



INDUSTRIAL BANK OVERDRAFT PRIVILEGE PROGRAM

Changes to the Discretionary Overdraft Program Effective April 3, 2017

Overdraft Privilege is a *discretionary* service we provide to our checking account holders who maintain their accounts in good standing and who have been provided information on this program and other overdraft options and have chosen this program. All customers have the options of not having Overdraft Privilege. For customers participating in Overdraft Privilege, Industrial Bank may pay items presented on their checking account against insufficient funds up to a set limit. In an effort to provide excellent customer service, Industrial Bank will strive to pay items presented on your account against insufficient funds. Items are paid with the expectation that an immediate deposit will be made to bring the account to a positive balance. One-time payment of items into overdraft does not guarantee that items presented in the future will be paid. In addition to all of the terms of your Account Agreement, this Overdraft Privilege Program is also subject to the additional terms stated herein.

- **You are NOT required to have this service on your account** - You may opt-out of overdraft services at any time by contacting us via phone at 202-722-2000, or by visiting one of our banking centers. Customers who receive Social Security, federal direct deposit or any other entitlement benefit must opt-out if they do not want the Bank to apply those funds to pay an overdraft.
- **The payment of overdrafts is not guaranteed – Industrial Bank** may pay your overdraft items up to a set dollar limit when presented against insufficient funds, however, whether your overdrafts will be paid is discretionary and not guaranteed. (See the section on What's Changing?)
- **You will be charged an overdraft fee for each insufficient item paid into overdraft**- You will be charged applicable overdraft fees for each item presented against insufficient funds. When more than one overdraft item is presented and paid, multiple overdraft fees will be charged per our current fee schedule.
- **Payment of items into overdraft is done so with the understanding that you will be making an immediate deposit to return your account to a positive balance.**
- **Checking accounts that remain consistently overdrawn may be closed and/or charged off. Closed and/or charged off accounts may be reported to national credit reporting agencies which may have a negative impact your ability to open future banking relationships.**
- **Overdraft Protection Options** – Industrial Bank offers other options that could provide less expensive ways to manage your account with respect to overdrafts. Available options are noted below. Please contact us via phone at 202-722-2000, via our website www.industrial-bank.com or by visiting one of our banking offices if you would like to discuss other ways to manage your account relationship with us.

WHAT'S CHANGING? - Under the new program your overdraft dollar limit will not be restricted to a \$500 limit for consumers and a \$1,000 limit for businesses. Under the new program your limit will be flexible and based on the age of your account and Account Activity.

Email Communication - Unless you tell us not to, we will contact you via the email account you have on file with us regarding the status of or changes to your overdraft account. This will include notification regarding an extended negative balance in your account, suspension of your overdraft privileges and any repayment plan arrangements.



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Product/Service	Description	Cost
<i>Transfer from another account</i>	If you have other accounts with us, you can authorize us in advance to transfer the funds needed to cover overdrafts.	(\$5) per day
<i>Overdraft Line of Credit (DDL)</i>	This product is available on existing lines of credit. The Annual Percentage Rate (APR), currently 15% , is based on your credit worthiness.	15% APR
<i>Business Line of Credit</i>	This product requires you to complete an application and approval. The Annual Percentage Rate (APR) is based on your credit worthiness.	Interest based on Wall Street Journal Prime rate + 1 to 3 points floating

- **Eligibility Criteria** – There is no application required for our discretionary overdraft service. Eligibility for overdraft service is at our discretion based on account activity and ongoing account handling. Eligibility may include but is not limited to:

- ⇒ Your account is an eligible account type.
- ⇒ You are NOT more than 30 days past due on any Bank loan or delinquent on any other obligation to the Bank.
- ⇒ You are NOT subject to any legal or administrative orders, levy, or are currently a party in a bankruptcy proceeding.
- ⇒ You DO NOT have an outstanding Overdraft Repayment Plan balance that is past due.
- ⇒ Your account is NOT being reviewed for fraudulent activity.
- ⇒ The primary account owner is NOT less than 18 years old.
- ⇒ A ChexSystems or other negative indicator that remains unresolved has NOT been reported to us.
- ⇒ Your account is NOT classified as inactive.
- ⇒ You DO NOT have an unresolved prior loss with the Bank.
- ⇒ We have a valid address on file for you.
- ⇒ You make regular deposits. Example: By-Weekly Payroll, Monthly Direct Deposit, etc.
- ⇒ You maintain a positive average account balance.
- ⇒ You manage your account in accordance with the account agreement and disclosures provided at account opening.

- **The following Accounts are not eligible for Overdraft Privilege**

- ⇒ Minor Accounts ⇒ Estate Accounts ⇒ Bank on DC Accounts
- ⇒ IOLTA Accounts ⇒ Government Accounts

- **Transactions eligible for Overdraft Privilege coverage include:**

- ⇒ Checks ⇒ ACH transactions ⇒ In-person withdrawals
- ⇒ Internet banking ⇒ Preauthorized automatic transfers ⇒ Telephone banking
- ⇒ ATM * ⇒ *Everyday Debit Card**



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***ATM/Everyday Debit Card Transactions** – You must **Opt-In** to having the Bank consider paying ATM and Everyday Debit Card Transactions when there are insufficient funds in your account. If you have provided this Opt-In authorization, the NSF Fee as stated in the Banks Fees Schedule will be applicable for each item paid. Please refer to the separate disclosure provided upon Opt-In for details. Upon our receipt of your Opt-In election form, your ATM and everyday debit card transactions Overdraft Privilege coverage will become effective within 48 hours. You may opt out of coverage on everyday debit card and ATM transactions at any time by contacting us via phone at 202-722-2000, or by visiting one of our banking centers.

- **Payment Order of Items** – At our sole discretion, we determine what order checks, transfers or other orders of withdrawals will be paid from the funds in your account. We will pay items in the following order: Cash Withdrawals, ATM transactions, Business Online Transactions, Personal Online Transactions, ACH Debits, In House Transactions and In-clearing Items. Checks are paid lowest to highest dollar amount.
- **Financial Education** – At Industrial Bank, we believe that financial literacy and education helps consumers make informed decisions. Awareness of personal financial responsibility allows consumers to realize the benefits of responsible money management, understand the credit process and the availability of help if problems occur.

Ask about Industrial Bank's "Bank on DC" Financial Literacy Program.

- **Account Management** - Upon your request Industrial Bank provides the following for ongoing account management*:
 - ⇒ Mobile banking – including text notification for balance and transaction information
 - ⇒ Online banking – including “e statements” and “e notifications”
 - ⇒ Telephone banking
 - ⇒ Overdraft Sweep Transfer
 - ⇒ Demand Deposit Loan
- **Right to Offset** – **The Bank has the right to offset against other accounts. Please refer to the Terms and Conditions Account Disclosure.**

*Please contact us via phone at 202-722-2000, via our website www.industrial-bank.com or by visiting one of our banking offices for more information on account management options.