

Business Overdraft Services **Effective October 1, 2019**

Effective October 1, 2019, we will discontinue offering PrivilegePay[®], an overdraft product, and your account will come with Standard Overdraft Practices, as described below and in accordance with our Terms and Conditions.

Business ReLi Unsecured Revolving Line of Credit which will be referred to as “ReLi”:

Previously, some customers with ReLi were restricted from having both PrivilegePay and ReLi products on the associated account. Beginning **October 1, 2019**, all ReLi customers will have Standard Overdraft Practices with the associated account. This means, under Standard Overdraft Practices, when an advance from your ReLi is unavailable, your transactions may be paid, at our sole discretion.

Overdrafts

An overdraft occurs when you do not have enough money available in your account to cover a transaction, but we pay it anyway. We have Standard Overdraft Practices that come with your account. We also offer overdraft protection plans, such as a link to a secondary checking or savings account (Account Sweep) or a link to a revolving line of credit (ReLi), which may be less expensive than our Standard Overdraft Practices.

Standard Overdraft Practices:

When you do not have enough available funds in an account to cover a transaction item, at our sole discretion, we may honor that item. This will cause an overdraft on the account and the account will be charged associated fees.

Items include:

- Checks and other transactions made using your checking account number;
- Automated payments (ACH items), such as recurring bill payments;
- Recurring debit card purchases, such as television service subscriptions;
- ATM transactions*; and
- Everyday debit card transactions*, such as groceries or gasoline.

*If we do not authorize and pay an overdraft, your transaction will be declined.

We pay overdrafts at our sole discretion, which means we do **NOT GUARANTEE** we will always authorize and pay any type of transaction. We are under no obligation to pay items when an account has insufficient funds, regardless if previous transactions were paid.

When using our discretion to pay an insufficient item, we consider whether your account is in good standing. We may determine that your account is not in good standing by evaluating all aspects of your account activity; such as, whether you are making regular deposits, you have too many overdrafts, or your account has been overdrawn for thirty-five (35) days or more. If your account is no longer in good standing, whenever possible, transactions will only be authorized and paid if you have available funds in your account at the time of the transaction. Your account may be evaluated at a later time to determine whether your account returns to a good standing. However, if you have incurred what we deem to be an excessive amount of overdraft related fees, then your account(s) will no longer be considered for our Standard Overdraft Practices. As such, whenever possible, transactions will only be authorized and paid if you have available funds in your account(s) at the time of the transaction.

If you do not want us to consider any type of transaction for payment with Standard Overdraft Practices, you may Opt Out by speaking with a Retail Banker or calling us at 1-877-968-7962.

Fees

- One (1) **\$32 (NSF) insufficient item fee** is charged each time an item is returned unpaid.
- One (1) **\$32 (OD) overdraft item fee** is charged for each item that is paid.
- There is a limit of three (3) NSF and/or OD item fees per day.
- If an item overdraws your account \$1.00 or less, we will not charge you a fee.

Order of Payment

We may determine, at our discretion, the order that we process and post credit and debit items. Typically, credits are posted to your account first, and then debits are paid in the following order by category:

- Rejected items from previous day;
- ATM withdrawals and Debit card transactions (POS);
- Teller cashed items;
- Automated Clearing House (ACH) items; and
- All other checks.

Items inside each category are paid smallest to largest, except for checks, which are paid in sequential check number order. Items may not be processed in the order in which they occurred. The order in which transactions are paid can affect the total amount of overdraft fees incurred. Items are paid based on your account balance.

Additional information

As a courtesy, any day that you have insufficient items presented for payment and you deposit enough funds to cover all the NSF items (and related fees) by 11:00 a.m. CT, the bank will pay the items, whenever possible. Please refer to our current Expedited Funds Availability Act disclosure or speak with a Retail Banker for a list of funds that have immediate availability. All overdrafts should be repaid promptly.

A transaction may still overdraw your account, and incur fees, even if the funds appeared to be available at the time you completed the transaction. Other outstanding transactions, such as ACH, checks, or debit card transactions for which no temporary hold was placed or the temporary hold has been removed, may not be reflected in your available balance on record at the bank and could be presented for payment to the bank before the subject transaction. We recommend you track all your outstanding transactions and determine your available balance based on your records.

Avoiding Fees

Knowing your balance may help you avoid fees. Before you make a purchase, check your balance using one of these options.

- Call the Automated telephone system 1-866-226-5724;
- Log in to Online Banking;
- Use our Mobile App;
- Set up Online Banking Alerts; or
- Use a Woodforest ATM.

Overdraft Protection Plans

Account Sweep: This product helps you to protect your account against overdraft and insufficient item fees, by transferring funds from another account when needed. By creating a link between your primary checking account to a secondary checking or savings account with our institution, any presented items that would cause an overdraft in the primary account will be paid by available funds that are automatically “swept” or transferred from the secondary account. Regardless of the number of insufficient items, only one transfer fee will be assessed per day. (See our Schedule of Fees.) If there are not enough funds available to sweep at the time an item is presented for payment, an overdraft item fee or an insufficient item fee may be assessed. Certain accounts have limits to the number of debit transactions you can make within a statement period.

Business ReLi Unsecured Revolving Line of Credit (Business ReLi LOC): Upon credit approval, you could qualify for a Business ReLi LOC that will be linked to your checking account and protect you against overdraft and insufficient item fees. Any presented items that would cause an overdraft in the account will be paid by funds that are transferred from the Business ReLi LOC (up to the available limit). If there are not enough funds available on the Business ReLi LOC at the time an item is presented for payment, an overdraft item fee or an insufficient item fee may be assessed. This Business ReLi LOC is a loan that you pay back with interest. Woodforest reserves the right to limit this service to one account per customer.

Comparing the Cost

<u>Ways to cover overdrafts at Woodforest</u>	<u>Examples of Associated Fees*</u>	<u>Comparative Cost***</u>
Good account management	\$0	
Account Sweep	\$5.00 transfer fee	\$5.00
Business ReLi Unsecured Revolving Line of Credit	11.99% APR **	\$0.33
Standard Overdraft Practices and Debit Card Overdraft	Overdraft Item Fee of \$32.00 per item	\$32.00

**These costs are provided only as examples. Please ask us about specific products and fees.*

*** Line of Credit available only to qualifying customers.*

****Comparative costs based on one (1) insufficient item, resulting in an overdraft of \$100.00, and the Credit Line or overdraft not being repaid for 10 calendar days.*