

What You Need To Know About Overdrafts And Overdraft Fees

An Overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts in two different ways:

1. We have Overdraft Privilege that comes with your account. See Overdraft Privilege Disclosure for the details of the Overdraft Privilege.
2. We also offer overdraft protection plans, such as link to a savings account or line of credit, which may be less expensive than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains Bank of Oak Ridge's standard overdraft practices. What are the standard overdraft practices that come with my account?

We use the available balance*method to determine whether your account is overdrawn.

We **do** authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number
- Automatic bill payments

As required by federal regulation, we **will not** authorize and pay overdrafts for the following types of transactions unless you ask us to (see below):

- ATM transactions
- Everyday debit card transactions, including using your debit card through a mobile device

We pay overdrafts at our discretion, which means we **do not guarantee** that we will always authorize and pay any type of the transaction. If we do not authorize and pay an overdraft, your transaction will be declined. If your transaction is declined, it may result in a returned item fee.

Under Bank of Oak Ridge's standard overdraft practices:

- We will charge you a fee of up to **\$35.00** each time we pay an overdraft.
- We have a \$175.00 daily overdraft/non-sufficient funds fee limit on the total fees we can charge you for overdrawing your account.
- If your total overdrawn amount in your account is \$10.00 or less when processed, we will waive any overdraft fees you would have incurred from transactions.

If you would like Bank of Oak Ridge to authorize and pay overdrafts on ATM and everyday debit card transactions: (1) call 336.644.9944, (2) download this form from www.bankofoakridge.com/personal-banking/overdraft-courtesy/, or (3) complete the form below and present to any branch or mail to: Bank of Oak Ridge; PO Box 2 Oak Ridge, NC 27310

***Available Balance:** We use the "available balance" method to determine whether your account is overdrawn, that is, whether there is enough money in your account to pay for a transaction. Importantly, your "available" balance may not be the same as your account's "actual" balance. This means an overdraft or a returned item/NSF transaction could occur regardless of your account's actual balance. Your account's actual balance (sometimes called the ledger 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 which are still pending). The balance on your periodic statement is the ledger balance for your account as of the statement date. As the name implies, your available balance is calculated based on the money "available" in your account to make payments. In other words, the available balance takes transactions that have been authorized, but not yet settled and subtracts them from the actual balance. In addition, when calculating your available balance, any "holds" placed on deposits that have not yet cleared are also subtracted from the actual balance.

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- I want Bank of Oak Ridge to authorize and pay overdrafts on my ATM and everyday debit card transactions.
- I do not want Bank of Oak Ridge to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Account Number(s): _____

Account Owner (print name): _____

Signature: _____ Date: _____