



OVERDRAFT PRIVILEGE

RELAX! WE'VE GOT YOU COVERED

PEACE-OF-MIND: With Overdraft Privilege, there's no more embarrassment or costly late payment or merchant fees. Have peace-of-mind knowing State Bank of Waterloo will clear your checks even when your account becomes overdrawn. Because your payments are paid, creditors never know that you temporarily had insufficient funds.

PROTECTION: State Bank of Waterloo may pay checks you write and other types of payments that overdraw your account up to a preapproved limit, excluding ATM and debit card payments unless you Opt In to this service. This privilege is also useful if you are temporarily short of cash. We pay overdrafts at our discretion, which means we do not guarantee that we always authorize and pay any type of transaction.

PRIVILEGE: New and current customers are invited to apply for Overdraft Privilege. We understand what is essential for today's savvy consumer and business banking customer.

PRIDE: We are proud to be your hometown bank and strive to offer numerous banking products to make your life easier.

PROACTIVE: Overdraft Privilege covers you! When a payment is presented and there is a shortage of available funds, your Overdraft Privilege is activated. State Bank will promptly notify you of your insufficient funds status. Your notification will identify the item paid and the fee charges to your checking account. We have no obligation to notify you before we pay or return any item.

POPULAR: Contemporary payment and withdrawal methods are quick and convenient, but easy to lose track of. Sometimes you might forget to keep checking account records current and inadvertently become overdrawn. Having Overdraft Privilege simply makes sense!

PROCESS: A nominal service fee per item applies. State Bank's fee is typically lower than that of merchant returned check fees and creditor late payment fees.

DETAILS: Customers who maintain a State Bank of Waterloo checking account in good standing are eligible for Overdraft Privilege.

Both personal and commercial checking accounts qualify.

There is no fee for establishing this privilege.

A fee is charged only when your overdrawn status activates the privilege. We will charge the standard overdraft fee as set forth in our fee schedule (currently \$35) per debit item presented up to a daily maximum of \$175 in total overdraft fees. Overdrafts and NSF's creating a negative balance less than \$10 will be charged a \$5 fee per item. This fee is subtracted from your checking account.

The bank will determine a preapproved limit on the amount your account can be overdrawn and will communicate that limit to you.

If any checks or payments put your account over your Overdraft Privilege limit, the Bank may return the item to the payee and charge your checking account its insufficient funds fee on returned items.

You will be required to bring your checking account into a positive balance within 30 consecutive days of your overdraft. If after 30 days, your account remains in a negative position, the Bank may close your account and take appropriate steps to recover funds advanced to cover your overdrafts and any Bank fees.

State Bank of Waterloo will continuously monitor your use of Overdraft Privilege and will proactively inform you of other available options that meet your banking needs. The bank can withdraw the privilege and will notify customers in advance.

OVERDRAFT PRIVILEGE COVERS THESE TRANSACTIONS

Checks issued to a third party
Preauthorized automatic withdrawals
Telephone initiated transfers and other electronic transfers

As noted above, we retain full discretion to decline to pay any item under the Overdraft Privilege service. 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 NSF fees on your account in accordance with your account agreement and the fee schedule in effect at the time of the overdraft.

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, call us at (618) 939-4636, Option 8, or speak to a Customer Service Representative to Opt In to this service.

If you are incurring a high level of overdraft fees, we encourage you to contact us at (618) 939-7194 to discuss alternatives to overdraft privilege, which may include a small dollar installment loan, advance warning through our internet banking system before incurring overdraft fees, or overdraft protection transfers from another account. Information about how to access free or low cost financial education on how to better manage personal finances is available on our website at www.sbw.bank/Financial-Education-Calculators.