

# Introducing COURTESY OVERDRAFT PRIVILEGE from North Valley Bank

## What Can COURTESY OVERDRAFT PRIVILEGE Mean to You?

Some of us occasionally find ourselves a little short on funds, which can inadvertently result in an overdraft. If something like this happens to you, COURTESY OVERDRAFT PRIVILEGE may save you embarrassment, time, money and hassle.

## A Mistake in Your Checkbook

Have you ever forgotten to make an entry in your checkbook that resulted in an overdraft? With COURTESY OVERDRAFT PRIVILEGE your overdraft may be covered.

## Communication Between Multiple Account Holders

You have two members of the family with access to one account and someone forgets to mention an ATM transaction or debit card purchase. If the communication error results in an overdraft, it may be covered.

## An Unexpected Bill

You have a car repair bill or unexpected medical expense that causes an overdraft. Your overdraft may still be covered.

COURTESY OVERDRAFT PRIVILEGE is a discretionary overdraft service from your Bank. Rather than automatically returning insufficient funds items that you may have, we will consider payment of your reasonable overdrafts and our normal NSF fee of \$27 per item would be applied to your account.

## Courtesy Overdraft Privilege Policy (Discretionary Overdraft Service)

It is the policy of North Valley Bank to comply with applicable laws and regulations, and to conduct business in accordance with applicable safety and soundness standards.

A non-sufficient funds balance may result from: A) The payment of checks, ATM withdrawals, automated debit transactions, other electronic funds transfers and other withdrawal requests; B) Payments authorized by you; C) The return, unpaid, of items deposited by you; D) The imposition of bank service charges; or E) 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 collected funds.** Rather than automatically returning, unpaid, any non-sufficient funds items that you may have, if your eligible account has been open for at least thirty (30) days and thereafter you maintain your account in good standing, which includes at least: (A) Continuing to make deposits consistent with your past practices; (B) You are not in default on any loan obligation to North Valley Bank; (C) You bring your account to a positive balance (not overdrawn) at least once every thirty (30) days; and (D) Your account is not the subject of any legal or administrative order or levy, we will consider - as a discretionary courtesy or \*service and not a right of yours nor an obligation on our part - approving your reasonable overdrafts. As set forth in our fee schedule, North Valley Bank's standard \$27 non-sufficient funds (NSF) fee will be assessed to your account for each insufficient transaction along with a daily overdraft fee of \$7 which will begin on the 5<sup>th</sup> consecutive day of overdraft.

**We may refuse to pay an overdraft for you at any time, even though your account is in good standing and even though we may have previously paid overdrafts for you.** 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 overdrafts plus our \$27 non-sufficient fund fee(s) and our \$7 daily overdraft fee(s) shall be due and payable upon demand. If there is an overdraft paid by us on an account with more than one (1) owner on the signature card, each owner, and agent if applicable, drawing/presenting the item creating the overdraft, shall be jointly and severally liable for such overdrafts plus our non-sufficient fund fee(s) and our daily overdraft fee(s). As a general rule, when multiple items are received simultaneously for payment, the items will be cleared in the order they occurred which can affect the total amount of overdraft fees incurred. We reserve the right to change the clearing order at any time without notice.

Limitations: We may limit the number of accounts eligible for the Courtesy Overdraft Privilege\* service to one account per household.

\*The Courtesy Overdraft Privilege service does not constitute an actual or implied agreement between you and North Valley Bank. Nor does it constitute an actual or implied obligation of or by the bank. This service represents a purely discretionary courtesy or privilege that the bank may provide to you from time to time and which may be withdrawn or withheld by the bank at any time without prior notice or reason or cause.



COURTESY OVERDRAFT PRIVILEGE

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## Bouncing a check no longer has to be an embarrassing incident!

Typically if you write a check and do not have enough funds to cover it, in addition to an NSF fee from your Bank, you may face:

- Making the check good with the retailer
- Retailer / merchant fee
- Potential damage to your credit rating
- Embarrassment and aggravation

North Valley Bank understands this and wants to help. COURTESY OVERDRAFT PRIVILEGE is a discretionary service available to all our checking customers. You do not have to sign up for the service — it's automatic — and it costs you nothing unless you use it! As long as you maintain your account in good standing, we will consider payment of your reasonable overdraft instead of returning it as a non-sufficient funds item.

With Courtesy Overdraft Privilege, your check, ATM withdrawal, debit card purchase, or other electronic transaction may\* be covered by your Bank and you will be charged the same NSF fee you would have been charged if the item was returned.

You will be sent a notice of non-sufficient funds and will be required to bring your account to a positive balance within 30 days. It's that simple!

Please, always manage your finances responsibly and know that if you have an occasional overdraft, North Valley Bank's COURTESY OVERDRAFT PRIVILEGE may help.

### What is COURTESY OVERDRAFT PRIVILEGE?

COURTESY OVERDRAFT PRIVILEGE is a non-contractual courtesy that we provide to our customers with checking accounts. We may\* pay insufficient fund checks, ATM withdrawals, debit card purchases, electronic funds transfers, or other payment/withdrawal requests up to your approved limit.

That means instead of returning a check to the merchant, the Bank may pay your check up to your courtesy overdraft limit (see chart), saving you additional charges from the merchant or a collection company. We will charge our normal NSF fee for each item, and send you a notice each time an overdraft occurs.

### How do I sign up?

You do not have to sign up for this service, as long as your account meets the requirements of our COURTESY OVERDRAFT PRIVILEGE policy. You can choose to opt-out of this program, but any insufficient items presented for payment will be returned and the standard per item fee of \$27 will be assessed to your account.

### How can COURTESY OVERDRAFT PRIVILEGE benefit me?

COURTESY OVERDRAFT PRIVILEGE may save you the embarrassment and expense of a returned check when you make an honest mistake in your checkbook or have occasional unplanned expenses. Instead of returning checks unpaid, we may automatically pay them for you, up to your courtesy overdraft limit. (See chart below)

\$400	\$600	\$1,000
<b>COURTESY OVERDRAFT LIMIT</b>		
Positively Free Checking	50+ Free Checking VIP Free Interest Positively Free Business Simple Interest Business Commercial Checking Enterprise Checking All Other Checking Products <sup>1</sup>	Wall Street Checking

### How does COURTESY OVERDRAFT PRIVILEGE work?

When we receive an item for payment that causes the balance in your account to go below zero, we may, as a courtesy, pay the check or debit up to your overdraft limit including the \$27 overdraft fee. You must bring your account to a positive balance within 30 days, however to avoid a daily overdraft fee of \$7 you must bring your account to a positive balance by the 5<sup>th</sup> day of overdraft.

### Is COURTESY OVERDRAFT PRIVILEGE a loan?

No. It is a service provided by the Bank to assist you with occasional overdrafts. This service can be withdrawn at any time by the Bank.

### How will I know if I use my COURTESY OVERDRAFT PRIVILEGE?

We will mail a letter notifying you when you have activated your COURTESY OVERDRAFT PRIVILEGE which resulted in an overdraft on your account.

We'll send reminder letters advising you of your overdraft until you bring your account to a positive balance.

### What if I go over my COURTESY OVERDRAFT PRIVILEGE limit?

If you exceed the COURTESY OVERDRAFT PRIVILEGE limit, any additional items will be returned or declined when presented for payment.

### Is there a charge for COURTESY OVERDRAFT PRIVILEGE?

We will charge our standard fee of \$27 for each insufficient item as described in our COURTESY OVERDRAFT PRIVILEGE policy. The charges associated with COURTESY OVERDRAFT PRIVILEGE are also listed in the Schedule of Fees & Charges. Don't forget to subtract any fees from your checkbook balance.

### If I use my COURTESY OVERDRAFT PRIVILEGE, how long do I have to bring my account back to a positive balance?

You should bring your checking account to a positive balance as soon as possible. To avoid our daily overdraft fee of \$7 you should bring your account to a positive balance before the 5<sup>th</sup> consecutive day in the overdrafts. To keep your account in good standing, you have 30 days to pay any overdraft and associated fees. However, depending on the situation, we can ask for repayment at any time. Any deposit made automatically or by you will first be applied to any overdrawn balance and associated fees.

### What happens if I can't bring my account to a positive balance?

With COURTESY OVERDRAFT PRIVILEGE you have up to 30 days to bring your account to a positive balance. If you still have a negative balance at that time, your COURTESY OVERDRAFT PRIVILEGE will be suspended until the account is returned to good standing, regardless if you've reached your maximum overdraft limit or not. If your account remains overdrawn for more than 30 days, you could lose checking privileges at this institution.

\*Refer to our Courtesy Overdraft Privilege policy for more details.

<sup>1</sup>Health Savings Accounts do not apply.