

WHAT YOU NEED TO KNOW ABOUT OVERDRAFTS AND ASSOCIATED FEES

An “Overdraft” occurs when the actual balance in your account is not sufficient to pay a transaction when it is presented to us for payment, but we pay it anyway. Your account's actual balance only includes transactions that have settled up to that point in time, that is, transactions (deposits and payments) that have posted to your account. The actual balance does not include outstanding transactions (such as checks that have not yet cleared and electronic transactions that have been authorized but are still pending). Your periodic statement displays the actual balance in your account.

Good account management is the best way to prevent Overdrafts and associated fees. We recommend that you record all your account activity in a transaction register and routinely reconcile your computed account balance to the actual balance reported on your periodic statement. UCB offers multiple electronic methods to help you monitor your actual balance and/or pending transactions, including: telephone banking, Internet banking, mobile banking, e-mail and/or text message alerts, and push notifications. These tools and customizable notifications can help you stay informed and make real-time spending decisions. Your Internet and cellular providers’ data and text messaging rates may apply.

How do we pay Overdrafts?	<p>We understand that unexpected Overdrafts occur from time to time. When they do, we can pay your Overdrafts in three different ways:</p> <ol style="list-style-type: none"> 1. We offer <u>Overdraft Protection</u>, where your checking account is linked to a designated funding account held at UCB, such as a savings account or line of credit. This may be the least expensive alternative. <i>To learn more, refer to our Overdraft Protection Disclosure.</i> 2. We have our <u>Standard Overdraft Practice</u> that applies to any account. 3. We also offer <u>automated Overdraft Privilege</u> and <u>Enhanced Overdraft Privilege</u> for qualifying accounts.
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What is our Standard Overdraft Practice?	<p>At the time a transaction is presented for payment, if the actual balance in your account is not sufficient to pay the entire amount of that transaction it will still post to your account, but it will be flagged as an exception item. The following business day, we will manually review the exception item and decide, <u>at our discretion</u>, whether to pay or return the transaction.</p> <ul style="list-style-type: none"> • If we pay the transaction, we may charge you a \$29.95 Overdraft/Paid Item Fee. We will only charge 4 Overdraft/Paid Item Fees per day. We <u>do not guarantee</u> that we will always pay a transaction, even if we have paid that type of transaction in the past. • If we decide not to pay the transaction, we will return it, unpaid, to the merchant. We will credit the amount of the transaction back to your account and charge you a \$29.95 Returned Item Fee. There is no limit to the number of Returned Item Fees we will charge per day. The merchant who initially presented the transaction to us for payment may also charge you a fee. • A merchant or other payee may re-present a returned transaction to us multiple times and we do not monitor or control the number of times a transaction is presented. Therefore, <u>each time a transaction is presented to us for payment</u>, if you do not have sufficient actual balance in your account to pay the transaction, we may charge you either a \$29.95 Overdraft/Paid Item Fee or a \$29.95 Returned Item Fee, <u>even if</u> the transaction was previously declined and a Returned Item Fee was previously charged. • There is <u>no limit</u> on the total fees we may charge you in connection with a transaction that a merchant or payee re-presents multiple times.
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What is Overdraft Privilege?	<p>Overdraft Privilege is an optional automated service (<i>for qualifying accounts</i>) designed to save you the inconvenience and additional costs of returned transactions. When your actual balance is not sufficient to pay a transaction that is presented for payment, our system will automatically draw from an approved Overdraft Privilege Limit placed on your account and use it to pay the transaction.</p> <ul style="list-style-type: none"> • An Overdraft/Paid Item Fee will apply each time we use your Overdraft Privilege Limit to pay an Overdraft. • The amount of each Overdraft plus each Overdraft/Paid Item Fee is deducted from your available Overdraft Privilege Limit. • Once you reach your Overdraft Privilege Limit, any subsequent transaction that exceeds the actual balance of your account may be returned and a Returned Item Fee will apply. <p>Overdraft Privilege is a courtesy service intended to pay your occasional or accidental Overdrafts. It is NOT a revolving line of credit or a payment guarantee. We will monitor your usage and if it becomes excessive, or if you do not maintain your account in good standing (as defined below), we may remove this privilege from your account and return all subsequent non-sufficient funds items.</p>
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What are the qualifying factors?	<p>Generally, Overdraft Privilege is only allowed on one account. In order to qualify for Overdraft Privilege, your account* must be open for at least 30 days and maintained in good standing, meaning:</p> <ul style="list-style-type: none"> ✓ You make regular deposits. ✓ You have not incurred any Continuous Overdraft Fees on your account. ✓ You are not in default on any loan obligations at UCB. ✓ Your account is not subject to any legal or administrative order or levy. ✓ You have not had Overdraft Privilege revoked from another UCB account due to excessive use. <p><i>*Overdraft Privilege is not offered on every type of account. Ask a banker if your account is eligible.</i></p>
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How will you know if you overdraw your account?	We have no obligation to notify you before we pay or return an Overdraft transaction. However, we will send you a <u>Notice of Items Paid & Returned</u> , which will include a description of each transaction, the associated handling fee(s), and your actual balance after settling these exception items. The amount of any Overdrafts, Overdraft/Paid Items Fee(s), and Returned Item Fee(s) reflected on your notice shall be due and payable immediately. You must bring your account to a positive actual balance in order to avoid the assessment of additional fees. Refer to the <i>Terms & Conditions of Your Account</i> for further liability details.
What fees will be charged if we pay your Overdraft?	When we pay Overdrafts through either our Standard Overdraft Practice or our automated Overdraft Privilege or Enhanced Overdraft Privilege services, the following fees are imposed: <ul style="list-style-type: none"> • We will charge you an Overdraft/Paid Item Fee of \$29.95 each time we pay an Overdraft. <ul style="list-style-type: none"> ➢ If the transaction causes the actual balance in your account to overdraw less than -\$10.00, we will pay the transaction and waive the Overdraft/Paid Item Fee. ➢ The maximum number of Overdraft/Paid Item Fees that we will assess is 4 per day. • If the actual balance in your account is overdrawn for more than four consecutive business days, we will charge a Continued Overdraft Fee of \$4.95 per day starting on the fifth business day and continuing until you bring your account to a positive actual balance. • The maximum amount of Overdraft fees you could incur in a single day from Overdraft/Paid Item Fees and the Continued Overdraft Fee is \$124.75. $((\\$29.95 \times 4) + \\$4.95)$
What is the difference between Overdraft Privilege and Enhanced Overdraft Privilege?	<p>Overdraft Privilege We will utilize your Overdraft Privilege Limit, up to your approved amount, to pay Overdrafts caused by <u>checks, ACH, bill payments and recurring debit card transactions</u>.</p> <p>Enhanced Overdraft Privilege* We will utilize your Overdraft Privilege Limit, up to your approved amount, to pay Overdrafts caused by checks, ACH, bill payments, recurring debit card transactions AND ATM and one-time debit card transactions.</p> <p><i>*The Enhanced Overdraft Privilege service is only offered if you have a debit card tied to your account.</i></p>
What additional service does Enhanced Overdraft Privilege provide?	When you use your debit card to withdraw funds at an ATM or to make a purchase at the point of sale (POS), it is typically a two-step process consisting of 1) authorization; and 2) payment; with a time lag in between. When you initiate a debit card transaction, most ATM networks and merchants will request authorization from us to verify that your account is valid and that you have sufficient funds available to cover the transaction amount. If we authorize the transaction, we will place a temporary debit hold on your account until we later pay that transaction. To <u>authorize</u> a transaction, we use your <u>available</u> balance, that is your actual balance plus pending ACH credits minus temporary debit holds and other holds placed on your funds. <p>Enhanced Overdraft Privilege could save you the aggravation of a declined ATM or one-time POS debit card authorization.</p> <ul style="list-style-type: none"> • Normally, if a debit card authorization request exceeds your available balance, we will decline it. We will not impose any fee for a declined authorization; but, you would not be able to complete your transaction unless you use an alternate form of payment. • With Enhanced Overdraft Privilege, we will consider your unused Overdraft Privilege Limit when assessing an authorization request. In other words, our system will automatically <u>authorize</u> an ATM or one-time POS debit card transaction if your available balance plus your unused Overdraft Privilege Limit is sufficient to cover the amount of the authorization request.
What rights do you have concerning Overdraft Privilege?	Any one of the joint owners on your account has the right to opt-in or opt-out of our Overdraft Privilege or Enhanced Overdraft Privilege services at any time. If you opt-in, we will activate the service once we verify that your account meets the qualifying factors listed above. You may provide or revoke your consent at any time by completing a new Overdraft Privilege Election Form, which is available at any branch location or on our website at www.ucbbank.com/ODP .

OVERDRAFT PRIVILEGE ELECTION FORM:

Customer Name: _____ Account Number: _____

YOU MUST CHOOSE ONE OF THE FOLLOWING OPTIONS:

- I do not want Overdraft Privilege.
- Overdraft Privilege:** I want UCB to pay Overdrafts caused by checks, ACH, bill payments and recurring debit card transactions.
- Enhanced Overdraft Privilege:** I want UCB to pay Overdrafts caused by checks, ACH, bill payments and recurring debit card transactions and I want UCB to authorize and pay Overdrafts caused by ATM and one-time debit card transactions.

Signature: _____

Date: _____