

Bank Rhode Island Courtesy Coverage

Q. When might I have insufficient funds in my account to cover a payment order?

A. The available balance in your account may be affected by (a) the payment of checks, electronic funds transfers, or other withdrawal requests you initiate; (b) the return of unpaid items deposited in the account; (c) the payment of service charges and fees debited from your account; and d) the deposit of items to your account that, according to our Funds Availability Policy, are not yet available for withdrawal.

Q. What types of transactions might create an overdraft?

A. Any payment or withdrawal that exceeds the balance of available funds on deposit in your account could create an overdraft. For example, an overdraft could be created by a withdrawal at a teller window or an ATM withdrawal, a check, a telephone transfer, a Debit Card point-of-sale purchase, an online payment or transfer, a preauthorized debit, or any other type of electronic funds transfer. Whether or not a transaction creates an overdraft may be affected by when it was received by the Bank; transactions may not be presented for payment in the order they originally occurred. If your account is a joint account, each accountholder is responsible for payment orders and withdrawals made by any accountholder.

Q. Under what circumstances will the Bank pay an overdraft?

A. **Courtesy Coverage** is a purely discretionary service, which means the Bank may - but is not required to - pay any overdraft item or transaction. Typically, we will pay an overdraft that creates a negative balance (including Paid Item fees) of no more than **\$500.00** on an eligible personal checking account. An account is an "eligible account" if: (a) we have made the **Courtesy Coverage** available for the account; (b) you deposit at least **\$100.00** in the account in each 30-day period; (c) the account is not subject to any legal or administrative order or levy (such as a bankruptcy or tax lien); and (d) you are not in default on any loan obligation to us. If your account is not an "eligible account" or the payment of the overdraft would create a negative balance in excess of the applicable overdraft limit, we usually will not pay the overdraft. We have the sole discretion whether or not to pay an overdraft item or transaction and may refuse to pay an overdraft at any time, even if we have previously paid overdrafts for you and your account is an eligible account. We may also decide not to pay an overdraft because we believe you have too many overdrafts. We will notify you by mail of any overdraft items we pay or return, but we have no obligation to notify you before we pay or return the item.

Q. When must I repay an overdraft?

A. All overdrafts are due and payable immediately, without notice or demand.

Q. What if I don't want the discretionary Courtesy Coverage?

A. You may choose at any time to cancel (Opt Out of) **Courtesy Coverage** by calling us at **866-422-6574** or visiting any branch office. We may ask you to confirm your decision in writing. If your account is a joint account, an election to opt out by one accountholder will be effective for all accountholders.

Q. What are the fees for the Courtesy Coverage?

A. We do not charge you for making the **Courtesy Coverage** available for your account. If a payment order or withdrawal exceeds the balance of available funds on deposit in your account, however, we will charge you our standard Insufficient/Unavailable Funds Fee if we pay (Paid item Fee) OR return the item (Returned Item Fee). We will not charge our standard Insufficient/Unavailable Funds fee on an ATM withdrawal or one-time Debit Card transaction unless you have **Opted In** and have asked us to pay those items. Currently, our standard Paid Item and Returned Item fees are **\$35.00** for each payment order or withdrawal presented for payment against your account. Because fees are charged for each item that would overdraw the account, you may be charged more than one Paid Item fee and/or Returned Item fee per day to a maximum of six (6) fees per business day. However, we will not charge you a fee if your account is overdrawn \$5.00 or less, or for any individual payment order or withdrawal of \$3.00 or less.

You will be charged a Returned Item Fee each time we return unpaid for a non-sufficient available balance an item that is presented for payment, even if that item has previously been presented and returned for a non-sufficient available balance and you were previously charged a Returned Item Fee for that return. Further, you will be charged a Paid Item Fee if we honor or pay the item or transaction when you have a non-sufficient available balance even if you were previously charged Returned Item Fees when the item or transaction was previously returned, rejected, or declined. We have no obligation to notify you if we honor, pay, return or decline an item or transaction for a non-sufficient available balance.

Q. Does the Bank have other overdraft protection services?

A. Yes. We offer additional overdraft protection services for which you may apply, including Overdraft Line of Credit and Overdraft Protection from another account, such as a savings. The Overdraft Line of Credit permits you to repay overdrafts over time with interest. The Overdraft Protection from another account uses funds you have on deposit in another account to cover overdrafts on your checking account. Depending on your needs, one of these programs may be right for you, and may be less expensive than **Courtesy Coverage**. Please ask us for more information about our other overdraft protection services if you are interested.