sufficient to cover the overdraft
- \$20 Overdraft Transfer set-up fee
- \$2 fee for each Overdraft Transfer
- Ideal for customers who maintain balances in other checking or saving accounts with us.
- If transfer doesn't make the Master account balance positive, you may still be charged a per item NSF fee.

### OVERDRAFT PRIVILEGE

Overdraft Privilege is a discretionary service that cushions your Pinnacle checking account from inadvertent overdrafts and reduces the possibility for returned items:

- Will give you more confident check writing
- Payment of check and ACH overdrafts up to your assigned limit
- NEW ACCOUNTS: \$100 limit
- EXISTING ACCOUNTS IN GOOD STANDING FOR 60 DAYS: \$900 Limit
- If you choose to specifically opt-in to payment of your ATM and everyday debit card transactions, they will also be considered for payment up to your assigned limit.
- No charge for this service unless you use it. You may opt-out of any or all of Overdraft Privilege or payment of your everyday debit card transactions at any time.
- \$10 per item NSF Paid Item Fee/NSF Returned Item Fee for items \$10 or less
- \$32 per item NSF Paid Item Fee/Returned Item Fee for items paid over \$10.
- No NSF Paid Item Fee/NSF Returned Item Fee if your account is overdrawn \$5 or less at end of the day.
- \$4 overdraft fee is charged the 4th business day following initial overdraft and continues each business day you are overdrawn more than \$5. The fee is charged even if the overdraft was caused by a bank fee.
- There is a limit of \$196 on total fees for overdrawing your account each day.
- Please note, items can be presented multiple times which can result in multiple NSF returned/paid item fees for the same item.

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## OVERDRAFT PROTECTION SERVICES

We offer three different overdraft protection services for your deposit accounts. These include our Ready Reserve Line of Credit overdraft protection, Overdraft Transfer Program, which transfers funds from another deposit account of yours to cover your overdrafts, and Overdraft Privilege Program, which is a discretionary service designed to cushion your personal checking account by giving you an assigned Overdraft Privilege limit. If you apply or opt-in (if applicable) and are qualified for these optional services, you may save money on the total overdraft fees you pay us for overdraft protection. You can have the following combination of products:

- Ready Reserve Line of Credit and Overdraft Transfer (Overdraft Transfer is applied first)
- Overdraft Transfer and Overdraft Privilege (Overdraft Transfer is applied first)

### READY RESERVE LINE OF CREDIT

You may apply at any time for a Ready Reserve Line of Credit (LOC), which can be used to cover personal checking account overdrafts. There is a Ready Reserve LOC annual fee of \$30. The Ready Reserve LOC provides minimum advances from the LOC of \$100 to cover your checking account overdrafts. The Ready Reserve LOC Agreement contains specific terms and conditions that cover both the Bank and you as the Ready Reserve LOC borrower.

If you are approved for a Ready Reserve LOC, a credit limit and maximum LOC draw amounts are established in the Agreement, as well as terms of repayment. A Ready Reserve LOC is not suitable for all customers, and requires the account holder to undergo credit underwriting and qualify from a creditworthiness basis, including having acceptable credit history and repayment capacity. Minimum payments and interest rate are established by the Agreement. Either party may terminate the Ready Reserve LOC Agreement at any time and any remaining amount due will be due in full. Not all customers may qualify. Advances on a Ready Reserve LOC for purposes other than covering checking account overdrafts are not permitted.

### OVERDRAFT TRANSFER

#### (FUNDS TRANSFERRED FROM ANOTHER PINNACLE DEPOSIT ACCOUNT)

Personal checking account holders who also maintain another deposit Checking or Savings account with our bank, may enter into a Transfer Agreement, which will authorize us to transfer funds from one of your deposit accounts into your personal checking account to cover deposit account overdrafts if you have sufficient funds in your account.

There is a one-time Overdraft Transfer set-up fee of \$20 and the minimum amount to be transferred is \$100. There will be a fee of \$2 for each overdraft transfer completed. If there is not \$100 available in the account funds are to be transferred from, the Transfer Agreement provides for transferring the amount available. Transfer will take place for only amount in linked account. You may still be charged a per item NSF fee if there were not sufficient funds to make the Master account balance positive as well as the \$2.00 transfer fee.

The transfer of funds from the additional checking or savings account to cover deposit account overdrafts does not modify the terms and conditions of any of the deposit accounts, and they will remain subject to the account's individual terms and conditions, which are not modified by executing a Transfer Agreement. If a transfer is made from additional Bank deposit accounts into your personal checking account to cover deposit account overdrafts, the Bank retains the right to require not less than 7 days written notice of withdrawal. Transfer Agreements remain in effect until terminated by the account holder or bank.



## **OVERDRAFT PRIVILEGE PROGRAM**

We offer a discretionary service called Overdraft Privilege designed to cushion your personal checking account from inadvertent overdrafts. We are not obligated to pay every overdraft and not all accounts are eligible. Overdraft Privilege may reduce the possibility of your checks being returned if there are not sufficient funds in your account and, if you specifically opt-in to coverage, your debit card or ATM transactions being refused. There is no charge to you unless you use the service. Some restrictions do apply. You may opt-out at any time.

The Overdraft Privilege program works this way: Rather than automatically returning unpaid all NSF (Non Sufficient Funds) check or debit items that you may have, we will consider, without obligation on our part, payment of your reasonable overdrafts up to your assigned Overdraft Privilege limit. If you have specifically opted-in, we will also consider honoring your one-time debit card or ATM transactions up to your Overdraft limit. Our normal NSF paid item fee/NSF returned item fee will be charged for each item that would create an overdraft on your account.

### **OVERDRAFT PRIVILEGE DELIVERS THESE BENEFITS:**

- More confident check writing
- A cushion from the hassle and merchant fees associated with a returned check
- Freedom from concern that ATM or one-time debit card transactions will be rejected (If you have opted-in)
- After you specifically opt-in for ATM and one-time debit card transactions, it requires no further action by you and there are no additional forms to sign

### **OVERDRAFT PRIVILEGE FOR NEW ACCOUNTS**

For new deposit account holders we will consider payment of your inadvertent check and ACH overdrafts up to a \$100 limit. You do not need to do anything to get this protection and you may opt-out at account opening or any time thereafter. If you specifically opt-in to the overdraft payment of overdrafts on your one-time debit card and ATM overdrafts, we will also consider payment of them up to your limit.

### **FEEES FOR NEW AND EXISTING ACCOUNTS**

We will charge our normal NSF paid item fee/NSF returned item fee of \$10 per item for overdraft items of \$10 or less or \$32 per item for overdraft items over \$10 whether we approve the item for payment or not. On the 4th business day a \$4 overdraft fee is charged following the initial overdraft and continues each business day when you are overdrawn more than \$5 in addition to the normal NSF paid item fee/NSF return item fee. If your account is overdrawn \$5 or less at the end of the day we will not charge an overdraft or NSF returned item fee. You may incur multiple NSF Paid/NSF Return fees in a day up to a limit of \$196 per day. Please note, items can be presented multiple times which can result in multiple NSF returned/paid item fees for the same item.

### **OVERDRAFT PRIVILEGE FOR EXISTING ACCOUNTS**

For existing deposit account holders who are enrolled in the Overdraft Privilege Program and meet the qualification of good standing\* for 60-days, the Bank will consider payment of your inadvertent check and ACH overdrafts up to a \$900 limit. You do not need to do anything to continue to receive this protection. If you specifically opt-in to the overdraft program for your on-time debit card and ATM purchase(s)/withdrawal(s), we will consider payment of them up to your established overdraft limit.

\*Good Standing includes at least: (a) Continuing to make deposits consistent with your past practices and depositing at least \$300 or more (excludes ATM deposits, transfers, and cash only deposits) in your account within each thirty (30) day period. (b) You are not in default on any loan obligation to us. (c) You bring your account to a positive balance (not overdrawn) immediately, or as soon as possible, and (d) your account is not the subject of any legal or administrative order or levy, such as bankruptcy, garnishment or a tax lien.

### **ADDITIONAL OVERDRAFT PRIVILEGE DISCLOSURES**

We may refuse to pay an NSF item for you at any time, even though your account is in good standing, and even though we may have previously paid NSF items for you. You will be notified by mail or email of any NSF items paid or returned that you may have; however, we have no obligation to notify you before we pay or return any item. The amount of any overdrafts, including our fees, that you owe us shall be due and payable immediately.

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 overdrafts, including our fees.

Overdraft Privilege is available only for eligible consumer checking accounts that are maintained in good standing. Money Market Accounts, Trust Accounts, Estate Accounts, Custodial Accounts and Fiduciary Accounts are not eligible for this service. We may, at our sole option and discretion, limit the number of your accounts eligible for Overdraft Privilege to one account per household and/or one account per taxpayer identification number.

If you are enrolled in Overdraft Privilege, transactions initiated for payment against your checking account(s) may be paid by us using, and up to, your assigned Overdraft Privilege Program limit, including any fees. The eligible transaction types will include, without limitation but may be dependent upon your opting-in: checks, ACH, electronic items including one-time debit card purchases, ATM, check card, online banking, bill payment services, recurring debit card transactions and telephone banking transactions. If you have enrolled in Overdraft Privilege, we may still pay, at our option, your NSF items resulting from checks or recurring ACH debits.

**Transactions including checks, ATM withdrawals, wire transfers or ACH transfers may not be processed in the order in which they occur. Transactions on your account are processed by transaction code from smallest item to largest, and this may affect overdraft fees.**

Our Overdraft Privilege service does not constitute an actual or implied agreement between you and us, nor does it constitute an actual or implied obligation of or by us. This service represents a purely discretionary courtesy or privilege that we may provide to you from time to time and which may be withdrawn or withheld by us at any time without prior notice or reason or cause.

### **CUSTOMER OVERDRAFT OPT-OUT**

You may choose at any time to opt-out or not participate in any of the Overdraft Services listed in this brochure by notifying us by phone or in writing. You may reach us at your local branch or 1.800.755.0277.

### **IF YOU NEED HELP**

Overdraft services should not be routinely used to pay for ordinary or everyday 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 a customer service representative at any one of our convenient Pinnacle Bank locations. If you have been paying multiple overdraft fees we may be contacting you to explain that there may be less expensive alternative services that may be better suited for your needs. Please call Overdraft Services at 1.800.755.0277 to discuss options or visit your local Pinnacle Bank.