

## OVERDRAFT COVERAGE OPTIONS: OVERDRAFT PRIVILEGE AND OVERDRAFT PROTECTION

Life happens! 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	\$25.00 Overdraft Fee per item. Daily fees may apply.

**Overdraft Privilege** allows you to overdraw your account up to the disclosed limit for a fee in order to pay a transaction.

Transactions Covered with Overdraft Privilege	Standard Coverage (No action required)	Extended Coverage (Your consent required)*	<b>If you would like to select Extended Coverage for future transactions:</b> <ul style="list-style-type: none"> <li>• call us at <b>(256) 659-2175</b>,</li> <li>• complete the online consent form found at <a href="http://www.libertybankal.com">www.libertybankal.com</a>,</li> <li>• visit any branch,</li> <li>• complete a consent form and mail it to us at PO Box 187, Geraldine, AL 35974, or</li> <li>• e-mail us at <a href="mailto:info@libertybankal.com">info@libertybankal.com</a></li> </ul>
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 Withdrawals		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. If you already have Extended Overdraft Privilege coverage, it is not necessary to request it again. Business accounts automatically have Extended 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](mailto:info@libertybankal.com).

### What Else You Should Know

- 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.
- The \$25.00 Overdraft Fee is the same fee 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 \$25.00. 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 a fee.
- If your account balance remains overdrawn for longer than five business days, we will charge your account a daily overdraft fee of \$5.00 for each of the consecutive business days the account remains overdrawn, beginning with day five.

- For consumer accounts, there is a limit of six Overdraft Fees (\$150) per day we will charge. We will not charge an Overdraft Fee if a consumer account is overdrawn by \$5.00 or less. These exceptions do not apply to business accounts.
- Our Policy is to process ATM/POS, Teller Cash Checks first – according to dollar amount from smallest to largest. We process preauthorized transfers, force pay debits, nonpost items second – according to dollar amount from smallest to largest. We process Telebank transfers, Telephone and Internet banking, ACH transactions third – according to dollar amount from smallest to largest. We process checks and similar items fourth – according to the dollar amount from smallest to largest. 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 every day debit card and ATM overdrafts 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 funds that could result in restriction of your debit card.
- Liberty Bank authorizes and pays transactions using the available balance in your account. The available balance is comprised of the ledger balance (collected funds) less any debit card holds, and does not include any deposited funds on hold. Liberty Bank may place a hold on deposited funds in accordance with our Deposit Account Agreement and Disclosure. If the funds in the available balance are not sufficient to cover a transaction, any available overdraft protection and/or the amount of the Overdraft Privilege limit, may be used to authorize and pay a transaction.
- 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 in this letter, 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).
- We may restrict your debit card use if you incur overdrafts in excess of the available funds in your account, including any Overdraft Privilege limit.
- Overdraft Privilege limits of up to \$500 are available for eligible Personal Checking accounts opened at least 35 days in good standing and up to \$750 for 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 discontinued 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.
- 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 and Disclosure Agreement. The total (negative) balance, including all fees and charges, is due and payable upon demand.

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