What You Need to Know about Overdrafts and Overdraft Fees

The following applies to Consumer accounts. An <u>overdraft</u> 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 <u>standard overdraft practices</u> that come with your account.
2. We also offer <u>overdraft protection plans</u>, such as an <u>overdraft line of credit</u>, or a <u>link to a savings account</u> which may be less expensive than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains our <u>standard overdraft practices</u>.

What are the <u>standard overdraft practices</u> that come with my account?

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

We <u>do not</u> authorize and pay overdrafts for the following types of transactions unless you ask us to (see below):
- ATM transactions
- Everyday debit card transactions

We pay overdrafts at our discretion, which means we <u>do not guarantee</u> that we will always authorize and pay any type of transaction.

If we do not authorize and pay an overdraft, your transaction will be declined.

What fees will I be charged if Five Star Bank pays my overdraft?

Under our standard overdraft practices:
- We will charge you a $40 fee each time we pay an overdraft.
- There is a limit of 6 overdraft fees, per day, that we will charge you for overdrawing your account.
- We will not charge you an overdraft fee if your account is overdrawn, in total, by less than $50.00.

What if I want Five Star Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions?

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, select the check box next to the option within Online Account Opening saying, "I want Five Star Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions".

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