Overdraft Privilege Service Policy

Southwest National Bank ("we, us or our") offers the Overdraft Privilege Service. If your account qualifies for Overdraft Privilege, we will consider, without obligation on our part, paying items for which your account has insufficient or unavailable funds, instead of automatically returning those items unpaid. This document explains how Overdraft Privilege operates.

Transactions that May Qualify for Overdraft Privilege

An overdraft occurs when you do not have enough money in your account to cover a transaction. Although there are many reasons why your account might become overdrawn, most overdrafts result from the following:

a) You write a check, swipe your debit card or initiate an electronic funds transfer in an amount that exceeds the amount of funds available in your account;

b) You deposit a check or other item into your account and the item is returned unpaid, which causes a negative balance in your account once your balance is reduced by the amount of the returned check;

c) You have inadequate funds in your account when we assess a fee or service charge; or

d) You initiate a transaction before funds deposited into your account are "available" or "finally paid" according to our Funds Availability Policy. For example, if you deposit a check into your account, the proceeds of that check may not be available to you for up to five days after you deposit the check. If you do not have sufficient funds in your account—independent of the check—to cover the transaction, you will incur an overdraft.

The Overdraft Privilege Service applies to a variety of transactions, including checks and other transactions made using your checking account number, automatic bill payments, ATM transactions and everyday debit card transactions; however, we will not include ATM and everyday debit card transactions within our consumer Overdraft Privilege Service without first receiving your affirmative consent to do so. Absent your affirmative consent, ATM and everyday debit card transactions generally will not be paid under Overdraft Privilege.

Participation in Overdraft Privilege is not mandatory. You may opt-out of the service any time by notifying one of our customer service representatives. Furthermore, you may revoke your affirmative consent to have ATM and everyday debit card transactions considered for payment under Overdraft Privilege without removing other items from the service. Simply inform us of your preference.

We retain full discretion to decline to pay any item under the Overdraft Privilege Program. This means we can refuse to pay any overdraft for any reason. Even if we decide to pay an overdraft item, absent an agreement to the contrary, such payment does not create any duty to pay future overdrafts. If we do not authorize and pay an overdraft, your transaction will be declined and we may assess non-sufficient funds (NSF) fees on your account in accordance with your account agreement and the fee schedule in effect at the time of the overdraft.

Fees

For each overdraft item, we will charge the standard per item Overdraft/NSF Fee set forth in our fee schedule (currently $30.00). In addition, under our standard overdraft practices:

- There is a business day combined maximum of six (6) Overdraft/NSF Fees that we can assess your account.
- The Bank does not charge a checking account participating in the Overdraft Privilege Program an Overdraft/NSF Fee for transactions that overdraw an account by an aggregate amount of $10.00 or less, or transaction amounts less than $5.00.

We will notify you by mail if we pay or return any insufficient or unavailable funds items on your account; however, we have no obligation to notify you before we pay or return any item. The amount of any overdrafts – including our fees – is due and payable immediately or on demand. Please note that if we return an item NSF it will likely be automatically re-presented to us by the financial institution where the item was presented for payment and potentially could result in an additional Overdraft item. Other than specifically referenced above, there is no limit to the number of per item Overdraft/NSF Fees that can be charged on an individual item or to the frequency with which per item Overdraft/NSF Fees can be charged.

Accounts Eligible for Overdraft Privilege

Overdraft Privilege is a discretionary service and is generally limited to an $800.00 overdraft (negative) balance for eligible personal checking accounts; or a $1,500.00 overdraft (negative) balance for eligible business checking accounts. Overdraft fees count toward your Overdraft Privilege Limit. Further, Overdraft Privilege is extended only to accounts in good standing. An account in good standing exhibits, but is not limited to, the following characteristics:

a) The account has been open for at least thirty (30) business days;

b) The account has deposits totaling at least $400.00 or more every thirty (30) calendar days for consumer accounts, or deposits totaling at least $800.00 or more every thirty (30) calendar days for business accounts;

c) The account demonstrates consistent deposit activity;

d) The account owner is current on all loan obligations with us; and

e) The account is not subject to any legal or administrative order or levy, such as bankruptcy or tax lien.

We offer alternative overdraft protection service in addition to Overdraft Privilege. Overdraft protection links a primary account to another account of yours with us, such as a savings account. If you opt for this optional service, you may save money on the total fees you pay for overdraft privilege services.

Overdrafts should not be used to pay ordinary or routine expenses and you should not rely on overdrafts as a means to cover these expenses. If at any time you feel you need help with your financial obligations, please contact us at (316) 941-1300 to discuss your options or speak with one of our customer service representatives at your local branch office.