

OVERDRAFT COVERAGE OPTIONS



Life happens! Macatawa Bank understands that unexpected overdrafts occur from time to time – Overdraft Coverage can help.

An overdraft occurs when you do not have sufficient funds in your account to cover a transaction.

The choice is yours. Consider these ways to cover overdrafts:

OVERDRAFT COVERAGE SERVICES

Balance Protection Services (available to eligible consumers only) apply to all transactions and may help prevent overdrafts by automatically transferring funds to your checking account from another account or line of credit you may have with Macatawa Bank for a fee or finance charge. Please note that overdraft lines of credit are subject to credit approval.

Option 1: Link your Macatawa Bank personal checking account to an alternate personal checking, savings, or money market account to automatically transfer funds when overdrawn. \$10.00 fee per transfer.

Option 2: Link your Macatawa Bank personal checking account to a personal Overdraft Line of Credit (subject to approval) to automatically transfer funds when overdrawn. \$10.00 fee per transfer and subject to fees plus interest.

Overdraft Privilege (available to eligible consumers and business accounts): A discretionary service that allows you to overdraw your account for certain transactions up to the disclosed limit. \$32.00 fee per item.

Overdraft Privilege

Overdraft Privilege allows you to overdraw your account up to the disclosed limit for a fee in order to pay a transaction. Even if you have Balance Protection, Overdraft Privilege is still available as secondary coverage if the other protection source is exhausted.

Transactions Covered with Overdraft Privilege:

Checks: Standard Coverage applies (no action required); Extended Coverage applies (your consent required).

ACH - Auto Debits: Standard Coverage applies (no action required); Extended Coverage applies (your consent required).

Recurring Debit Card Payments: Standard Coverage applies (no action required); Extended Coverage applies (your consent required).

Online Bill Pay Items: Standard Coverage applies (no action required); Extended Coverage applies (your consent required).

Teller Cash Transactions: Standard Coverage applies (no action required); Extended Coverage applies (your consent required).

ATM Withdrawals: Standard Coverage does not apply; Extended Coverage applies (your consent required).

Everyday Debit Card Purchases: Standard Coverage does not apply; Extended Coverage applies (your consent required).

If you would like to select Extended Coverage for future transactions, call us at (877) 820-2265, or visit any branch location.

If you choose Extended Coverage on your personal account, ATM withdrawals and everyday debit card transactions will be included along with all of the transactions listed under Standard Coverage. If you already have Extended Coverage, it is not necessary to request it again. Business accounts automatically have *Extended Coverage*.

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Account Agreement: The *Terms & Conditions* and your account *Truth in Savings Disclosure* provided to you at the time you opened your account describes the duties, obligations, and rights of Depositors, Authorized Signatories, and the Bank with regard to your deposit account. The *Terms & Conditions* and all amendments thereto shall control any possible conflict, if any, between any provision of this discretionary *Overdraft Coverage Options Disclosure*, the Deposit Account Signature Card, and the *Truth in Savings Disclosure*, of which a copy is available to you upon request.

Financial Education: The Bank believes that financial literacy and education helps consumers make informed decisions. Please contact your Macatawa Bank representative to learn more about ways to keep you informed about the balance and transactions in your account, how to responsibly manage your funds, and how to protect yourself from overdrafts.

To enroll in these services, please stop by any of our convenient branch locations. You may also discontinue your use of Balance Protection or Overdraft Privilege by contacting us at (877) 820-2265, or by visiting any branch location.

What Else You Should Know

Macatawa Bank reserves the right to determine the order in which items will be paid and returned (if any). Generally, for each business day, we will first post deposits and credits to your account received before the daily cut off time, followed by various categories of payments, ATM withdrawals, online banking transactions, debit card transactions, teller cash withdrawals, ACH transactions, checks you write in check number order (starting with the lowest number), and transfers. However, because of the many ways we allow you to access your account, the posting order of individual items may differ from these general policies.

The overdraft fee is the same fee that is charged if a check was returned as unpaid. If multiple items would overdraw your account on the same day, each item would be assessed an appropriate overdraft fee or a return fee of \$32.00.

For consumer accounts, there is a maximum charge amount of \$160 per day that we can charge you for overdrawing your account. This exception does not apply to business accounts.

All fees and charges will be included as part of the Standard Overdraft Privilege limit amount. Your account may be overdrawn in excess of the Standard Overdraft Privilege limit amount as a result of the fee.

Holds on funds and the order in which transactions are posted may impact the total amount of Overdraft Fees or Return Fees assessed.

For consumer accounts, enrolling in a Balance Protection Service option may be a less expensive option than an overdraft.

A single larger overdraft will result in just one fee, as opposed to multiple smaller overdrafts.

Good account management is the best way to avoid overdrafts. Use our mobile banking, online banking, and telephone banking services to keep track of your balance. For additional financial education resources, please visit www.mymoney.gov.

Even if you have a Balance Protection Service option as a consumer, Standard Overdraft Privilege is still available as secondary coverage if the other protection source is exhausted. Only one Balance Protection Service option can be used at any given time.

Under payment system rules, we may be obligated to pay some unauthorized debit card transactions. We 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).

For our consumer customers, giving us your consent to pay everyday 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 Standard Overdraft Privilege limit and may also help you avoid overdrafts in excess of your available balance that could result in restriction of your debit card.

Macatawa Bank authorizes and pays transactions using the available balance in your account. Macatawa Bank may place a hold on deposited funds in accordance with our Funds Availability Disclosure, which will reduce the amount in your available balance. The available balance for checks, ACH items, and recurring debit card transactions is comprised of the ledger balance, less any holds on deposited funds and any debit card holds, plus the everyday debit card transactions on

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accounts with Standard Overdraft Privilege is the ledger balance, less any holds on deposited funds and any debit card holds, plus any available overdraft protection, but does NOT include the Standard Overdraft Privilege limit.

For accounts with Extended Coverage, the Standard Overdraft Privilege limit is included in the available balance for authorizing ATM and everyday debit card transactions.

Please be aware that the Standard Overdraft Privilege amount is not included in your available balance provided through online banking, mobile banking or ATMs.

Macatawa 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 disclosure, we may not pay items if your account does not contain available funds (including the Standard 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 Standard Overdraft Privilege limit.

Macatawa Bank may also restrict your debit card if your account is overdrawn more than thirty-two (32) consecutive calendar days. Debit cards on your account will remain restricted until you make sufficient deposits so that your account balance is positive.

We may also suspend your debit card if we are unable to contact you due to an incorrect mailing address or phone number(s). You must contact us with your correct mailing address and/or phone number(s) to have your debit card reinstated.

A Standard Overdraft Privilege limit of \$100.00 is available for eligible Personal and Business Checking account(s) at account opening.

Consumer checking accounts classified as a fiduciary or minor (where all primary account holders are less than 18 years old) are not eligible for Overdraft Privilege.

A Standard Overdraft Privilege limit of \$500.00 is available for eligible Personal and Business Checking account(s) that have been open for at least 32 days and are in good standing.

Standard Overdraft Privilege is not a line of credit; it is a discretionary overdraft service that can be withdrawn at any time without prior notice.

Standard Overdraft Privilege may be discontinued if you default on any loan or other obligation to us (if 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 from your initial date of overdraft for a minimum of one (1) business day. You must bring your account balance positive for at least one business day to have Overdraft Privilege reinstated.

Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all overdraft and fee amounts, as described in your account Terms and Conditions. The total (negative) balance, including all fees and charges, is due and payable upon demand.