

BOUNCE PROTECTION – CUSTOMER OVERDRAFT POLICY

Bounce Protection is a non-contractual courtesy provided by FFSB to cover insufficient balances. This courtesy is available to individually/jointly owned bank accounts in good standing for personal or household use.

An insufficient balance can result from several events, such as (1) the payment of checks, electronic funds transfers or other withdrawal requests, (2) payments authorized by you, (3) the return of unpaid items deposited by you, (4) bank service charges, or (5) the deposit of items, which according to the bank's Funds Availability Policy, are treated as not yet available or finally paid. We are not obligated to pay any item presented for payment if your account does not contain sufficient funds. As long as you maintain your account in "good standing" we may approve your overdraft items within your current available Bounce Protection limit as a non-contractual courtesy. For overdraft privilege consideration, your account is in "good standing" if you (1) make sufficient deposits to bring your account to a positive end-of-day balance at least once every 30 calendar days (including the payment of all bank fees and charges), (2) avoid excessive overdrafts suggesting the use of Bounce Protection as a continuing line of credit, and (3) there are no legal orders, levies or liens against your account.

In the normal course of business, we generally pay electronic transactions first and then checks beginning with the lowest dollar amount, per the bank's policy; however, checks are often converted to electronic transactions which may post to your account more quickly affecting the order in which they post. In addition we post incoming transactions in real time, so checks and other debits to your account may post before deposits and other credits. If there are insufficient funds in your account at the time a transaction posts, you will be charged for each item paid. We reserve the right to change the order of payment without notice to you if we suspect fraud or possible illegal activity affecting your account. Also, please be aware that the order of item payment may create multiple overdraft items during a single banking day for which you will be charged our paid NSF fee for each overdraft item paid. So as not to exceed your limit, please note that the amount of the overdraft plus the bank's paid NSF fee of \$30 per item will be deducted from the overdraft limit.

We may refuse to pay an overdraft item at any time even though we may have previously paid overdrafts for you. For example, we typically do not pay overdraft items if your account is not in "good standing" as defined above, if you have filed for bankruptcy, or if based upon our review of your account management, we determine that you have too many overdrafts or are using Bounce Protection as a regular line of credit. Overdrafts above and beyond your established Bounce Protection limit may also result in checks or other items being returned. You will be charged a return NSF fee of \$30 for each item returned. Returned items may be presented for payment by the payee or their financial institution multiple times, which may result in multiple return NSF fees. 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 overdraft including our paid NSF fee of \$30 and/or a return NSF fee of \$30 that you owe us shall be due and payable upon demand, but if no demand is made, no later than 30 calendar days after the creation of the overdraft. If you are not able to bring the account positive within 30 days, you will receive a letter from First Federal Savings Bank informing you that your Bounce Protection limit has been suspended and additional items will be returned. If there is an overdraft on an account with more than one owner of the signature card, each owner and agent, if applicable, shall be jointly and severally liable for all overdrafts inclusive of fees.

Bounce Protection provides an automatically assigned overdraft limit for checks, transactions made using your checking account number, automatic bill payments, and recurring debit card payments. As long as your account is in "good standing" as described above Bounce Protection will automatically cover insufficient balances caused by these transactions without any action on your part. To extend overdraft protection to ATM transactions and debit card purchases, you must opt-in. The Bounce Protection limit may be reflected in your balance provided by a teller, through Online Banking and Bank by Phone, but will not be reflected in your balance provided at the ATM. If you choose to opt-in, we may authorize ATM transfers or withdrawals and everyday debit card purchases by using your available balance and your Bounce Protection limit. Your balance at the time these transactions post will determine the overdraft status and the assessment of fees. Other transactions initiated by you, or a delay in processing authorized transactions by the merchant, may result in previously authorized transactions posting against an insufficient balance. A paid NSF fee will be charged for each ATM or everyday debit card transaction that posts against insufficient funds.

If you are a new customer, you may be able to use the overdraft privilege service immediately, assuming your account is in "good standing" as defined above. First Federal Savings Bank reserves the right to limit participation to one account per household and to suspend, revoke, or discontinue this service without prior notice.

You may opt out of Bounce Protection in part or in whole at any time by signing the Bounce Protection Authorization form. Any overdrawn balances at the time of opting out remain your responsibility.