



Overdraft Privilege Service Description

It is First Federal Savings of Lorain's ("we, us, or our") policy to comply with applicable laws, rules and regulations, and to conduct business in accordance with strict safety and soundness standards. A non-sufficient funds (overdraft/negative balance) may result from: A) The payment of checks, electronic funds transfers, or other withdrawal requests you initiate; B) Payments authorized by you; C) The return, unpaid, of items deposited by you; D) Charging your account for our applicable service charges and fees; E) The deposit of items to your account which, according to our Funds Availability Policy, are treated as not yet "available" or "finally paid". **We are not obligated to pay any item initiated for payment against your account if your account does not contain sufficient collected funds.** Rather than automatically returning, unpaid, all non-sufficient funds items that you may have, if your "eligible account type" has been open for at least thirty (30) days and thereafter you maintain your account in good standing, which includes at least: (A) Depositing at least \$400 or more in your account within the first 30 days your account has been opened, (B) You are not delinquent (60 days or more late) on any loan obligation to us, (C) We reserve the right to require you to pay your outstanding overdraft (negative) balance, including our fees, immediately or on demand, and (D) Your account is not the subject of any legal or administrative order or levy, such as bankruptcy or a tax lien, **we will consider**, without obligation on our part, **approving your reasonable overdrafts up to your assigned OVERDRAFT PRIVILEGE Limit, including our fees.**

This discretionary* service will generally be limited to a \$800 overdraft (negative) balance for eligible personal checking account types; or a \$1,500 overdraft (negative) balance for eligible business checking account types. Our normal fees and charges including, without limitation, our non-sufficient funds (NSF) or overdraft (OD) fees; currently \$33.00 per non-sufficient funds or overdraft item, as set forth in our fee schedule, will be charged for each transaction initiated for payment from your checking account that does not have sufficient collected funds. Typically, we will charge our normal NSF/ODP fee whether we approve an overdraft item for payment or return it unpaid.

Our NSF/ODP will be included in and count against OVERDRAFT PRIVILEGE Limit of \$800, or \$1,500. Whether your overdrafts will be paid or not is at our sole discretion and we reserve the right not to pay. For example, we typically do not pay overdrafts if your account is not in good standing as described above, or if you have too many overdrafts. **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. 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.

•Ineligible Accounts and Limitations: Available only for eligible checking accounts that are maintained in good standing as defined above. Savings Type Accounts, Money Market Accounts, Public Fund/Charitable Organization Accounts, Certain Trust Accounts, Student Minor Accounts, and any other Minor Accounts not of legal age are *not eligible* for this service. We may, in 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.

• Eligible Account Types: The account types that are eligible for **OVERDRAFT PRIVILEGE** are: Personal/Regular Checking and Business Checking.

•Transactions That May Cause or Create Overdrafts Using Your OVERDRAFT PRIVILEGE Limit: An overdraft occurs when you do not have enough money in your account to cover a transaction. Although there are many reasons why your account might become overdrawn, most overdrafts result from the following: (A)

You write a check, swipe your debit card or initiate an electronic funds transfer in an amount that exceeds the amount of funds available in your account. (B) You deposit a check or other item into your account and the item is returned unpaid, which causes a negative balance in your account once your balance is reduced by the amount of the check. (C) You have inadequate funds in your account when we assess a fee or service charge. (D) You initiate a transaction before funds deposited into your account are "available" or "finally paid" according to our Funds Availability Policy. Our ODP program applies to a variety of transactions, including checks and other transactions made using your checking account number, automatic bill payments, ATM and everyday debit transactions. **However, we will not include ATM and everyday debit card transactions within our ODP program without first receiving your affirmative consent to do so. Absent your affirmative consent, ATM and everyday debit transactions generally will not be paid under ODP.**

•**You May Always Opt-Out:** Participation in ODP is not mandatory. You may opt-out of the service any time by notifying one of our service representatives. Furthermore, you may revoke your affirmative consent to have ATM and everyday debit card transactions considered for payment under ODP without removing other items for the service. Simply inform us of your preference.

•**Other Overdraft Service:** We offer another overdraft service in addition to ODP. This overdraft protection is linked to a First Federal Savings of Lorain savings account. If you choose this option, you may save money on the total fees you pay us for overdraft services.

•**Posting Order:** "Generally, we will post your check transactions in the order of your lowest numbered check to your highest numbered check" (commonly referred to as "Ascending Check Number Order" or "Sequence Number Order" or "Sequential Order" or "The Order in Which You Wrote Them").

•**If You Need Help:** Of course, overdrafts should not be used to pay ordinary or routine 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 call your respective First Federal Savings branch office or (440) 282-6188 or toll free 800-589-8850.

• **ALWAYS A DISCRETIONARY* SERVICE:** 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. Our OVERDRAFT PRIVILEGE 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.