

Consumer Overdraft Disclosure

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.

How overdrafts occur

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. First Dakota fees included an overdraft paid item fee of \$33.00 if we pay the item and an NSF return item fee of \$33.00 if we return the item. Your ledger balance at the time these transactions post will determine the overdraft status and the assessment of fees.

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 transaction 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.

Payment Order

In the normal course of business, we generally pay items in the following order: checks cashed at a First Dakota National Bank locations, 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 O/D paid item fee of \$33 for each overdraft item paid.

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 the account ledger balance. The preauthorized hold may stay on your account for three or more days.

How do I know when I have overdrawn my account?

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 O/D 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.