

BOUNCE PROTECTION

OVERDRAFT PRIVILEGE FOR YOUR CHECKING ACCOUNT

At times, 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 potentially embarrassing experience.

At Independent Financial, we do not encourage overdrafts. 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 overdraft service for Independent Financial customers.

What is Bounce ProtectionSM?

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 made using your checking account number or automatic bill pay and recurring debit card payment.

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, please call Customer Care at 800.460.6634, or visit our website at ifinancial.com/bounce to complete the digital or mailed-in form.

How does Bounce Protection work?¹

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 overdraft privilege consideration, your account is in "good standing" if you (1) make sufficient deposits 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 NSF/Bounce paid item fee of \$35 for each item will be deducted from your overdraft limit. If the item is returned, the Non-Sufficient Funds (NSF) returned item fee of \$35 will be deducted from your account. We will not charge you a fee for more than five items (\$175) per day. We will not charge a fee for items that overdraw your account by \$10 or less.

What does Bounce Protection cost?

There is no additional cost associated with this privilege unless you use it. You will be charged our NSF/Bounce paid item fee of \$35 for each overdrawn item created by a traditional paper-based check, a teller withdrawal, an automatic payment (ACH) transaction, or a recurring debit card payment. Also, if you have requested us to do so (opt-in), we may authorize and pay ATM transfers or withdrawals and everyday debit card purchases by using your available balance and your Bounce Protection limit. Your balance at the time these transactions post will determine the overdraft status and the assessment of fees. Other transactions initiated by you, or a delay in processing authorized transactions by the merchant, may result in previously authorized transactions posting against an insufficient balance. A NSF/Bounce paid item fee of \$35 will be charged for each ATM or everyday debit card transaction that posts against insufficient funds. Once opted in, you may revoke your authorization at any time by calling or visiting your local branch.

For example, two paid items in one day will result in \$70 in NSF/Bounce paid item fees. We will not charge you a fee for more than five items

¹Please refer to the Bounce Protection Customer Policy (reverse) for additional details.

(\$175) per day. We will not charge a fee for items that overdraw your account by \$10 or less. 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 note of the corresponding limit. If you have multiple accounts for your household, you may have a limit on all eligible accounts.

Free Checking ²	\$500
Free Rewards Checking ²	\$300
Personal Checking	\$400
Platinum Checking	\$500
NOW Checking	\$700
Money Market Accounts	\$1,500
Index Funds Accounts	\$1,500
High-Yield Index Fund Accounts	N/A

² Bounce paid item and NSF returned item fees apply to "free" accounts. The Bounce Protection limit on all grandfathered accounts is \$300.

How soon can I use my Bounce Protection?

If you are a new customer, we will advise you 30 or more days after your account is opened that you may use the overdraft privilege service. This is provided you have maintained satisfactory account activity, including regular deposits, consistent with our internal standards for new account types that may offer Bounce Protection. Once you are notified your Bounce Protection limit is available to you, it may continue to be available provided you maintain the account in "good standing" as defined in this brochure.

How do I know when I use the overdraft limit?

You will receive an overdraft notice each time items are paid, including fees. You will need to subtract the total fees when balancing your checkbook.

What if I go beyond my Bounce Protection limit?

Overdrafts above and beyond your established Bounce Protection limit may result in checks or other items being returned to the payee. The NSF returned item fee of \$35 will be charged per item and assessed to your account. An Overdraft/NSF notice will be sent to notify you of items paid and/or returned. Returned items may be presented for payment by the payee or their financial institution multiple times, which may result in multiple returned item NSF fees.

What are some of the ways I can access my Bounce Protection limit? Will my limit be reflected in the balance I receive?

The following chart shows the different ways you can access your Bounce Protection limit and indicates whether or not this limit will be reflected in the balance provided.

Access Points	Is my Bounce Protection available?	Does the balance provided reflect my Bounce Protection limit?
Teller	Yes	No
Writing a Check	Yes	N/A
Mastercard® Debit Card (recurring)	Yes	N/A
Mastercard® Debit Card (everyday)	No ³	N/A
ATM Withdrawal	No ³	No
ACH-Auto Debit	Yes	N/A
Online Banking	No	No
Online Bill Pay	No	N/A
Telephone Banking	No	No

³ Bounce Protection will be made available for ATM or everyday debit card transactions upon your request. Visit ifinancial.com/bounce for expanded coverage options available. Mastercard is a registered trademark of Mastercard International Incorporated.



What if I want Independent Financial to authorize and pay overdrafts on my ATM and everyday debit card transactions?

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, please call Customer Care at 800.460.6634, or visit our website at ifinancial.com/bounce to complete the digital or mailed-in forms.

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 must do so within 30 calendar days. If you are not able to do so, you will receive a letter from Independent Financial informing you that your Bounce Protection limit has been suspended and additional items will be returned. Unless we advise you differently or you request this service be removed from your account, your limit will be made available to cover overdrafts again after you bring your account to a positive end-of-day balance.

What if I use my Bounce Protection too often, or have trouble repaying it?

Please stop by your nearest Independent Financial location if: (1) you do not believe you will be able to bring your account to a positive end-of-day balance within the required time period; (2) find that you are using Bounce Protection more often than you intend; or (3) do not understand why your account becomes overdrawn. We would like to discuss your situation with you.

Following regulatory guidance, we will contact you if you are paying multiple overdraft fees (i.e., more than six fees in a rolling 12-month period) to suggest possible alternatives to Bounce Protection that may better meet your short-term credit needs. If the number and frequency of overdrafts continues, we may contact you again to ensure Bounce Protection is still the most appropriate option available to you.

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An insufficient balance can result from several events, such as (1) the payment of checks, electronic funds transfers or other withdrawal requests; (2) payments authorized by you; (3) the return of unpaid items deposited by you; (4) Bank service charges; or (5) the deposit of items which, according to the Bank's Funds Availability Policy, are treated as not yet available or finally paid. We are not obligated to pay any item presented for payment if your account does not contain sufficient funds.

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 overdraft privilege consideration, your account is in "good standing" if you (1) make sufficient deposits 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) have no legal orders, levies or liens against your account.

In the normal course of business, we generally pay electronic transactions first and then checks in serial number order, per the Bank's policy; however, checks are often converted to electronic transactions which may post to your account more quickly, affecting the order in which they post. We reserve the right to change the order of payment without notice to you if we suspect fraud or possible illegal activity affecting your account. Also, please be aware that the order of item payment may create multiple overdraft items during a single Banking day for which you will be charged our NSF/Bounce paid item fee of \$35 for each overdraft item paid (daily maximum of \$175). We will not charge a fee for items that overdraw your account by \$10 or less.

You may opt out of the privilege at any time, but you are responsible for any overdrawn balances at the time of opting out. Normally, we will not approve an overdraft for you in excess of the predetermined amount assigned to your account type. So as not to exceed your limit, please note that the amount of the overdraft plus the Bank's NSF/Bounce paid item fees will be deducted from the overdraft limit.

We may refuse to pay an overdraft item at any time even though we may have previously paid overdrafts for you. For example, we typically do not pay overdraft items if your account is not in good standing as defined above, or, if based upon our review of your account management, we determine that you are using Bounce Protection excessively or seem to be using Bounce Protection as a regular line of credit. You will be charged an NSF returned item fee of \$35 for each item returned (daily maximum of \$175).

You will be promptly notified of any non-sufficient funds items paid or returned that you may have; however, we have no obligation to notify you before we pay or return any item. The amount of any overdraft including our NSF/Bounce paid item fee of \$35 and/or an NSF returned item fee of \$35 that you owe us shall be due and payable upon demand, but if no demand is made, no later than 30 calendar days after the creation of the overdraft. If there is an overdraft on an account with more than one owner on the signature card, each owner and agent, if applicable, shall be jointly and severally liable for all overdrafts inclusive of fees.

Bounce Protection should not be viewed as an encouragement to overdraw your account. To avoid fees, we encourage you to keep track of your account balance by entering all items in your check register, reconcile your checkbook regularly, and manage your finances responsibly. Should you change your mind and decide you no longer want standard Bounce Protection coverage on your account, please call Customer Care at 800.460.6634, or visit our website at ifinancial.com/bounce to complete the digital or mailed-in form.

Please note that your Bounce Protection limit may be available for each item paid under the limit created by checks and other transactions made using your checking account number, such as a teller withdrawal, an automatic payment (ACH) transaction, or automatic bill payment and recurring debit card payment. Also, at your request, we may authorize and pay ATM transfers or withdrawals and everyday debit card purchases using your limit. The limit will not be included in the balance provided during an inquiry.

LIMITATIONS: Bounce Protection is a non-contractual courtesy that is available to individually/jointly owned accounts in good standing for personal or household use. Independent Financial reserves the right to limit participation to one account per household and to suspend, revoke, or discontinue this service without prior notice. Unless we advise you differently or you request this service be removed from your account, your limit will be made available to cover overdrafts again after you bring your account to a positive end-of-day balance.

What are some other ways I can cover overdrafts at Independent Financial?

The best way to avoid overdrafts and fees is to keep track of your account balance by entering ACH items, checks, debit card purchases and ATM withdrawals in your check register. Also reconcile your checkbook regularly and manage your finances responsibly. However, if a mistake occurs, Independent Financial offers additional ways to cover overdrafts in addition to Bounce Protection.

Ways to cover overdrafts at Independent Financial	Example of associated rates and fees
Good account management	\$0
Telephone transfer from another Independent Financial account	\$2 transfer fee
Automatic transfer from Independent Financial savings account to Independent Financial checking account ⁴	\$5 transfer fee
Bounce Protection	NSF/Bounce paid item fee of \$35 for each item
Alert notifications via Online or Mobile Banking	\$0

⁴Subject to transaction limitations.

What if I do not want Bounce Protection on my account?

Should you change your mind and decide you would like to waive standard Bounce Protection coverage on your account, please call Customer Care at 800.460.6634, or visit our website at ifinancial.com/bounce.