



## Discretionary Extended Overdraft Privilege (EOD) Policy

It is the policy of Pathfinder Bank to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards. Other forms of overdraft protection are available. Feel free to discuss these alternative options with your banker.

The Deposit Account Agreement and Disclosure provided to you at the time you opened your account with us controls the duties, obligations and rights of the Depositor, the Authorized Signatories and Pathfinder Bank with regard to your checking account. The Deposit Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Discretionary EOD Policy and the Deposit Account Agreement and Disclosure. A copy of the verbiage contained in the Deposit Account Agreement and Disclosure is available to you on request from your Banker.

Overdraft privilege is not a line of credit. However, if you overdraw your account, Pathfinder Bank will have the discretion to pay the overdraft, subject to the type of transaction automatically covered and those transactions you have chosen to opt-in to be covered as stipulated by applicable laws and regulations, and to the limit of your overdraft privilege and the amount of the overdraft fee. Pathfinder Bank is not obligated to pay any check, ACH item, recurring debit card, ATM, or one-time debit card transaction presented if your account does not contain sufficient available funds. Any discretionary payment (or other negotiation or processing) by Pathfinder Bank of any non-sufficient fund check or checks (or other items such as ATM withdrawals or one-time debit card transactions) does not obligate Pathfinder Bank to pay any additional non-sufficient fund check or item or to provide prior notice of its decision to refuse to pay any additional non-sufficient fund check or item.

Pathfinder Bank posts credits first, then debits when received via ACH. Other items, such as ATM transactions and point of sale transactions when your PIN is used post as the transactions occur. Pinless transactions, such as debit card purchases that you perform as credit post to your account when we receive the transaction from the merchant and will post to your account anytime throughout the day. Checks and other written orders drawn on funds in your account will be charged against the account the same day presented for payment. Checks and drafts received through the inclearing system will be posted to your account in check number order; from the smallest check number to the largest check number.

Pursuant to Pathfinder Bank's commitment to always provide you with the best level of customer service, now and in the future, if your consumer account (primarily used for personal and household purposes) has been open for at least thirty (30) days, and thereafter you maintain your account in good standing, which included at least:

- A) Making regular deposits consistent with your past practices,
- B) Depositing an amount equal to the amount of discretionary overdraft privilege extended to you or more in your account within each thirty (30) day period and bringing your account balance to a positive balance within every thirty-five (35) day period;
- C) You are not in default on any loan or other obligation to Pathfinder Bank,
- D) You are not subject to any legal or administrative order or levy; and

Pathfinder Bank will have the discretion to pay overdrafts within established EOD limits on transactions you perform, such as checks you write to a third party, or recurring payments you have set-up using your account or debit card. ATM withdrawals and one-time debit card transactions will only be paid if you have agreed to such payment by affirmatively consenting and are subject to the applicable fee at the time of the transaction or actual posting of the transaction to your account.

You have an ongoing right to revoke consent of EOD privilege for payment of ATM and one-time debit card transaction that may overdraw your account at any time. If you notify us to stop EOD privilege for these types of transactions we will decline or refuse payment if you do not have enough money in your account to cover them.

Payment of check, ACH item, recurring debit card, ATM, or one-time debit card transaction by Pathfinder Bank is a discretionary courtesy and not a right of the customer or an obligation of the Bank. This privilege for consumer checking accounts will be limited to a maximum dollar amount set forth in the Deposit Account Disclosures. This privilege for commercial checking accounts will generally be limited to a maximum dollar amount set forth in the Business Deposit Account Agreement. Any and all fees and charges, including without limitation the non-sufficient funds fee, as set forth in our fee schedule, will be included as part of this maximum amount.

We will charge you a daily overdraft fee of \$5 for each consecutive business day your account remains overdrawn, not to exceed \$35. This fee will be assessed starting on the 6<sup>th</sup> business day your account is overdrawn.

The total of the EOD (negative) balance, including any and all bank fees and charges, including all non-sufficient fund/overdraft fees is due and payable upon demand, and Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all such amounts, as described in the Deposit Account Agreement and Disclosure with a maximum repayment period of 30 days.

While Pathfinder Bank will have the discretion to pay check, recurring debits and ACH overdrafts, and all affirmatively consented ATM and One-time Debit Card transactions on accounts in good standing, as described above, any such payment is a discretionary courtesy, and not a right of the customer or an obligation of the bank. Pathfinder Bank, in its sole and absolute discretion, can cease paying overdrafts at any time without prior notice or reason or cause.

### Examples of ATM and One-Time Debit Card Transactions

Examples	With Opt-In	Without Opt-In
<b>Online Payment with Debit Card</b> <ul style="list-style-type: none"> <li>▶ Mortgage</li> <li>▶ Car</li> <li>▶ Pay Pal</li> <li>▶ Utility Bills</li> <li>▶ Cell Phone Bill</li> </ul>	<ul style="list-style-type: none"> <li>▶ Payment authorized but creates overdraft in account               <ul style="list-style-type: none"> <li>• <i>Overdraft Fee charged</i></li> <li>• <i>Payment on time</i></li> <li>• <i>No Late Fee</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ Payment is not authorized and transaction is denied               <ul style="list-style-type: none"> <li>• <i>No Overdraft Fee</i></li> <li>• <i>Payment not made</i></li> <li>• <i>Could have Late Fees and other implications</i></li> </ul> </li> </ul>
<b>Telephone Payment with Debit Card</b> <ul style="list-style-type: none"> <li>▶ Mortgage</li> <li>▶ Car</li> <li>▶ Pay Pal</li> <li>▶ Utility Bills</li> <li>▶ Cell Phone Bill</li> </ul>	<ul style="list-style-type: none"> <li>▶ Payment authorized but creates overdraft in account               <ul style="list-style-type: none"> <li>• <i>Overdraft Fee charged</i></li> <li>• <i>Payment on time</i></li> <li>• <i>No Late Fee</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ Payment is not authorized and transaction is denied               <ul style="list-style-type: none"> <li>• <i>No Overdraft Fee</i></li> <li>• <i>Payment not made</i></li> <li>• <i>Could have Late Fees and other implications</i></li> </ul> </li> </ul>
<b>Pharmacy/Drug Store</b> <ul style="list-style-type: none"> <li>▶ Prescriptions</li> <li>▶ Medical supplies</li> <li>▶ Miscellaneous items</li> <li>▶ Cash back</li> </ul>	<ul style="list-style-type: none"> <li>▶ Payment is authorized but creates overdraft in account               <ul style="list-style-type: none"> <li>• <i>Overdraft Fee charged</i></li> <li>• <i>Purchase complete</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ Payment is not authorized and transaction is denied               <ul style="list-style-type: none"> <li>• <i>No Overdraft Fee</i></li> <li>• <i>No purchases made</i></li> </ul> </li> </ul>
<b>Gas Station</b> <ul style="list-style-type: none"> <li>▶ Gas</li> <li>▶ Miscellaneous items</li> <li>▶ Cash back</li> </ul>	<ul style="list-style-type: none"> <li>▶ Payment is authorized but creates overdraft in account               <ul style="list-style-type: none"> <li>• <i>Overdraft Fee charged</i></li> <li>• <i>Gas tank is full</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ Payment is not authorized and transaction is denied               <ul style="list-style-type: none"> <li>• <i>No Overdraft Fee</i></li> <li>• <i>No Gas</i></li> </ul> </li> </ul>
<b>Grocery Store</b> <ul style="list-style-type: none"> <li>▶ Groceries</li> <li>▶ Miscellaneous items</li> <li>▶ Cash back</li> </ul>	<ul style="list-style-type: none"> <li>▶ Payment is authorized but creates overdraft in account               <ul style="list-style-type: none"> <li>• <i>Overdraft Fee charged</i></li> <li>• <i>Groceries purchased</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ Payment is not authorized and transaction is denied               <ul style="list-style-type: none"> <li>• <i>No Overdraft Fee</i></li> <li>• <i>No Groceries</i></li> </ul> </li> </ul>
<b>Restaurant</b>	<ul style="list-style-type: none"> <li>▶ Payment is authorized but creates overdraft in account               <ul style="list-style-type: none"> <li>• <i>Overdraft Fee charged</i></li> <li>• <i>No embarrassment</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ Payment is not authorized and transaction is denied               <ul style="list-style-type: none"> <li>• <i>No Overdraft Fee</i></li> <li>• <i>Search for another card to pay or pay with cash</i></li> </ul> </li> </ul>
<b>ATM Cash</b> <ul style="list-style-type: none"> <li>▶ Emergency cash</li> </ul>	<ul style="list-style-type: none"> <li>▶ Transaction is authorized but creates overdraft in account               <ul style="list-style-type: none"> <li>• <i>Overdraft Fee charged</i></li> <li>• <i>Cash Received</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ Transaction is denied               <ul style="list-style-type: none"> <li>• <i>No Overdraft Fee</i></li> <li>• <i>No Cash</i></li> </ul> </li> </ul>