

Understanding Recent Overdraft Privilege Changes

Summary of Changes

Due to recent changes in federal banking regulations, we are required to obtain your written permission before we can continue to cover overdrafts on your ATM and everyday debit card transactions. These changes went into effect August 15, 2010.

We mailed a special notice regarding these changes during the months of June and July 2010 to all affected account holders. The information below is similar in content and context to that notice.

Overdrafts and *Overdraft Privilege*

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway.

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 is declined.

We have standard overdraft practices that come with your account. At our discretion, we do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions (such as ACH) made using your checking account number
- Automatic bill payments

As of August 15, 2010, we no longer authorize and pay overdrafts for the following types of transactions unless you ask us to (see "Opting In" below):

- ATM transactions
- Everyday debit card transactions (such as internet and point-of-sale transactions)

Under our standard overdraft practices:

- We will charge you a fee of \$25 each time we pay an overdraft.
- Also, if your account is overdrawn for more than 3 consecutive days, we will charge an additional \$3 per day.
- There is no limit on the total fees we can charge you for overdrawing your account.

We commonly refer to this collective program as "Overdraft Privilege."

Opting In - How to Ask Us to Authorize and Pay Overdrafts on ATM Transactions and Everyday Debit Card Transactions

To request Overdraft Privilege for your ATM transactions and everyday debit card purchases, please do one of the following:

- Call our main office ((865) 828-5237), and ask to speak with our "Opt-In Coordinator." We'll mail you a consent form that you can return to us.
- Visit one of our branches, and ask to speak with a Customer Service Representative about "opting in." You may complete the consent form onsite.

If you have already completed a consent form, no additional action is necessary.

Questions? Call (865) 828-5237, and ask to speak with the "Opt-In Coordinator."