



Bank Iowa
Your Success. Our Priority.

Discretionary Overdraft Privilege Policy

It is the policy of Bank Iowa to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards.

The Deposit Account Agreement and Disclosure provided to you at the time you opened your account with us controls the duties, obligations and rights of the Depositor, the Authorized Signatories and Bank Iowa with regard to your checking account. The Deposit Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Discretionary Overdraft Privilege Policy and the Deposit Account Agreement and Disclosure. A copy of the Deposit Account Agreement and Disclosure is available to you upon request from your Bank Iowa Officer.

Bank Iowa has a specific processing order so transactions may not be processed in the order in which they occurred, or in the order in which they are received. This processing order can affect the total amount of overdraft fees incurred. This means that should you inadvertently overdraw your account, Bank Iowa will authorize and pay the overdraft subject to the limit of your overdraft privilege and the amount of the overdraft fee. We pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction. Overdraft privilege is not a line of credit. Bank Iowa is not obligated to pay any item presented for payment if your account does not contain sufficient available funds. Any discretionary payment by Bank Iowa of an overdraft check (or item, such as an ATM withdrawal) does not obligate Bank Iowa to pay any other overdraft check (or item), or to provide prior notice of its decision to refuse to pay such check (or item).

Pursuant to Bank Iowa's commitment to always provide you with the best level of service, if your consumer account (primarily used for personal and household purposes) has been open for at least thirty (30) days, or if your commercial account has been open for at least sixty (60) days, and thereafter you maintain your account in good standing, which includes at least:

- A) Bringing your account balance to a positive balance within every thirty (30) day period for a minimum period of 24 hours
- B) Not being in default on any loan or other obligation to Bank Iowa
- C) Not being subject to any legal or administrative order or levy

Bank Iowa will have the discretion to pay overdrafts within the overdraft privilege limits, but payment by Bank Iowa is a discretionary courtesy and not a right of the customer or an obligation of Bank Iowa. This privilege for consumer checking accounts will generally be limited to a maximum of \$500 overdraft (negative) balance. This privilege for commercial accounts will generally be limited to a maximum of \$700 overdraft (negative) balance. Any and all fees and charges, including without limitation the overdraft fees (as set forth in our fee schedules and deposit account agreement and disclosure), will be included as part of this maximum amount. It may be possible that your account will become overdrawn in excess of the Overdraft Privilege amount as a result of the assessment of a \$25 overdraft fee.

The total of the discretionary overdraft privilege (negative) balance, including any and all fees and charges, is due and payable upon demand. All account owners and will continue to be liable, jointly and severally, for all such amounts, as described in the Deposit Account Agreement and Disclosure. Our standard Overdraft fee of \$25 will be imposed for overdrafts created by checks, ACH, ATM withdrawals, everyday debit card transactions, in-person withdrawals, or by other electronic means. Bank Iowa in its sole and absolute discretion, can cease paying overdrafts at any time without prior notice of reason or cause.

For our consumer customers, Bank Iowa will not pay overdrafts for ATM or everyday debit card transactions unless Bank Iowa has provided you with the notice required by section 205.17(b) of Regulation E and you have opted-in to the payment of these overdrafts. In order to avoid overdrafts due to ATM and everyday debit card transactions, Bank Iowa will place a hold on your account for any ATM or everyday debit card transaction authorized until the transaction settles. ATM and everyday debit card transactions usually settle within two business days after the transaction is authorized. The amount of the hold will be for the amount authorized, or as permitted under applicable payment network rules. Holds on authorized ATM and everyday debit card transactions will be removed prior to settlement where required by applicable payment network rules.

In addition, for both consumer and commercial accounts, you may opt-out of the Overdraft Privilege services for check, ACH and debit card bill payment transactions at any time by contacting Bank Iowa. Bank Iowa also offers alternative overdraft solutions. Contact your Bank Iowa Officer for details.

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