

CBBCBank BOUNCE PROTECTION A SPECIAL SERVICE FOR YOUR CHECKING ACCOUNT

Unanticipated expenses or unforeseen problems can leave you with too little cash in your checking account. Having a check returned due to insufficient funds can be a costly, inconvenient, and embarrassing experience. We do not encourage overdrafts at CBBC Bank. We encourage you to manage your finances responsibly. However, we want to save you from the additional merchant fees and possible damage to your credit history that might result if a check is returned. That's why we provide Bounce Protection, a special service for CBBC Bank customers.

What is Bounce Protection?

Bounce Protection is a discretionary overdraft service requiring no action on your part that provides you a safety net up to an automatically assigned overdraft limit.

Your Bounce Protection limit may be available for checks and other transactions using your checking account number or automatic bill payment and recurring debit card payment. For business accounts only, ATM and everyday debit card transactions. For all other personal accounts, at your request, we may authorize and pay ATM transfers or withdrawals and everyday debit card purchases using your limit.

How does Bounce Protection work?

As long as you maintain your account in "good standing," we may approve your overdraft items within your current available Bounce Protection limit as a non-contractual courtesy.

For Bounce Protection privilege consideration, your account is in "good standing" if you (1) deposit enough money to bring your account to a positive end-of-day balance at least once every 30 calendar days (including the payment of all bank fees and charges); (2) avoid excessive overdrafts suggesting the use of Bounce Protection as a continuing line of credit; and (3) there are no legal orders, levies, or liens against your account.

Please note that the amount of the overdraft plus our insufficient paid item(s) charge of \$32 for each item will be deducted from your overdraft limit. If the item is returned, the insufficient returned item(s) charge of \$32 will be deducted from your account. No interest will be charged on the overdraft balance.

What if I go beyond my Bounce Protection limit?

Overdrafts beyond your established Bounce Protection limit may result in checks or other items being returned to the payee. An insufficient returned item(s) charge of \$32 will be assessed to your account. An overdraft/insufficient notice will be sent to notify you of the items paid or returned. Returned items may be presented for payment by the payee or their financial institution multiple times, which may result in multiple insufficient fees.

What is a Nonsufficient Funds (NSF) Fee?

If 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, and we decide not to pay the item or transaction, we may charge you an insufficient fee for returning the payment. Be aware that such an item or payment may be presented multiple times, and we do not monitor or control the number of times a transaction is presented for payment. We may charge you an insufficient fee 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.

What does Bounce Protection cost?

There is no additional cost associated with this privilege unless you use it. You will be charged our insufficient paid item(s) charge of \$32 for each overdrawn item created by a traditional paper-based check, teller withdrawal, an



automatic payment (ACH) transaction, or recurring debit card payment; and, for business accounts only, ATM and everyday debit card transactions.

Also, for personal accounts only, if you have requested to opt-in for us to do so, we may authorize and cover the ATM transfers, withdrawals, and everyday debit card purchases. Your balance at the time transactions post will determine the overdraft status and assessment of fees. Other transactions initiated by you, or a delay in processing by the merchant, may result in previously authorized transactions posting against an insufficient balance. Checks and other debits to the account may post before deposits and other credits. If there are not enough funds in the account at the time the transaction posts, you will be charged for each item paid.

For example, three (3) paid items in one day will result in \$96 in insufficient paid item(s) charges. To help you manage your account, the total fees you have paid for items (both paid and returned) during the current month and for the year-to-date will be reflected on your monthly checking statement.

What is my Bounce Protection limit? If I have two checking accounts, can I get Bounce Protection on both?

Locate your account type below and make a note of the corresponding limit. If you have multiple accounts for your household or business, you may have a limit on eligible accounts.

- **Personal Bounce Protection** - \$500
- **Business Bounce Protection** - \$1,000

How quickly must I repay my Bounce Protection?

You should make every attempt to bring your account to a positive end-of-day balance as soon as possible, and you must do so within thirty (30) calendar days. If you cannot do so, you will receive a letter from CBBC Bank informing you that your Bounce Protection limit has been suspended and additional items will be returned. If your limit is suspended, unless we notify you otherwise or you request this service be removed from your account, your limit will be made available to cover overdrafts again the first business day after you bring your account to a positive end-of-day balance.

What if I am having trouble repaying my balance?

Please get in touch with us at (865) 977-5925 if you: (1) do not believe you will be able to bring your account to a positive end-of-day balance within the required time; (2) find that you are using Bounce Protection more often than you intend; or (3) don't understand how your account became overdrawn. We will discuss your situation with you.

Following regulatory guidance, we will contact you if you are paying multiple insufficient paid item(s) charges (i.e., more than six (6) fees in a rolling twelve (12) month period) to discuss possible alternatives to Bounce Protections that may better meet your short-term credit needs. If you ask us to stop contacting you because you have determined Bounce Protection is appropriate for your needs, we will honor your wishes. However, if we identify that the number and frequency of overdrafts increase materially for an extended period, at some point after that, we will contact you again to ensure Bounce Protection is still the most appropriate option available to you for covering your short-term credit needs.