

**WHAT ELSE DO I NEED TO KNOW?** *continued*

- However, we will not authorize debit card or ATM transactions unless your account's Available Balance (including Overdraft Coverage Options) is sufficient to cover the transactions and any fee(s).
- ★ Giving us your consent to pay everyday debit card and ATM overdrafts on your consumer account (Extended Coverage) may result in you incurring Overdraft Fee or Insufficient Funds Fees for transactions that we would otherwise be required to pay without assessing an Overdraft Fee or Insufficient Funds Fee. However, this would allow us to authorize transactions up to the amount of your Overdraft Privilege limit and may also help you avoid overdrafts in excess of your Available Balance. If you consent to Extended Coverage on your consumer account, it will remain on your account until it is otherwise withdrawn.
- Understanding Your Available Balance:** Your account has two kinds of balances: Ledger Balance and Available Balance.
- ★ We authorize and pay transactions using the Available Balance.
  - ★ Your Ledger Balance reflects the full amount of all deposits to your account as well as payment transactions that have been posted to your account. It does not reflect checks you have written and are still outstanding or transactions that have been authorized but are still pending.
  - ★ Your Available Balance is the amount available to you to use for purchases, withdrawals, or to cover transactions. The Available Balance is your Ledger Balance, less any holds due to pending debit card transactions and holds on deposited funds.
  - ★ The balance used for authorizing checks, ACH items, and recurring debit card transactions is your Available Balance plus the amount of the Overdraft Privilege limit and any available Overdraft Protection.
  - ★ The balance used for authorizing ATM and everyday debit card transactions on accounts with Standard Coverage is your Available Balance plus any available Overdraft Protection but does NOT include the Overdraft Privilege limit.
  - ★ The balance used for authorizing ATM and everyday debit card transactions on accounts with Extended

Coverage is your Available Balance plus any available Overdraft Protection and includes the Overdraft Privilege limit.

- ★ Because your Available Balance reflects pending transactions and debit holds, your balance may appear to cover a transaction but later upon settlement it may not be sufficient to cover such transaction. In such cases, the transaction may further overdraw your account and be subject to additional overdraft fees. You should assume that any item which would overdraw your account based on your Available Balance may create an overdraft. Note that we may place a hold on deposited funds in accordance with our Deposit Account Agreement and Disclosure, which will reduce the amount in your Available Balance.
- ★ Please be aware that the Overdraft Privilege amount is not included in your Available Balance displayed through internet banking, mobile banking, telephone banking, or Highpoint Community Bank ATMs.
- ★ Except as described in this brochure, we will not pay items if the Available Balance in your account (including the Overdraft Privilege limit, if applicable) is not sufficient to cover the item(s) and the amount of any fee(s).

**OVERDRAFT PROTECTION AND OVERDRAFT PRIVILEGE SUMMARY**

**Understanding Overdraft Privilege Limits**

- ★ New consumer and business checking accounts will receive a \$100 Introductory Overdraft Privilege limit at account opening.
- ★ Overdraft Privilege limits up to \$500 will be granted to eligible consumer checking accounts opened at least 30 days in good standing.
- ★ Overdraft Privilege limits up to \$500 are available for eligible Business accounts opened at least 30 days in good standing.
- ★ Overdraft Privilege may be reduced or suspended if you default on any loan or other obligation to us, your account becomes subject to any legal or administrative order or levy, or if you fail to maintain your account in good standing by not bringing your account to a positive balance within 35 days for a minimum of one business day. You must bring your account balance positive for at least

one business day to have the full Overdraft Privilege limit reinstated.

- ★ Overdraft Privilege Standard Coverage covers checks, ACH transactions (automatic debits), online bill pay items, teller window transactions, telephone and internet banking transactions, and recurring debit card transactions (automatic/pre-authorized debits that you establish, such as insurance premiums, utility bills, etc.).
- ★ Overdraft Privilege Extended Coverage covers ATM transactions and everyday debit card transactions on your personal accounts with your prior consent, in addition to those transactions covered by Overdraft Privilege Standard Coverage. Business accounts automatically have Overdraft Privilege Extended Coverage.
- ★ Both Overdraft Protection and Overdraft Privilege may enable you to avoid expensive merchant returned-check charges.
- ★ Both Overdraft Protection and Overdraft Privilege may enable you to avoid having your ATM or debit card transactions declined due to insufficient funds.
- ★ You must deposit the full amount of the overdraft within 35 consecutive calendar days, including any fees assessed, and maintain a positive balance for at least one business day to continue to receive the full Overdraft Privilege limit.
- ★ Good account management is the best way to avoid overdrafts. Use our mobile banking, internet banking, or telephone banking services to help keep track of your balance.
- ★ For additional financial education resources, please visit [www.mymoney.gov](http://www.mymoney.gov), or our website at [www.Highpointcommunitybank.com](http://www.Highpointcommunitybank.com).

If you have questions about Overdraft Protection or Overdraft Privilege, please call us at (888) 422-2280.

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**OVERDRAFT COVERAGE OPTIONS:  
OVERDRAFT PROTECTION AND  
OVERDRAFT PRIVILEGE**



**COVERAGE FOR UNEXPECTED OVERDRAFTS**

**highpoint**  
COMMUNITY BANK

Highpoint Community Bank understands that unexpected overdrafts occur from time to time – Overdraft Coverage can help.

WHAT ARE MY OVERDRAFT COVERAGE OPTIONS?

The choice is yours. Consider these ways to cover overdrafts:

| Service  | Cost                       |
|--|----------------------------|
| Overdraft Protection Link to another deposit account you have at Highpoint Community Bank <sup>1</sup> | No Fee per transfer        |
| Overdraft Protection Line of Credit <sup>1,2</sup>   | Subject to fees + interest |
| Overdraft Privilege Standard or Extended Coverage  | \$37 per item presented*   |

<sup>1</sup>Contact us at (888) 422-2280, [ContactUs@hcb.us](mailto:ContactUs@hcb.us), or come by a branch to sign up or apply for these service(s). <sup>2</sup>Subject to credit approval.

\* Per item presented means each time an item is presented, including representment.

WHAT IS OVERDRAFT PROTECTION?

Overdraft Protection applies to all transactions and may help prevent overdrafts by automatically transferring funds to your checking account from another account, or line of credit you have at Highpoint Community Bank for a fee or finance charge. Please note that overdraft lines of credit are subject to credit approval. Call us at (888) 422-2280, email us at [ContactUs@hcb.us](mailto:ContactUs@hcb.us), or come by a branch to sign up or apply for these service(s).

WHAT IS OVERDRAFT PRIVILEGE?

Overdraft Privilege allows you to overdraw your account up to the disclosed limit for a fee to pay a transaction. Even if you have Overdraft Protection, Overdraft Privilege is still available as secondary coverage if the other protection source is exhausted.

Highpoint Community Bank may provide you a specific Overdraft Privilege limit depending on the type of account you have. New consumer and business checking accounts will receive a \$100 Introductory Overdraft Privilege limit at account opening that will be increased to \$500 after 30 days in good standing.

If an item is returned because the Available Balance (as

WHAT TYPES OF TRANSACTIONS DOES OVERDRAFT PRIVILEGE COVER?

The types of transactions covered by Overdraft Privilege depend on the coverage selected. See the chart to the right for more information.

If you choose Extended Coverage, all the transaction types listed in Standard Coverage are included, along with ATM transactions and everyday debit card transactions. Highpoint Community Bank will not authorize overdrafts for everyday debit card and ATM transactions on consumer accounts unless you give us your consent to pay these overdrafts by electing Extended Coverage. Business accounts automatically have Overdraft Privilege Extended Coverage.

|                                   | Standard Coverage<br>(No action required) | Extended Coverage<br>(Your consent required*) |
|-----------------------------------|---|---|
| Checks                            | X   | X   |
| ACH - Automatic Debits            | X   | X   |
| Recurring Debit Card Transactions | X   | X   |
| Online Bill Pay Items             | X   | X   |
| Internet Banking Transfers        | X   | X   |
| Telephone Banking                 | X   | X   |
| At the Teller Window              | X   | X   |
| ATM Transactions                  |   | X*  |
| Everyday Debit Card Transactions  |   | X*  |

defined below) in your account is not sufficient to cover the item and the item is presented for payment again, Highpoint Community Bank (“We”) will charge a Return Item Fee each time it returns the item because it exceeds the Available Balance in your account. Because we may charge a Return Item Fee each time an item is presented, **we may charge you more than one fee for any given item as a result of a returned item and representment of the item.** When we charge a Return Item Fee, the charge reduces the Available Balance in your account and may put your account into (or further into) overdraft. If, on representment of the item, the Available Balance in your account is sufficient to cover the item we may pay the item, and, if payment causes an overdraft, charge an Overdraft Fee or Insufficient Funds Fee. We may use the terms “Item” and “transaction” interchangeably.

Recipients of federal or state benefits payments who do not wish us to deduct the amount overdrawn and the fee from funds that you deposit or that are deposited into your account may call us at (888) 422-2280 to discontinue Overdraft Privilege. We may use the terms “item” and “transaction” interchangeably.

HOW MUCH DOES OVERDRAFT PRIVILEGE COST?

A link to another account or line of credit may be less expensive than an overdraft. A single larger overdraft will result in just one fee, as opposed to multiple smaller

overdrafts. The \$37 Overdraft Fee or Insufficient Funds Fee that is charged if you overdraw your account is the (same fee) the fee that is charged if an item is returned as unpaid. If your consumer account is overdrawn by \$10 or less, there is no fee. If multiple items overdraw your account on the same day, each item will be assessed an appropriate Overdraft Fee or Insufficient Funds Fee or a Return Item Fee of \$37.

The maximum amount of Overdraft Fee or Insufficient Funds Fees that we will charge to your consumer account is \$185 per day. We will not charge an Overdraft Fee or Insufficient Funds Fee if your consumer account is overdrawn by \$10 or less. These exceptions do not apply to business accounts.

All fees and charges will be included as part of the Overdraft Privilege limit amount. Your account may become overdrawn in excess of the Overdraft Privilege limit amount as a result of the assessment of a fee. The total negative balance, including all fees and charges, is due and payable upon demand. Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all such amounts, as described in the Deposit Account Agreement and Disclosure.

WHAT IF I DON'T WANT OVERDRAFT PRIVILEGE?

You can request to discontinue the Overdraft Privilege service in its entirety at any time by contacting us at (888) 422-2280 or sending us an email at [ContactUs@hcb.us](mailto:ContactUs@hcb.us).

Without Overdraft Privilege, your insufficient funds items will be returned to the payee and/or declined at the point of purchase, unless you have Overdraft Protection available to cover the item(s). You will be charged the standard Return Item Fee of \$37 for all returned items.

WHAT IF I WANT HIGHPOINT COMMUNITY BANK TO PAY MY ATM AND EVERYDAY DEBIT CARD OVERDRAFTS (EXTENDED COVERAGE)?

If you want us to authorize and pay overdrafts caused by ATM and everyday debit card transactions (Extended Coverage), tell us by using one of the methods below.

- ★ Call us at (888) 422-2280
- ★ Visit one of our convenient branch locations
- ★ Complete the Consent Form, which is available at any branch and was previously provided to you, and mail it to us at 150 W. Court St., Hastings, MI 49058
- ★ Send us an email at [ContactUs@hcb.us](mailto:ContactUs@hcb.us)

**NOTE:** Business accounts automatically have access to Overdraft Privilege for ATM and everyday debit card transactions (Extended Coverage).

WHAT ELSE DO I NEED TO KNOW?

- ★ This describes the posting order for purposes of determining overdrafts. Our general policy is to post items throughout the day and to post ACH credits before debits. 1) credits, 2) ATM (low to high by dollar amount), 3) debit cards transactions (low to high by dollar amount), 4) ACH debits (low to high by dollar amount), 5) checks (check number order); however, because of the many ways we allow you to access your account, the posting order of individual items may differ from these general policies. Holds on funds (described herein) and the order in which transactions are posted may impact the total amount of Overdraft Fee or Insufficient Funds Fees or Return Item Fees assessed.
- ★ Overdraft Privilege is not a line of credit; it is a discretionary overdraft service that can be withdrawn at any time without prior notice.
- ★ We may be obligated to pay some debit card transactions that are not authorized through the payment system but which we are required to pay due to the payment system rules, and as a result you may incur fees if such transactions overdraw your account.