

WHAT YOU NEED TO KNOW ABOUT OVERDRAFTS AND OVERDRAFT FEES

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts in two different ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to another account or a line of credit, which may be less costly than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains our standard overdraft practices.

What are the standard overdraft practices that come with my account?

We do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number
- Automatic bill payments

We do not authorize and pay overdrafts for the following types of transactions unless you ask us to (see below).

- ATM transactions
- Everyday debit card transactions

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 will be declined.

What fees will I be charged if Mechanics Bank pays my overdraft?

Under our standard overdraft practices for Consumer accounts:

- Overdraft or Returned Item fees will not be charged if the balance in your account is overdrawn by \$10 or less after posting all transactions at the end of the business day.
- We will charge an Overdraft or Returned Item fee of \$10 for any item \$10 or less that overdraws your account by more than \$10 after posting all transactions at the end of the business day.
- We will charge an Overdraft or Returned Item fee of **\$35** for any item greater than \$10 that overdraws your account by more than \$10 after posting all transactions at the end of the business day.
- The maximum Overdraft or Returned Item Fees charged per business day is \$140.
- If your account balance remains overdrawn for longer than 5 business days, we will charge your account a Continuous Overdraft Fee of \$5 for each of the consecutive business days the account remains overdrawn, beginning on the 5th business day and ending on the 14th business day.

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

If you want us to authorize and pay overdrafts on ATM and everyday debit card transactions, please do one of the following:

- Call us at 800.797.6324
- Complete the online consent form found at odp.mechanicsbank.com
- Complete the online consent form located in Online Banking under My Resources > Debit Card Overdraft Options
- Complete the online consent form located in Mobile Banking under More > Debit Card Overdraft Options
- Visit any Mechanics Bank branch
- Complete and print the consent form found at www.mechanicsbank.com and mail it to us at P.O. Box 5610, Hercules, CA 94547

You can revoke your authorization for Mechanics Bank to pay these overdrafts at any time by any of the above methods. Your revocation must include both your name and your account number so that we can properly identify your account.

_____ I do not want Mechanics Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions.

_____ I want Mechanics Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Printed Name: _____

Date: _____

Account Number: _____