

## OVERDRAFT COVERAGE OPTIONS: OVERDRAFT PROTECTION AND OVERDRAFT PRIVILEGE

North Shore Bank understands that unexpected overdrafts occur from time to time and Overdraft Coverage can help.

### Overdraft Coverage Options

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

Service	Cost
Overdraft Protection linked to another eligible deposit account you have at North Shore Bank <sup>1</sup>	No charge
Overdraft Protection linked to a Home Equity Line of Credit with North Shore Bank <sup>1, 2</sup>	Subject to interest
Overdraft Privilege – Standard or Extended Coverage <sup>3</sup>	\$36 Overdraft Fee per item

<sup>1</sup>Call us at 877-672-2265 or visit a branch to sign up or apply for these services. <sup>2</sup>Home Equity Line of Credit is subject to credit approval.

<sup>3</sup>Consecutive Days Overdrawn (OD) Fees may apply.

**Overdraft Protection** applies to all transactions and may help prevent overdrafts by automatically transferring funds to your checking account from another eligible account or Home Equity Line of Credit you may have at North Shore Bank. If funds are not sufficient to cover the entire negative balance, items may or may not be paid and you may incur Overdraft or NSF Return Item fees.

**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 Overdraft Protection, Overdraft Privilege is still available as secondary coverage if the Overdraft Protection source is exhausted.

- As a courtesy, new accounts receive \$50 Overdraft Privilege Coverage for the first 30 days.
- After 30 days, if your account is in good standing and at North Shore Bank's discretion, the Overdraft Privilege Coverage amount may be increased. You will receive written notice of the change.

Please review the ***What Else You Should Know*** section included with this letter for other important information.

Transactions Covered with Overdraft Privilege	Standard Coverage (No action required)	Extended Debit Card Coverage (Your consent required on consumer accounts) *	If you would like to select Extended Coverage for future transactions:
Checks	X	X	<ul style="list-style-type: none"> <li>• Call us at 877-672-2265</li> <li>• Visit any branch</li> <li>• Log in to North Shore Bank's Mobile App or Online Banking and send a secure message</li> </ul>
ACH - Automatic Debits	X	X	
Recurring Debit Card Payments	X	X	
Online Bill Pay Items	X	X	
Teller Window Transactions	X	X	
North Shore Bank ATM Withdrawals		X	
Everyday Debit Card Transactions		X	

\*Business accounts automatically have Extended Coverage.

If you have questions about Overdraft Privilege, or wish to discontinue the service in its entirety, contact us at 877-672-2265, visit a branch or log in to North Shore Bank's Mobile App or Online Banking and send a secure message.

## WHAT ELSE YOU SHOULD KNOW

- The words “we”, “our,” and “us” imply North Shore Bank (NSB). We may use the terms “item” and “transaction” interchangeably. Refer to our Deposit Account Agreements and Fee Schedules for more information about your accounts.
- Good account management is the best way to avoid overdrafts, NSF’s, and applicable fees. Keeping track of your balance is important. You can review your balance in a number of ways including our Mobile App, Online Banking, Telephone Banking and Account Alerts. For additional financial education resources, please visit [mymoney.gov](http://mymoney.gov). Overdraft Privilege is not a line of credit; it is a discretionary overdraft service that can be withdrawn at any time without prior notice. A link to another account or a Home Equity Line of Credit may be less expensive than an Overdraft Fee or NSF Return Item Fee. A single larger overdraft will result in one fee, as opposed to multiple smaller overdrafts.
- The Overdraft Fee of \$36 applies when you overdraw your account and the item(s) causing the overdraft are paid. A NSF Return Item Fee of \$30 for personal accounts and \$36 for business accounts is charged if an item is returned unpaid. If multiple items overdraw your account on the same day, each item will be assessed an appropriate Overdraft Fee or NSF Return Item Fee. All fees and charges will be included as part of the Overdraft Privilege Coverage amount. Your account may become overdrawn in excess of the Overdraft Privilege Coverage amount as a result of a fee.
- If an item is returned because the available balance in your account is non-sufficient to cover the item, you agree that we can charge a NSF Return Item Fee. We make every attempt to identify previously returned items that were charged a NSF Return Item Fee to prevent them from being charged another fee when represented for payment. Due to how merchants process returned items, we may not be able to identify every represented item. Please contact us if you receive an Overdraft or NSF Return Item Fee on an item that has been returned more than once (i.e., represented), and we will refund the fee. When we charge an Overdraft or NSF Return Item Fee, the charge reduces the Available Balance in your account and may put your account into (or further into) overdraft.
- If your account balance remains overdrawn for 5 consecutive business days, we will charge your account a Consecutive Days Overdrawn (OD) Fee of \$15. Once your account becomes positive, anytime it becomes overdrawn for 5 consecutive business days, we will charge your account another \$15 Consecutive Days Overdrawn (OD) Fee.
- For consumer accounts, there is a limit of 5 Overdraft and NSF Return Item Fees for a maximum of \$180 per day we will charge. We will not charge a fee if a consumer account is overdrawn by \$15 or less. These exceptions do not apply to business accounts. For business accounts, there is a limit of 6 Overdraft and NSF Return Item Fees for a maximum of \$216 per day we will charge.
- To assist in managing your account, it’s important to understand the order in which transactions appear throughout the day, or when you performed them, does not necessarily reflect the order in which they are processed to calculate your end-of-day account balance. If you do not have available funds at the time the item is paid or returned, it could result in an Overdraft or NSF Return Item Fee. North Shore Bank generally processes transactions to your account at the end of each day, (Monday – Friday, excluding federal holidays). We also process certain categories of transactions on Saturdays, excluding federal holidays. For more details, the Bank’s processing order for transactions is described in the Processing Order section of our Deposit Account Agreements at [northshorebank.com/depositaccountagreement](http://northshorebank.com/depositaccountagreement). The order in which we determine what items are paid or returned (if applicable), may change at our discretion.
- Although we may be obligated to pay some debit card transactions, we will not authorize debit card or NSB ATM withdrawal transactions unless the available balance (including Overdraft Coverage Options) is sufficient to cover the transactions and any fee(s), and as a result you may incur fees if such transactions overdraw your account.
- Giving us your consent on your consumer account (Extended Coverage) to pay NSB ATM withdrawals and everyday debit card transactions may result in you incurring Overdraft and/or NSF Return Item Fees for transactions that we would otherwise be required to pay without assessing an Overdraft and NSF Return Item Fee. If you consent to Extended Coverage on your consumer account, it will remain on your account until it is otherwise withdrawn by you or us.
- We authorize and pay transactions using the available balance in your account. See our Deposit Account Agreements at [northshorebank.com/depositaccountagreement](http://northshorebank.com/depositaccountagreement) for a definition of Available Balance. We may place a hold on deposited funds in accordance with the definitions and rules of our Deposit Account Agreements, which will reduce the amount of your available balance.
- Debit card authorization is a merchant-authorized request for payment. We temporarily reduce (hold) the amount of the debit card authorization against the available balance for three days, or until received from the merchant, whichever occurs first. After the third day, the hold is released. Even though we release the hold when a merchant does not submit the transaction for payment in a timely manner, the obligation still applies and we must pay it when presented, even if it causes your account to become overdrawn. The amount of the hold will be for the amount authorized, or as permitted under applicable payment network rules. This means that your available balance may not accurately reflect pending debit card authorizations until the transaction is received by us and paid from your account (i.e., posted).
- You may incur an overdrawn balance and/or an Overdraft or NSF Return Item Fee even though the available balance appeared to show there were enough funds to cover a transaction at the time you initiated it because other outstanding transactions may be presented and paid first.
- Except as described in this notice, we may not pay items if the available balance in your account (including the Overdraft Privilege Coverage, if applicable) is not sufficient to cover the item(s) and the amount of any fee(s).
- We may suspend your debit card due to your account being overdrawn. The debit card will remain suspended until sufficient deposits are made to bring your available balance (including Overdraft Privilege Coverage), positive. If your debit card is suspended you cannot use it for purchases or at the ATM, and if it is set up to make recurring payments, those expenses will need to be covered using another payment method.
- Reasons why Overdraft Privilege may be reduced or suspended include, but are not limited to:
  - You default on a loan or other obligation with us
  - You or your account is subject to any legal or administrative order or levy
  - You fail to maintain any of your accounts in good standing by not bringing your account to a positive balance within 25 business days for a minimum of one business day

**IMPORTANT INFORMATION ABOUT OVERDRAFTS AND OVERDRAFT FEES**  
**CUSTOMER AUTHORIZATION**

An overdraft occurs when you do not have enough available money in your account to cover a transaction, but we pay it anyway. Available Balance means the amount of money that can be withdrawn at a point in time. It includes transactions that have posted to your account and adjusts for holds on funds and debit card authorizations that have not been presented by the merchant for payment. The Available Balance does not reflect every transaction you have initiated or previously authorized, such as outstanding checks and authorized automatic withdrawals that we have not processed. For more details, please refer to the Deposit Account Agreement by visiting [northshorebank.com/depositaccountagreement](http://northshorebank.com/depositaccountagreement) or stop by your local branch for a copy.

We can cover your overdrafts in two different ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to another account or a line of credit, which may be less costly than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains our standard overdraft practices.

➤ **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
- Automatic bill payments

We will not authorize and pay overdrafts for the following types of transactions without your consent:

- ATM withdrawals
- 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 transaction will be declined.

➤ **What fees will I be charged if North Shore Bank pays or does not pay my overdraft?**

**Under our standard overdraft practices for consumer accounts:**

- We will not charge you a fee if your account is overdrawn by \$15 or less on any given day.
- We will charge you an Overdraft Fee of \$36 per item when your account is overdrawn by \$15.01 or more and items are paid.
- We will charge a NSF Return Item Fee of \$30 per item when items are not paid.
- There is a limit of five Overdraft or NSF Return Item Fees per day we will charge, up to \$180.
- If your account is overdrawn for five or more continuous business days, we will charge your account a Consecutive Days OD Fee of \$15. Once the account becomes positive, anytime it becomes overdrawn for five consecutive business days, we will charge your account another \$15 Consecutive Days OD Fee.

➤ **What if I want North Shore Bank to authorize and pay overdrafts on my North Shore Bank ATM withdrawals and everyday debit card transactions?**

If you want us to authorize and pay overdrafts on North Shore Bank ATM withdrawals and everyday debit card transactions, contact us at 877-672-2265, visit a branch, log in to North Shore Bank's Mobile App or Online Banking and send a secure message or complete the form below and present it at a branch or mail it to: 15700 West Bluemound Road, Brookfield, WI 53005. You can revoke your authorization for North Shore Bank to pay these overdrafts at any time by any of the above methods. Your revocation must include both your name and your account number so that we can properly identify your account.

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\_\_\_\_\_ I do not want North Shore Bank to authorize and pay overdrafts on my North Shore Bank ATM withdrawals and everyday debit card transactions.

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Printed Name: \_\_\_\_\_  
Date: 12/14/2023  
Account Number: \_\_\_\_\_