



“Bounce” Overdraft Privilege Program

Bounce Privilege Program

At First Dakota National Bank we do not encourage overdrafts. To avoid fees, we encourage you to manage your finances responsibly by keeping track of your account balance and reconciling it regularly. At times, unanticipated expenses or unforeseen problems can leave too little cash in your checking account. Having a check returned due to insufficient funds can be costly, inconvenient and potentially embarrassing experience. That’s why First Dakota offers Bounce Overdraft Privilege Program for First Dakota customers.

What is Bounce?

Bounce is a discretionary overdraft privilege program requiring no action on your part that provides you a safety net up to an automatically assigned overdraft limit. Please note that your Bounce overdraft limit may be available for covering overdrafts created at the teller window, by check, an automatic payment (ACH) transaction, recurring point of sale transaction, Online Banking and Telephone Banking. Additionally, with proper Reg. E Opt-In documentation for a consumer account, we may authorize and pay one time ATM withdrawals and everyday Debit card transactions based on your account balance and your Bounce limits.

How does Bounce work?

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 (i.e. signature-based point of sale transactions); (3) the return of unpaid items deposited by you; (4) bank service charges; (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 and a fee may be imposed for each item presented against an insufficient balance. Your ledger balance at the time these transactions post will determine the overdraft status and the assessment of fees.

As long as you make an opening deposit on the day the account is opened and maintain your account in “good standing”, we may approve overdraft items within your current available Bounce Privilege limit as a non-contractual courtesy. See limits per account type on page 2. 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 as a continuing line of credit; and (3) there are no legal orders, levies or liens against your account or suspected fraud. Bounce is a non-contractual courtesy that is available to any qualifying account types in good standing for personal, household or business use. First Dakota National Bank reserves the right to limit participation to one account per household and to discontinue this service without prior notice.

What if I go beyond my Bounce Privilege limit?

Normally, we will not approve an overdraft for you in excess of the predetermined limit assigned to your account. So as not to exceed the limit, please remember that the amount of the Overdraft **PLUS** our O/D paid item fee of \$33.00 for each item will be deducted from the Bounce Privilege limit. Overdrafts above and beyond your Bounce Privilege limit may result in checks or other items being returned to the payee. You will be charged a NSF returned item fee of \$33.00 for each item returned. Returned items may be presented for payment by the payee or their financial institution multiple times, which may result in multiple NSF returned item fees.

Payment Order

In the normal course of business, we generally pay items in the following order: checks cashed at a First Dakota National Bank location electronic transactions by payment type in low to high dollar order, and checks in serial number order; however, checks can be converted by merchants 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 an overdraft fee of \$33 for each overdraft item paid.

How do you determine your account balance?

First Dakota uses your ledger balance to determine if your account is overdrawn. The ledger balance only includes items or transactions which have posted to your account. This balance does not include outstanding checks you have written or

electronic transactions which have been authorized but have not posted to your account. The ledger balance will also not include any checks you have deposited on which a hold was placed. Please see First Dakota’s Funds Availability Policy for additional information regarding when a deposit will be available for your use.

How a preauthorization hold affects your account balance

At times, Debit card purchases will result in a preauthorized hold on the funds in your account. Merchants; such as gas stations, hotels or car rental agencies; will approve an amount higher than your actual transaction as the total amount of the purchase is unknown when the transaction is approved. This is known as a pre-authorization hold. When approval is given the amount authorized will reduce the available balance in your account. If your purchase is less than the preauthorized hold amount, only the actual amount of the transaction will be deducted from your ledger balance. The preauthorized hold may stay on your account for three days or more.

An overdraft fee of \$33.00 will be charged for each ATM or everyday Debit card transactions that post against insufficient funds with proper Reg E Opt-In documentation. Reg. E Opt-In is applicable to consumer accounts, all business accounts will be considered as Opt-In for authorization of Bounce Privilege limits on one time ATM withdrawals and everyday Debit card transactions. We may refuse to pay an overdraft item at any time even though we may have previously paid your overdrafts. 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 have too many overdrafts or are using Bounce Privilege as a regular line of credit. You will be charged an NSF return item fee of \$33 for each item returned.

How do I know when I used the overdraft limit?

You will be notified by mail 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 overdraft paid item fee of \$33 or an NSF return item fee of \$33 that you owe us shall be due and payable upon demand. If no demand is made, the amount shall be due 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 Privilege should not be viewed as an encouragement to overdraw your account. As always, we encourage you to manage your finances responsibly. You may opt out of the privilege at any time, but you are responsible for any overdrawn balances at the time of opting out. If you would like to have this service removed from your account, please call (800)486-4712.

Account Type	Bounce Privilege Limit
First Choice Checking	\$200.00
Free Checking	\$400.00
Classic Choice Checking	\$1,000.00
FirstPartners Checking	\$1,000.00
Just 1 Checking	\$1,000.00
Small Business Checking	\$1,000.00
Small Business Checking with Interest	\$1,000.00
Community Checking	\$1,000.00

Methods Available To Cover Overdrafts

Method	Fee
Good Account Management	\$0.00
Checking Plus Line of Credit	\$3.00 monthly fee (on approved credit) and 18% APR on outstanding balances
Bounce Privilege	Overdraft Fee \$33.00 per item paid NSF Return Item Fee per item returned