



## OVERDRAFT PRIVILEGE SERVICE POLICY

New Tripoli Bank (“we, us or our”) offers an Overdraft Privilege Service (ODP). If your account qualifies for ODP, 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 ODP operates.

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:

- 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;
- You may have enough money in your account to authorize the debit card transaction, but the actual dollar amount of the transaction is more;
- You deposit a check or other items into your account and the item is returned unpaid and the funds are withdrawn from your account; or
- You have inadequate funds in your account when we assess a fee or service charge.

### Transactions that May Qualify for ODP

The ODP Service applies to a variety of transactions, including checks and other transactions made using your checking account number, automatic bill payments, ATM and one-time debit card (Point-of-Sale) transactions; however, we will not include ATM and one-time debit card transactions within our ODP Service without first receiving your affirmative consent to do so. Absent your affirmative consent, ATM and one-time debit card transactions generally will not be paid under ODP.

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

As noted above, we retain full discretion to decline to pay any item under the ODP Service 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 without notice to you, 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.

### Fees

For each overdraft we pay, we will charge the standard per item overdraft fee set forth in our fee schedule, currently \$30.00. There is no limit on the total fees we can charge you for overdrawing your account. 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 overdraft, including our fee, is due and payable immediately or on demand.

### Accounts Eligible for ODP

ODP is a discretionary service and is generally limited to a \$750 overdraft (negative) balance for eligible personal checking accounts; or a \$1,500 overdraft (negative) balance for eligible business checking accounts.

Please note that per item overdraft fees count toward your ODP Limit. We may in our sole discretion limit the number of accounts eligible for ODP to one account per household or per taxpayer identification number. Further, ODP is usually extended only to accounts in good standing. An account in good standing exhibits, but is not limited to, the following characteristics:

- The account has been open for at least thirty (30) days;
- The account has deposits totaling at least \$400 or more within each thirty (30) day period;
- The account demonstrates consistent deposit activity;
- The account owner is current on all loan obligations with us; and
- The account is not subject to any legal or administrative order or levy, such as bankruptcy or tax lien.

We offer another overdraft protection service in addition to ODP. This service is overdraft protection linked to another account of yours with us, such as a savings, money market, or another checking account. We do not charge for overdraft protection transfers.

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 one of our Customer Service Representatives at 888-298-8821.

### **Payment Order of Items**

Items presented for payment on a single banking day will be debited from your account in the following order of priority:

1. ATM withdrawals and Point-of-Sale (POS) transactions,
2. Order for the payment of bills through New Tripoli Bank's Online Bill Payment Service,
3. Electronically converted checks and Automated Clearing House (ACH) items,
4. Checks will be debited in check number order.

## **WHAT YOU NEED TO KNOW ABOUT BANK SERVICE CHARGES AND OVERDRAFTS**

*The following notice explains New Tripoli Bank's standard overdraft practices for consumer accounts.*

When you write a check, initiate an electronic payment, or use your debit card for a transaction that exceeds your available balance, you "overdraw" your account. This document summarizes what happens when you overdraw your account.

### **What are the standard overdraft practices that come with my account?**

We do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number, electronically converted checks, ACH items, and reoccurring debit transactions.
- Online Banking Bill Payments

We do not authorize and pay overdrafts for the following types of transactions unless you ask us to (see below):

- ATM transactions
- Everyday debit card transactions

We pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction. If we do not authorize and pay an overdraft, your transactions will be declined.

### **What are NSF fees and will I be charged if I overdraw my account?**

Nonsufficient Funds (NSF) Fees occur when an item drafted by you (such as a check) or a transaction you set up (such as a preauthorized transfer) is presented for payment in an amount that is more than the amount of

money available in your account. We decide not to pay the item or transaction and you agree that we can charge you an NSF fee for returning the payment. Be aware that such an item or payment may be presented multiple times and that we do not monitor or control the number of times a transaction is presented for payment. You agree that we may charge you an NSF fee for each time a payment is presented if the amount of money available in your account is not sufficient to cover the payment, regardless of the number of times the payment is presented.

For all accounts: We charge an overdraft fee of \$30 for each overdraft item paid. If we return or decline the item you will be charged a \$30 NSF fee for each returned item.

### **What if I want New Tripoli Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions?**

Federal regulations require banks to get your permission before paying ATM and everyday debit card overdrafts on consumer accounts when charging a fee.\* This is called “opt-in”. If you opt-in, it is up to New Tripoli Bank’s discretion to authorize or not authorize these transactions. We will charge fees for any transaction(s) resulting in an overdraft. Banks only need your permission once. Your permission is not required separately for each transaction. Opt-In is not automatic. If you want us to authorize and pay overdrafts on ATM and one-time debit card transactions, you must complete the “Choose an Overdraft Option” form. Forms can be returned to any branch location or mailed to 7747 Claussville Road, Orefield, PA 18069. As an alternative, you can visit our website at [www.newtripolibank.net](http://www.newtripolibank.net) and complete our “Contact Form”. You have the right to revoke such consent at any time.

*\*An “everyday” debit card transaction is any one-time, nonrecurring transaction using a debit card. Transactions you authorize in advance using your debit card, such as a monthly bill payment, are not considered everyday transactions. New Tripoli Bank relies on transaction coding provided by the merchant to determine if a transaction is recurring.*

### **What is my “available balance”?**

We use the “available balance” method to determine whether your account is overdrawn, (i.e. whether there is enough money in your account to pay for a transaction). Importantly, your “available” balance may not be the same as your account’s “actual” balance. This means an overdraft or an NSF transaction could occur regardless of your account’s actual balance.

Your account’s actual balance (sometimes called the ledger balance) only includes transactions that have been settled up to that point in time (i.e. deposits and payments that have posted to your account). The actual balance does not include outstanding transactions (such as checks that have not yet cleared and electronic transactions that have been authorized but which are still pending). The balance on your periodic statement is the actual balance for your account as of the statement date.

As the name implies, your available balance is calculated based on the money “available” in your account to make payments. In other words, the available balance takes transactions that have been authorized, but not yet settled, and subtracts them from the actual balance. In addition, when calculating your available balance, any “holds” placed on deposits that have not yet cleared are also subtracted from the actual balance.

### **What happens if I used my debit card for more than my available balance?**

Debit card transactions work differently than checks. Once New Tripoli Bank approves (“authorizes”) a debit card transaction, it can take up to 3 business days (or more) for it to reach us for payment (“settlement”). While the available balance in your account may be enough to cover a transaction when we authorize it, it does not mean it will be enough at settlement. Once New Tripoli Bank authorizes a transaction, we are required to pay it even though your available balance at settlement may not be enough to cover the transactions.

Here is an example of how this works:

1. You have \$120.00 in your account and use your debit card at the gas pump. Since the gas station is unclear how much the final charge will be, the station's processing system places a hold for a specified amount, for example, \$70.00. We approve the authorization and you begin pumping gas. Your final bill is \$50.00. Our processing system shows that you have \$50.00 available in your account ( $\$120 - \$70 = \$50$ ) for other transactions, even though you would have \$70.00 if the hold was equal to your final purchase. Later, you make another transaction in the amount of \$60.00 (this could be a check you have written, an ACH debit, another debit card transaction, or any other payment request). Because the transaction is presented before the temporary hold is adjusted from the gas station, and it is greater than our processing system shows your balance to be, it will result in an overdraft transaction (provided you have "opted-in") and your account will be assessed a \$30.00 overdraft fee.
2. This can also work the other way around. Say you have \$100.00 in your account on the first day and use your debit card to make a purchase for \$120.00. Even though the transaction exceeds your available balance, New Tripoli Bank authorizes it (provided you have "opted-in", as discussed above). You do not incur an overdraft fee at this time. On the second day, you make a cash deposit for \$30.00. On the third day, your \$120.00 debit card transaction reaches New Tripoli Bank for payment. Because the transaction is for less than your available balance when it reaches New Tripoli Bank for payment, it does not overdraw your account. If you had not made the deposit, you would have incurred an overdraft fee.

Please note that some transactions using your debit card, such as ATMs and those using your PIN, can reach New Tripoli Bank for payment the same day or in as little as one day.

### **What if I do not want New Tripoli Bank to pay my ATM and debit card overdrafts?**

If you do not opt-in, you may avoid unexpected fees on your account. However, New Tripoli Bank will not approve your ATM and everyday debit card transactions if they exceed your available balance at the time of the authorizations. Opting-in can have benefits, because it gives New Tripoli Bank the option (although we are not required) to approve transactions when your account is unexpectedly low on money, or when you know you will make a deposit later that day. However, overdraft charges will apply.

A Temporary Debit Authorization Hold affects your account balance. On debit card purchases, merchants may request a temporary hold on your account for a specific sum of money when the merchant does not know the exact amount of the purchase at the time the card is authorized. The amount of the temporary hold on the account may be more than the actual amount of your purchase. Some common examples of transactions where this occurs include purchases of gasoline, hotel rooms, or meals at restaurants. When this happens, our processing system cannot determine if the amount of the hold exceeds the actual amount of your purchase. Eventually, this temporary hold, and the amount charged to your account, will be adjusted to the actual amount of your purchase, but it can take up to three calendar days or more before the adjustment is made. Until the adjustment is made, the amount of funds in your account available for other transactions will be reduced by the amount of the temporary hold. If another transaction is presented for payment in an amount greater than the funds remaining after the dedication of the temporary hold amount, you will be charged an NSF or overdraft fee according to our NSF or overdraft fee policy. You will be charged the fee even if you would have had sufficient funds in your account if the amount of the hold had been equal to the amount of your purchase.

### **How do I notify the bank of my decision to opt-in or opt-out?**

Initially, your decision is made when you open your account. Stop by any New Tripoli Bank branch, log in to online banking, call us, or write New Tripoli Bank at 7747 Claussville Road, Orefield, PA 18069 to change your decision. Any written request you send New Tripoli Bank should include your name, address, date of request, account number(s), and your decision.

## **Payment order of items**

The order in which items are paid is important if there is not enough money in your account to pay all of the items that are presented. The payment order can affect the number of items overdrawn or returned unpaid and the amount of the fees you have to pay. To assist you in managing your account, we are providing you with the following information regarding how we process those items. We encourage you to make careful records and practice good account management. This will help you avoid creating items without sufficient funds and potentially incurring the resulting fees.

Items presented for payment on a single banking day will be debited from your account in the following order of priority:

1. ATM withdrawals and Point-of-Sale (POS) transactions,
2. Order for the payment of bills through New Tripoli Bank's Online Bill Payment Service,
3. Electronically converted checks and Automated Clearing House (ACH) items,
4. Checks will be debited in check number order.

## **What is Overdraft Privilege Service?**

New Tripoli Bank offers an Overdraft Privilege Service (ODP). If your account qualifies for ODP, 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. You will be assessed an overdraft fee for each of the transactions we pay. The ODP Service applies to a variety of transactions, including checks and other transactions made using your checking account number, automatic bill payments, ATM and one-time debit card (Point-of-Sale) transactions; however, we will not include ATM and one-time debit card transactions with our ODP Service without first receiving your affirmative consent to do so. Absent your affirmative consent, ATM and one-time debit card transactions generally will not be paid under ODP. Participation in ODP is not mandatory. You may opt-out of the service any time by notifying us. Furthermore, you may revoke your affirmative consent to have ATM and one-time debit card transactions considered for payment under ODP without removing other items from the service. Simply inform us of your preference.

ODP is generally limited to a \$750 overdraft (negative) balance for eligible personal checking accounts; or a \$1,500 overdraft (negative) balance for eligible business checking accounts. If you qualify, there is no fee for this service. Please note that per item overdraft fees count toward your ODP limit. We may in our sole discretion limit the number of accounts eligible for the ODP to one account per household or per taxpayer identification number. Further, ODP is usually extended only to accounts in good standing. An account in good standing exhibits, but is not limited to, the following characteristics:

- The account has been open for at least thirty (30) days;
- The account has deposits totaling at least \$400 or more within each thirty (30) day period;
- The account demonstrates consistent deposit activity;
- The account owner is current on all loan obligations with us; and
- The account is not subject to any legal or administrative order or levy, such as bankruptcy or tax lien.
- The account holder is at least 18 years of age.

## **Funds Availability**

Knowing when funds deposited into your checking account will be made available for withdrawal is important for avoiding being assessed fees or charges. Please see our funds availability disclosure for information on when different types of deposits are made available for withdrawal. For those accounts to which our funds availability policy disclosure does not apply, you can ask us when those funds will be available for withdrawal when you make a deposit. An item may be returned after the funds from that item's deposit are made available for withdrawal. In that case, we will reverse the credit of the item. We may determine the amount of available funds

in your account, for the purpose of deciding whether to return an item for insufficient funds, at any time between the times we receive the item and when we return the item or send a notice in lieu of return. We need only make one determination, but if we choose to make a subsequent determination, the account balance at the subsequent time will determine whether there are insufficient available funds.

### **Tips for avoiding or reducing deposit service fees**

Overdrafts are expensive, and you should avoid them. The following tips may help you to avoid or reduce deposit service fees on your account, including overdraft and returned item NSF fees:

- Some account types may have monthly maintenance fees. You may be able to avoid monthly maintenance fees, depending on your account type, by meeting minimum transaction or balance requirements.
- We offer another overdraft protection service in addition to ODP. This service is overdraft protection linked to another account of yours that you have with New Tripoli Bank, such as a savings, money market, or another checking account. We do not charge for overdraft protection transfers.
- Overdraft protection transfers are subject to Regulation D rules.
- Check your account balance and transactions regularly to avoid overdrafts and related service charges. You can easily access your account information using our Online Banking at [www.newtripolibank.net](http://www.newtripolibank.net) or by using our telephone banking system, Dial-A-Bank at 800-396-6137. Please note that the order in which items are displayed in your account history is not the order in which these transactions are posted to your account. And remember that not all funds in your account may be available for immediate withdrawal or other use.
- Record your check and debit card transactions in your register as soon as you make them and keep a current balance. Remember to anticipate and record any recurring automatic bill payments. Promptly adjust your register if you receive notice of an overdraft, NSF, or returned deposit. Don't forget to deduct any related service charges. Reconcile your register to your monthly statement and promptly notify New Tripoli Bank of any errors or unauthorized transactions.
- Notify New Tripoli Bank if you do not want us to pay any overdrafts on your account. To do this, contact us. Charges will apply for any items that New Tripoli Bank returns without paying.
- Consider other New Tripoli Bank services that may be lower cost alternatives to overdrafts. Contact your local branch to discuss your options.

See your account disclosures and the section called “What You Need to Know About Overdrafts and Overdraft Fees” for more information.

Contacting New Tripoli Bank:

6748 Madison Street  
New Tripoli, PA 18066  
610-298-8811

4892 Buckeye Road  
Emmaus, PA 18049  
610-421-4001

7747 Claussville Road  
Orefield, PA 18069  
610-395-8834

Toll Free: 888-298-8821

[www.newtripolibank.net](http://www.newtripolibank.net)

Member FDIC

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