

OVERDRAFT COVERAGE OPTIONS: OVERDRAFT PRIVILEGE AND OVERDRAFT PROTECTION

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

Overdraft Coverage Options

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

Service	Cost
Overdraft Privilege ¹	\$25 Overdraft Fee per item. Daily fees may apply.

¹Call us at (256) 659-2175, email us at info@libertybankal.com, or come by a branch to sign up for this service.

Overdraft Privilege allows you to overdraw your account up to the disclosed limit for a fee in order to pay a transaction. Please review the **“What Else You Should Know”** section for other important information.

Transactions Covered with Overdraft Privilege	Standard Coverage (No action required)	Extended Coverage (Your consent required) *	If you would like to select Extended Coverage for future transactions: <ul style="list-style-type: none"> • call us at (256) 659-2175 • complete the online consent form found at www.libertybankal.com • visit any branch • complete the enclosed consent form and mail it to us at P.O. Box 187, Geraldine, AL. 35974 • e-mail us at info@libertybankal.com
Checks	X	X	
ACH - Automatic Debits	X	X	
Recurring Debit Card Payments	X	X	
Online Bill Pay Items	X	X	
Internet Banking Transfers	X	X	
Telephone Banking	X	X	
Teller Window Transactions	X	X	
ATM Transactions		X*	
Everyday Debit Card Transactions		X*	

*If you choose Extended Coverage, **ATM withdrawals and everyday debit card transactions** will be included with the transactions listed under Standard Coverage.

You can discontinue the Overdraft Privilege in its entirety by contacting us at (256) 659-2175 or sending us an e-mail at info@libertybankal.com.

What Else You Should Know

- A single larger overdraft will result in just one fee, as opposed to multiple smaller overdrafts. Good account management is the best way to avoid overdrafts. Use our mobile banking, Internet banking, and telephone banking services to keep track of your balance. For additional financial education resources, please visit www.mymoney.gov.
- The \$25 Overdraft Fee that is charged if you overdraw your account more than \$5 is the same fee amount that is charged if a check is returned as unpaid. If multiple items overdraw your account on the same day, each item will be assessed an appropriate Overdraft Fee or a Returned Item Fee of \$25. All fees and charges will be included as part of the Overdraft Privilege limit amount. Your account may become overdrawn more than the Overdraft Privilege limit amount because of a fee.

- If an item is returned because the available balance in your account is not sufficient to cover the item and the item is presented for payment again, Liberty Bank will charge a return item fee each time it returns the item when it exceeds the available balance in your account. If, on representation of the item, the available balance in your account is sufficient to cover the item, Engagement Client may pay the item, and, if payment causes an overdraft, charge an overdraft fee.
- If your account balance remains overdrawn for longer than 5 business days, we will charge your account a daily Overdraft Fee of \$5 for each of the consecutive business days the account remains overdrawn, beginning with day 5.
- For consumer accounts, there is a limit of 6 Overdraft Fees (\$150) per day we will charge. We will not charge an Overdraft Fee if a consumer account is overdrawn by \$5 or less. These exceptions do not apply to business accounts.
- We generally post items in the following order 1) Credits , 2)ATM and POS (from smallest to highest dollar amount), 3) Teller Cash Checks (from smallest to highest dollar amount), 4) Preauthorized transfer, force post debits and nonpost items (from smallest to highest dollar amount) 5) ACH transactions, Telephone and internet banking transfers and Telebank transfer (from smallest to highest dollar amount), and 6) Checks (from smallest to highest dollar amount). 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 Fees or Returned Item Fees assessed.
- Although under payment system rules, Liberty Bank may be obligated to pay some unauthorized debit card transactions, Liberty Bank will not authorize debit card or ATM transactions unless there are available funds (including Overdraft Coverage Options) 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 Fees for transactions that we would otherwise be required to pay without assessing an Overdraft 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 you otherwise withdraw it.
- Liberty Bank authorizes and pays transactions using the available balance in your account. Liberty Bank 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. The available balance for checks, ACH items, and recurring debit card transactions is comprised of the ledger balance, less any holds on deposited funds and any debit card holds, plus the amount of the Overdraft Privilege limit. The available balance for ATM and everyday debit card transactions on accounts with Standard Coverage is the ledger balance, less any holds on deposited funds and any debit card holds, but does NOT include the Overdraft Privilege Limit. For accounts with Extended Coverage, the Overdraft Privilege Limit is included in the available balance for authorizing ATM and everyday debit card transactions.
- Please be aware that the Overdraft Privilege amount is not included in your available balance provided through online banking, mobile banking or Liberty Bank's ATMs.
- Liberty Bank will place a hold on your account for any authorized debit card transaction until the transaction settles (usually within two business days) or as permitted by payment system rules. In some cases, the hold may exceed the amount of the transaction. When the hold ends, the funds will be added to the available balance in your account. If your account is overdrawn after the held funds are added to the available balance and the transaction is posted to the available balance, an Overdraft Fee may be assessed.
- Except as described herein, Liberty Bank will not pay items if your account does not contain available funds (including the Overdraft Privilege limit) to cover the item(s) and the amount of any fee(s).
- An Overdraft Privilege limit of \$500 will be granted to eligible consumer checking accounts opened at least 35 days in good standing.

- An Overdraft Privilege limit of \$750 will be granted to eligible Business Checking accounts opened at least 60 days in good standing.
- Overdraft Privilege is not a line of credit; it is a discretionary overdraft service that can be withdrawn at any time without prior notice.
- Overdraft Privilege may be reduced to \$100 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 thirty-two (32) days for a minimum of one business day. You must bring your account balance positive for at least one business day to have full Overdraft Privilege limit reinstated.
- Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all overdraft and fee amounts, as described in the Deposit Account Agreement and Disclosure. The total (negative) balance, including all fees and charges, is due and payable upon demand.

If you have any questions about Overdraft Privilege, please call us at (256) 659-2175 or visit a branch.