

- Take the kids to practice
- Pick up dry cleaning
- Grocery shopping
- Transfer funds to checking account

“OOPS”



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**NEW
PEOPLES
BANK**

Optional Overdraft Protection Service
& Optional Overdraft Protection Service Plus
also known as "OOPS" & "OOPS Plus"

Optional Overdraft Protection Service or “OOPS”

From time to time we all have experienced that moment when the balance in our checking account is less than we thought. Perhaps you forgot to record a check, made an error in subtraction, forgot to transfer funds to pay your bills or just lost track of the balance. Having a check returned due to insufficient funds can be costly, inconvenient, and potentially an embarrassing experience. At New Peoples Bank we don't encourage overdrafts; we encourage you to manage your finances responsibly. However, we want to save you from the additional merchant fees and possible damage to your credit history that might result if a check is returned. That's why we are pleased to inform you about our Optional Overdraft Protection Service, or "OOPS". No action is required on your part. Accounts considered in good standing will be automatically enrolled in this service.

Included Services of “OOPS”

We understand that mistakes happen. When they do, we strive to pay your overdrafts on the following types of transactions:

- Checks
- Automatic bill payments
- Telephone-initiated transfers or other electronic transfers
- Preauthorized automatic debits
- ATM transactions*
- Everyday (one-time) debit card transactions*

*Included for business accounts. Consumer accounts must opt-in to our Optional Overdraft Protection Service Plus, or "OOPS Plus".

Our Optional Overdraft Protection Service is a discretionary, non-contractual courtesy, where we strive to pay your overdrawn items and charge our standard NSF/OD fee of \$35.00 for each item overdrawn, maximum of 6 overdraft/NSF fees per day. The bank's Optional Overdraft Protection Service is under no obligation to pay items when your account has non-sufficient funds (NSF), even if previous NSF transactions were paid. This policy is a discretionary courtesy and may be withdrawn at any time. Payment of your overdraft item is NOT guaranteed. More than one overdraft fee may be charged against the account per day depending on the number of checks presented on, and other withdrawals made from your account maximum of 6 overdraft/NSF fees per day. Fees charged for covering overdrafts, as well as the amount of the overdraft item, will be subtracted from your overdraft protection limit.

Please know that transactions may not be processed in the order in which they occurred, and the order in which your transactions are received and

processed can affect the total amount of overdraft fees assessed. In-branch transactions, ATM, Point of Sale, Internet banking and ACH transactions will post first followed by checks which will post in check number order for each processing day. We hope to save our accountholders substantial fees charged by merchants and other payees for returned items. If you do not wish to be included under the Optional Overdraft Protection Service and would prefer to have all your non-sufficient fund items returned or denied, please visit your nearest branch location.

While we have adopted this service to provide you with the highest level of service and to allow for consistent treatment of overdraft transactions, we are not encouraging you to overdraw your account. Accountholders should not become dependent on this service to meet short-term cash needs. Abuse may result in your removal from the service.

Optional Overdraft Protection Service Plus or “OOPS Plus”

For consumer accounts, our Optional Overdraft Protection Service may also be extended to include ATM and everyday debit card transactions. However, because of federal regulations, **we need your affirmative consent in order to pay any ATM or everyday debit card transactions into overdraft.** For your convenience, we have attached an ATM/Debit Card Opt-In/Opt-Out Form. Please follow the instructions on the form.

Please note that if you choose to consent to having your ATM or everyday (one-time) debit card transactions paid, we may approve ATM and everyday (one-time) debit card transactions that will overdraw your account and charge you an Overdraft Fee of \$35 per occurrence, maximum of 6 overdraft/NSF fees per day.

Included Services of “OOPS Plus”

“OOPS Plus” includes all services included with “OOPS” as well as:

- ATM transactions
- Everyday (one-time) debit card transactions

Alternative Options to “OOPS” and “OOPS Plus”

If your account is overdrawn, you may link another eligible New Peoples Bank checking account, savings account, or line of credit to transfer funds to cover the overdrawn amount up to your account balance or credit limit. Please note that interest will be charged on amounts transferred from your overdraft line of credit.

Tips for avoiding overdrafts

The following information will help you manage your account wisely.

Know Your Balance

- If you have a joint account, designate 1 person as the account manager
- Consider direct deposit of your payroll checks and other benefit payments.
- Record all checks, ATM transactions, debit transactions, account fees, and deposits in your checkbook and keep a running balance.
- Never write a check or make a charge on your debit card for more than you have in your account.
- Make sure deposits to your account clear before withdrawing cash or making charges against those deposits.
- Balance your checkbook against your bank statement every month.
- Check your balance 24/7 with online or mobile banking.

Check Writing Basics

- Always use a pen.
- Don't erase mistakes.
- Never sign blank checks.
- Be cautious of post-dating checks.
- Destroy voided or unused checks and deposit slips.

Keep Your Account Safe

- Report lost/stolen checks or debit cards immediately.
- Update your personal information when moving or changing names.
- Don't use other people's checks or debit cards, or let them use yours.
- Keep your checks and debit cards in a safe place.

Balance Inquiries

When you do a balance inquiry online or at any New Peoples Bank ATM, the balance provided reflects the deposits and withdrawals actually posted to your account. Keep in mind this balance does not reflect transactions (deposits, checks, debits and ATM withdrawals) that are still outstanding and have not been processed against your account.

Free Email or Text Alerts

Free email or text alerts let you know when your balance drops below a set level or if you have an overdraft. To set your alert options, go to www.newpeoples.bank and log-in to online banking or visit your nearest branch location for details. New Peoples Bank does not charge you a fee for using our alert services. Your wireless carrier, however, may charge you for receiving the text messages related to this service.

Overdraft Services Questions and Answers

How do you handle an item presented for withdrawal on my account when there are insufficient funds in my account to cover the transaction?

A non-sufficient fund item (NSF item) is a transaction on your account where the amount of the transaction is greater than the available balance in your account. If an NSF item is presented on your account, we strive to pay your overdrawn item in accordance with our Optional Overdraft Protection Service or Additional Overdraft Protection Options.

Are my ATM and everyday (one-time) debit card transactions included in "OOPS"?

For business accounts, ATM and everyday (one-time) debit card transactions are included. For consumer accounts, ATM and everyday (one-time) debit card transactions are not included. To have these included, you must opt-in to Optional Overdraft Protection Service Plus, or "OOPS Plus" and we must have your authorization on file before setting up this service. There is no additional charge to activate service for your ATM and everyday (one-time) debit card transactions. If you want us to pay overdrafts on ATM and everyday (one-time) debit card transactions, please follow the instructions on the attached ATM/Debit Card Opt-In Form.

Is your Optional Overdraft Protection Service a line of credit or loan?

Our Optional Overdraft Protection Service is not a line of credit or a loan. As a non-contractual courtesy, we will strive to pay your overdrafts based on your account performance, which includes your past deposit history, the age of your account and how quickly you have repaid any overdrawn items in the past. This service may be withdrawn at any time.

Do I have to apply for Optional Overdraft Protection Service?

No, checking accounts considered in good standing will be automatically enrolled in this service.

How will I know I am overdrawn?

We will mail you a letter to notify you each time there is a non-sufficient fund item processed on your account. To help manage your account, you can choose to receive email or text message alerts when your account drops below a certain balance or when you have an overdraft. To set your alert options, go to www.newpeoples.bank and log-in to online banking, call us at (276) 873-7000, or visit your nearest branch location for details.

How quickly do I have to deposit funds to cover an overdraft?

Your account agreement states that you are required to deposit funds immediately to cover any overdrafts. If your account has a negative balance for more than 45 days, and you do not contact us or deposit funds, your account will be closed and reported to a consumer reporting agency and/or collection agency.

Can I opt-out of the Optional Overdraft Protection Service Plus for my ATM and everyday (one-time) Debit Card transactions at any time?

Yes, business accounts that are automatically enrolled may opt-out at any time. Consumer accounts that opt-in and later decide they do not want this service, may also opt-out at any time. If you elect to opt-out, please contact us at (276) 873-7000 or visit our website at www.newpeoples.bank and click on Overdraft Protection under the Services tab and complete the ATM/Debit Card Opt-In/Opt-Out form, or visit your nearest branch location.

Can I opt-out of the Optional Overdraft Protection Service for all NSF transactions?

Yes, if you do not wish to have any of your NSF items paid under this service. Please understand, however, all of your NSF items will be returned and/or denied and a charge of \$35 per item will be assessed, maximum of 6 overdraft/NSF fees per day.

“OOPS Plus”/ Regulation E Questions and Answers

Why doesn't your Optional Overdraft Protection Service automatically include all types of transactions for consumer accounts?

Under changes made to Regulation E for consumer accounts, we will not intentionally pay your ATM and everyday (one-time) debit card transactions that overdraw your account without your permission. You must consent to having us pay your ATM and everyday (one-time) debit card transactions that overdraw your account for which you will incur our standard overdraft fee of \$35, maximum of 6 overdraft/NSF fees per day.

What will happen if I do not consent to having my ATM and everyday (one-time) debit card transactions included as a part of your Optional Overdraft Protection Service?

Your ATM and everyday (one-time) debit card transactions will be declined in the event of an overdraft, unless you have other additional overdraft protection services. Our Optional Overdraft Protection Services will continue to be in effect for your checks and automatic bank payments.

If I already have additional overdraft protection options (through a link to a secondary account), on my checking account, can I also opt-in to have my ATM and everyday (one-time) debit card transactions included as a part of your Optional Overdraft Protection Service?

Your additional overdraft protection options allow us to automatically transfer available funds to your checking account to cover any overdraft on your account. Please note, interest will be charged on amounts transferred from your overdraft line of credit. However, if you do not have enough available funds in your linked secondary account to cover your ATM and everyday (one-time) debit card transactions, they will be declined. Choosing to opt-in to have your ATM and everyday (one-time) debit card transactions included as a part of our Optional Overdraft Protection Service could provide an additional layer of coverage in the event you exhaust your linked secondary account funds.

I would never spend more money than I have, so why would I want to opt in to have my ATM and everyday (one-time) debit card transactions included as a part of your Optional Overdraft Protection Service?

Unfortunately, people slip up from time to time, so the occasional overdraft can happen. If it happens, opting in may allow your ATM withdrawals and everyday (one-time) debit card transactions to be accepted, which saves you the humiliation of being declined and/or leaving you in a position where you may be unable to complete the transaction for an urgent purchase.

If I opt into have my ATM and everyday (one-time) debit card transactions included as a part of your Optional Overdraft Protection Service, will they always be authorized regardless of available funds?

No, the bank has the discretion to approve or decline a transaction that causes the account to become overdrawn. It is our policy to strive to pay all overdraft items when possible.

What fees are associated with overdrawing my account?

You will be charged a fee each time we pay an overdraft of \$35 for each item overdrawn, maximum of 6 overdraft/NSF fees per day. More than one overdraft fee may be assessed per day depending on number of checks presented and other withdrawals made from your account.

Is it true that the bank can never charge me an overdraft fee if I don't opt-in to have my ATM and everyday (one-time) debit card transactions included as a part of your Optional Overdraft Protection Service?

No, the changes made to Regulation E only apply to ATM and everyday (one-time) debit card transactions. Items such as checks, ACH transactions and recurring debit card transactions are handled under our Optional Overdraft Protection Service. When you do not have sufficient available funds to cover these types of items, the bank, at its discretion, may pay the item(s) resulting in an overdraft fee(s).

How are automatic or recurring payments I have set-up on my debit card handled?

The changes made to Regulation E do not affect the way we process overdrafts on recurring debit card transactions, checks and other transactions made using your checking account. We will continue to exercise our discretion in paying these overdrafts.

If I choose not to opt-in at this time to have my ATM and everyday (one-time) debit card transactions included as a part of your Optional Overdraft Protection Service but change my mind later, how can I opt-in and when will it take effect?

You may visit your nearest branch location or go to our website at www.newpeoples.bank and click on Overdraft Protection under the Services tab to opt in to have your ATM or everyday (one-time) debit card transactions included as part of our Optional Overdraft Protection Service. The request will become effective no later than the following two business days.

Can I change my ATM and everyday (one-time) debit card transactions election?

Yes, you may change your ATM and everyday (one-time) debit card transactions choice at any time; however, each time you make a change it will not go into effect until the following two business days. You will receive a Confirmation Notice each time you change your selection.

My spouse and I are both signers on two different accounts. If we want to have our ATM and everyday (one-time) debit card transactions included as a part of your Optional Overdraft Protection Service, do we both have to opt-in?

No, only one authorized signer per account has to opt-in or opt-out for an election to take place.

Are business accounts impacted by the change in regulation?

No, Regulation E applies to consumers only. All business transactions will be processed by using the services that you prefer to cover overdrafts that your business may incur.

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 one or more overdraft protection plans, such as a line of credit, a link to another account or an Optional Overdraft Protection Service which may be less expensive 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:

1. Checks and other transactions made using your checking account number
2. Automatic bill payments

We do not authorize and pay overdrafts for the following types of transactions:

1. ATM transactions
2. Everyday (one-time) 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 New Peoples Bank pays my overdraft?

Under our standard overdraft practices:

1. We will charge you a fee of \$35 each time we pay an overdraft, maximum of 6 overdraft/NSF fees per day.

What if I want New Peoples Bank to authorize and pay overdrafts on my ATM and everyday (one-time) debit card transactions?

If you also want us to authorize and pay overdrafts on ATM and everyday (one-time) debit card transactions:

Visit newpeoplesbank.com and click on Overdraft Protection under the services tab and complete the ATM/Debit card Opt-In/Opt-Out form, or

Complete the form below and present at the nearest branch location, or mail to:

New Peoples Bank
Attention: Overdraft Program Manager
PO Box 1810
Honaker, VA 24260

“OOPS Plus” ATM / Debit Card Opt-In/Opt-Out Form

Yes, I want to enroll in “OOPS Plus” and authorize New Peoples Bank to pay overdrafts on my ATM and everyday (one-time) debit card transactions.

No, I do not want New Peoples Bank to authorize and pay overdrafts on my ATM and everyday (one-time) debit card transactions.

Name:

Account Number ending in:

Sign & Date:
