



CONSUMER OVERDRAFT PRIVILEGESM SERVICES

INTRODUCTION

At Provident Bank we encourage you to manage both your checking account and your personal finances in a responsible manner. We also understand that there are times when the unexpected occurs or unforeseen problems leave you short of cash in your checking account. These situations can cause an account to become overdrawn, a check to be returned unpaid due to insufficient funds, or an ATM or debit card point-of-sale (POS) transaction to be denied, all of which can be an awkward and costly experience. While we certainly do not encourage you to conduct transactions for more than the amount of money available in your account, we do want to help you avoid the embarrassment, as well as additional merchant fees and other negative experiences, that might result if a check or electronic payment request is returned unpaid or an ATM or debit card POS transaction (an electronic fund transfer) is denied.

That's why we extend Overdraft PrivilegeSM service to our valued checking customers. Overdraft Privilege (ODP) provides for the discretionary payment by Provident Bank of overdrafts on your eligible account. The amount of overdraft coverage available through our ODP service is based on your specific account activity and is subject to change periodically. Upon the payment of a check or honoring of an electronic fund transfer request, an ATM withdrawal, or a point-of-sale/debit card purchase where the actual funds on deposit are less than each check, transfer, withdrawal or transaction amount, the Bank will charge its standard overdraft fee (please refer to Provident Bank's Personal Accounts and Service Fees for the exact overdraft fee amount).¹

We believe that Overdraft Privilege complements our checking products and gives our checking customers a value-added convenience.

Please read the information contained under "Frequently Asked Questions" and the enclosed Overdraft Privilege Policy to learn more about how Overdraft Privilege works!

¹ Provident Bank will not authorize the payment of overdrafts caused by ATM withdrawals/transfers and one-time debit card transactions unless you specifically authorize us to do so by opting into Overdraft Privilege for these transactions. To opt-in to Overdraft Privilege for these transactions (and any other transactions) simply familiarize yourself with the information in this brochure, read the disclosure contained within this section, and contact your branch or our Customer Care Center at 800.448.7768 to opt-in.

FREQUENTLY ASKED QUESTIONS

1. How does Overdraft Privilege (ODP) work?

As long as you maintain your account in good standing (primarily defined as an account that maintains a positive balance at least once every thirty (30) days - see the enclosed Overdraft Privilege Policy for further details), we may honor overdrafts up to the amount available to cover overdrafts on your account. You should be aware that the amount of the overdraft plus our standard overdraft fee for each item paid (whether paid on the same day or different days) will be deducted from your checking account balance. While getting started with our Overdraft Privilege to cover overdrafts resulting from a check, electronic payments and automatic bill payments such as those conducted using ProvidentConnect Online Banking and Bill Payment requires no action on your part. You must opt-in to Overdraft Privilege in order for it to potentially cover overdrafts resulting from ATM withdrawals/transfers and one-time debit card transactions.

2. What does Overdraft Privilege cost?

No additional costs are associated with ODP. However, as stated previously, you should keep in mind that **you will be charged our standard overdraft fee for each item paid** using the Overdraft Privilege service.

3. How does Overdraft Privilege differ from other overdraft protection plans?

Unlike traditional overdraft lines of credit, ODP:

- is not a loan and does not involve the charging of interest on the amount used to cover your overdraft;
- does not involve the submission of an application and an evaluation of your credit history to determine your ability to repay any overdrafts;
- does not guarantee that the Bank will pay any item overdrawing your account;
- requires the payment of the Bank's standard overdraft fee for each item that is actually paid even though sufficient funds to cover the item amount were not available in your account.

Instead, ODP is a discretionary service that simply expedites the traditional manual overdraft review and approval process.

To discuss this product and other services available for overdraft protection or apply for a traditional overdraft line of credit, please call our Customer Care Center at 800.448.7768 or visit any Provident branch office.

4. What are the minimum and maximum overdraft coverage amounts available under the ODP service?

The minimum and maximum overdraft coverage amounts are \$0 and \$1,500, respectively.

5. Will I have access to the ODP service when I open an account?

Presuming that you have not entirely opted out of ODP, Overdraft Privilege will be automatically available to pay inadvertent overdrafts on **eligible** new checking accounts thirty (30) days after the account is opened. On the 31st day after account opening and thereafter, the amount available to cover your inadvertent overdrafts will be reflective of our system analysis of your account activity over the prior thirty (30) days, including but not limited to:

- number and dollar total of deposits made and the regularity of these deposits;
- if your account was overdrawn during this period, the amount of time that elapsed before the account was brought to a positive balance; and
- other factors that we in our sole discretion deem relevant

6. Will the Bank use my ODP to pay items when I have a sufficient balance in my account?

No. The Bank will pay your items using available funds in the following order:

- your own funds on deposit in your account;
- your sweep account arrangement, if applicable;
- your Overdraft Checking credit line, if applicable;
- at our discretion, your available/remaining ODP coverage amount provided that the applicable overdraft protection service has a sufficient balance/credit line, available to cover the total of each day's items plus any associated service and/or overdraft fees.

However, please note that the items will be paid against your account in the processing order described in the Deposit Accounts Transaction Processing Order statement and workflow provided to you at account opening and/or is available at provident.bank/consumer-deposit-terms-and-conditions. Please Note: This processing order may differ (and often does) from the order that you conducted the transactions.

7. *What are some of the ways ODP coverage may be accessed?*

Generally, funds from your ODP limit may be accessed through:

- checks cashed and other items processed at teller windows;
- checks you write that are payable to third parties;
- debit card point-of-sale transactions (provided that you have opted in to Overdraft Privilege for these transactions); and
- ATM transactions (provided that you have opted in to Overdraft Privilege for these transactions).

However, we strongly advise you to use ODP to cover inadvertent overdrafts and remind you that our standard overdraft fee will be charged for each transaction that results in use of ODP.

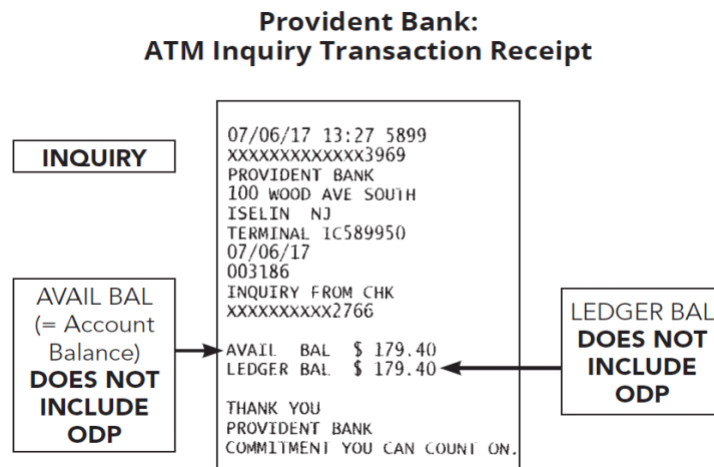
8. *How do I know when I've used ODP?*

As with all overdrafts, we will notify you by mail and/or email when a payment request is honored and an overdraft occurs along with information as to the associated overdraft fee amount. No interest will be charged on the overdraft balance created as a result of your use of ODP. You should make sure that each specific item amount paid as well as the associated overdraft fees are subtracted from your checkbook register.

In addition, as prescribed by federal regulatory guidelines, you will receive an additional notice (in the form of a separate notice or a message on your periodic statement) when an overdraft is paid using ODP and an overdraft fee is assessed on more than 6 occasions in a rolling twelve-month period. The purpose of this notice is to (a) draw your attention to the frequent use of Overdraft Privilege, (b) to reaffirm your awareness of other overdraft protection services offered by the Bank such as a linked savings account or an overdraft line of credit and to provide the opportunity to choose one of these services, and (c) to assist you with accessing free or low-cost financial education workshops to assist you in managing your personal finances.

9. *Will the amount available to cover my overdrafts be displayed at Provident ATMs?*

When you use an ATM owned or operated by Provident Bank to perform an "INQUIRY" transaction, the amount available to cover overdrafts **will not** be included in either balance displayed. The "INQUIRY" transaction will display your Account Balance (shown as "AVAIL BAL" on the ATM and ATM receipt, respectively), which is the actual funds in your account and your Available Balance (shown as "LEDGER BAL" on the ATM and ATM receipt, respectively), which is the amount of your funds that are available for your immediate withdrawal. See sample Provident ATM receipt below. Any questions regarding your balance should be directed to our Customer Care Center at 800.448.7768.



10. Will the amount available to cover my overdrafts be displayed when I use ProvidentConnect Online Banking, Bill Payment, and/or Provident Mobile Banking?

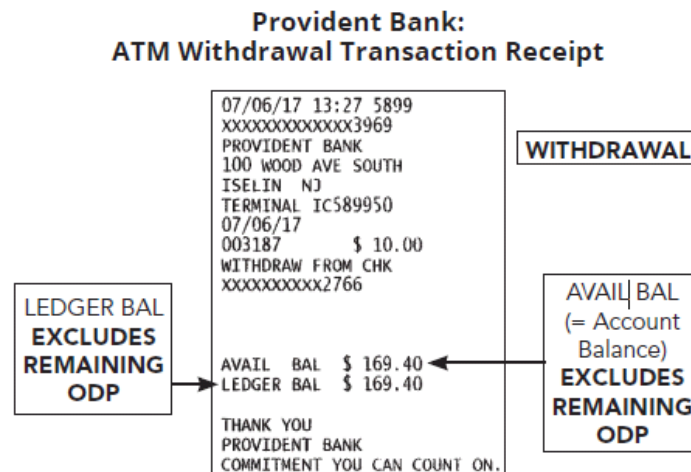
No. Balances shown in ProvidentConnect Online Banking, Bill Payment, and/or Provident Mobile Banking **do not** include the ODP limit amount available to cover your overdrafts.

11. Will the amount available to cover overdrafts be displayed at non-Provident ATMs?

Provident Bank cannot control the information displayed at ATMs not owned by us. ATM owners/operators other than Provident Bank will determine if the amount available to cover overdrafts is included in their displays. If you are **unsure** if the account balance displayed at a non-Provident owned ATM includes ODP, please call our Customer Care Center at 800.448.7768 **prior to** conducting any transactions to avoid being charged an overdraft fee unexpectedly.

12. Can I access the amount available to cover my overdrafts at the ATM?

Yes, provided that you have opted-in to Overdraft Privilege coverage for these transactions. After you perform an “INQUIRY” transaction to determine your actual funds available for withdrawal (shown as “LEDGER BAL”), you can withdraw that amount **plus the ODP limit amount** available to cover overdrafts. Please be aware that the “AVAIL BAL” displayed and shown on your transaction receipt **after** a withdrawal transaction (as well as after a transfer or deposit transaction) **will not include** the remaining ODP limit amount available to cover overdrafts. See sample Provident ATM receipt for “withdrawal” below. **As stated in Question #1, if you choose to withdraw funds by using ODP, you will be charged our standard overdraft fee each time.**



13. When I call the Customer Care Center or access Online Banking to get my balance, is the amount available to cover overdrafts included?

No. The balances reflected through our Customer Care Center, Touch Tone Banking, Online Banking, and Mobile Banking **do not** include the ODP limit amount available to cover overdrafts for your account.

14. What do I record in my checkbook register when I use ODP for overdraft coverage?

When you write a check or conduct a transaction for more than the amount in your account and your ODP limit is used to cover the item, you need to deduct the check/transaction amount(s) **and** the associated overdraft fee(s). The following example shows how you would record a check/transaction paid using Overdraft Privilege.

Situation: Your account balance is \$100.00 and check #123 in the amount of \$300.00 is presented for payment:

TRANS. TYPE CHECK NO.	DATE	DESCRIPTION OF TRANSACTION	PAYMENT DEBIT	FEE (Fees) (Fees)	RESPONSE CREDIT	BALANCE
#123	07/17	ABC Co. Invoice # 10987	300 00			100 00
	07/17	Overdraft Fee	35 00			-200 00
						-235 00

The negative \$235.00 reflects the amount of available ODP funds used [a deduction of \$200.00 to cover the ODP amount used to pay check #123 plus the **\$35.00** (overdraft fee accurate as of February, 2015)].

15. What amount is available through the ODP service to cover my inadvertent overdrafts?

The amount of overdraft coverage available through ODP will be based on your specific account activity including but not limited to:

- number and dollar total of deposits made and the regularity of these deposits
- how long your account has been open; and
- how long your account remains overdrawn.

All accountholders should be aware that the amount of any ODP limit available will be based upon the way you handle your account. Your account activity will be automatically reviewed each day to determine the amount of funds available to cover items presented that day for which you do not have sufficient funds on deposit (i.e. your inadvertent overdrafts).

16. How soon can I use Overdraft Privilege?

Presuming that you have not entirely opted out of Overdraft Privilege, your ODP limit will be available to cover inadvertent overdrafts on **eligible** new checking accounts thirty (30) days after the account is opened. The ODP limit may be used to pay inadvertent overdrafts that occur on the 31st day and thereafter. On the 31st day after account opening and thereafter, the amount available to cover your inadvertent overdrafts will be reflective of our system analysis of your account activity over the prior thirty (30) days, including but not limited to:

- number and dollar total of deposits made and the regularity of these deposits;
- if your account was overdrawn during this period, the amount of time that elapsed before the account was brought to a positive balance; and
- other factors that we in our sole discretion deem relevant.

To be eligible for Overdraft Privilege:

- your entire banking relationship with Provident Bank must be in good standing (see Overdraft Privilege Policy for details);
- your checking account must have had a positive balance (not overdrawn) at least once in the prior thirty (30) days; and
- if your account was overdrawn, your overdraft amount must not have exceeded the amount available to cover overdrafts.

17. What if I go beyond the amount available to cover overdrafts?

Overdrafts above and beyond the amount available to cover overdrafts may result in one or more items not being honored or paid. **Your account will be charged our standard overdraft fee for each item paid. A notice will be sent to inform you of our actions.**

18. I have more than one checking account. Can I get Overdraft Privilege on each account?

Yes. However, we reserve the right to limit the number of accounts to which Overdraft Privilege may be extended.

19. What if I do not want to have Overdraft Privilege on my checking account?

No additional costs are associated with having the peace of mind provided by Overdraft Privilege. **However, if you choose not to have ODP available on your checking account when it is opened, please inform the account representative.** If you would like to cancel Overdraft Privilege coverage **after your account is opened**, or would like to discuss other services

and products available to assist you in the event an overdraft occurs, **please notify us** by simply calling our Customer Care Center at 800.448.7768 or by visiting any one of our branches. Your change request will be effective on the business day following the day we receive/process your request.

20. How quickly must I repay Overdraft Privilege?

You must repay your Overdraft Privilege by bringing your account to a positive balance within thirty (30) days of the account becoming overdrawn. As previously stated, we will send you a notice that identifies the overdraft occurrence. In addition, we will send a reminder during the 30-day repayment period stating that you must bring your account to a positive balance. Failure to bring your account to a positive balance within thirty (30) days of it becoming overdrawn will result in the revocation of Overdraft Privilege, and we may take other steps to recover the funds owed to us.

21. If my Overdraft Privilege is revoked, can it be reinstated if I pay the outstanding balance in full?

No, once your coverage has been revoked, your account is no longer eligible for Overdraft Privilege. However, **prior to being revoked**, we will send you a letter outlining repayment plans to satisfy any outstanding overdraft balance.

22. What types of transactions are eligible to be covered by Overdraft Privilege?

Overdraft Privilege can be made available to cover overdrafts resulting from the following types of transactions:

- checks issued in an amount (either individually or in total) greater than the available and/or collected balance in your account;
- ACH electronic debit transactions processed through an Automated Clearing House (ACH);
- ATM withdrawals or transfers provided that you have opted-in to have such transactions eligible for coverage through Overdraft Privilege;
- everyday point-of-sale debit transactions using your Provident debit card provided that you have opted-in to have such transactions eligible for coverage through Overdraft Privilege.

As previously stated, you should keep in mind that **you will be charged our standard overdraft fee for items paid using ODP.**

23. Is an overdraft fee always charged whenever Overdraft Privilege is used to pay (or cover) an overdraft?

No. No overdraft fee is charged if the resulting overdraft balance is \$50.00 or less.

24. Is there a maximum number or amount of overdraft fees that can be charged against my account each day?

Yes. The total number of overdraft fees the Bank will charge you through Overdraft Privilege for overdrawing your account is limited to three (3) fees in any one (1) business day.

Consumer Overdraft Privilege (ODP) Policy

It is the policy of Provident Bank (“the Bank, we, us, or our”) to comply with applicable laws and regulations, and to conduct business in accordance with applicable financial safety and soundness standards. This Policy is applicable to account holders only who are at least 18 years of age at account opening and who establish and maintain a consumer checking account(s) with the Bank that is (are) primarily used for personal and household purposes. In this Policy, consumer account holders may also be referred to as “you”, “your”, or “their”.

At Provident Bank, we encourage you to manage both your checking account and your personal finances in a responsible manner. We also understand that there are times when the unexpected occurs or unforeseen problems leave you short of cash in your checking account. These situations can cause an account to become overdrawn, a check to be returned unpaid due to insufficient funds, or an ATM or debit card point-of-sale transaction to be denied. This Policy describes the Bank’s Overdraft Privilege service and your responsibilities when you utilize the service to cover your inadvertent overdraft occurring in your eligible checking account.

An insufficient funds (negative) balance may result from but not limited to:

- the presentment of checks, electronic fund transfers (including ATM withdrawals/transfers or debit card transactions provided that you have opted-in for Overdraft Privilege coverage of these transactions), or other withdrawal requests,
- payments preauthorized by you,
- the return as unpaid of items deposited by you,
- the imposition of applicable service charges, or
- drawing on deposited items which, according to Provident Bank’s Funds Availability Policy, are treated as not yet “available” or finally paid.

The payment of these items will result in an overdraft of your account.

We are not obligated to pay any item presented for payment if your account does not contain sufficient funds. However, **rather than automatically** returning as unpaid any insufficient funds items presented if your:

- eligible account has been open for at least thirty (30) days and has had a positive balance (not overdrawn) at least once in the prior thirty (30) days; and
- entire banking relationship with Provident Bank is maintained in good standing,

on the 31st day after account opening, **we will consider, without obligation on our part, approving your reasonable inadvertent overdrafts for payment** provided that your:

- initial and subsequent deposits made with a check, wire transfer, or other electronic payment from another financial institution is/are finally collected by the institution on which it/they are drawn/initiated;
- account is not subject to any fraudulent acts or suspicious activity as determined by us in our sole discretion; and
- decision to opt-in to the ODP service remains in effect.

Following the initial thirty (30) days after account opening and throughout the remainder of your use of the ODP service, the amount to cover your inadvertent overdrafts will be reflective of our system analysis of your account activity over the prior period, including but not limited to:

- number and dollar total of deposits made and the regularity of these deposits;
- if your account was overdrawn during this period, the amount of time that elapsed before the account was brought to a positive balance; and
- other factors that we in our sole discretion deem relevant.

An account relationship in good standing is defined as:

- you are not in default on any current loan obligation to the Bank,
- you bring your checking account to a positive balance (not overdrawn) at least once every thirty (30) days; and
- your checking account is not the subject of any legal or administrative order or levy.

The amount of overdraft coverage available will be based upon the way you handle your account. As such, your account activity will be automatically reviewed each day to determine the amount of funds available to cover items presented that day for which you do not have sufficient collected funds on deposit (i.e. your inadvertent overdrafts). Any and all fees and charges, including up to three (3) overdraft fees per business day (set forth in our Consumer Deposit Accounts Terms and Conditions Agreement), will be charged against the amount available to cover overdrafts and will apply singularly to each transaction that overdraws your account whereby the resulting overdraft balance excluding the overdraft fee is greater than

\$50.00. Transactions subject to this Policy include overdrafts resulting from, but not limited to: payments authorized by check, ACH/electronic items, and ATM/debit card/withdrawals/purchases.

We may refuse to pay an overdraft for you at any time, even though your account is in good standing and even though we may have previously paid overdrafts for you. You will be notified by mail of any insufficient funds items paid or returned unpaid that you may have (including the amounts of any related overdraft fees); however, we have no obligation to notify you before we pay or return any item. **The amount of any overdrafts plus our overdraft fee(s) that you owe us shall be due and payable upon demand.** If there is an overdraft paid by us on an account with more than one (1) owner, each owner (and agent, if applicable) shall be jointly and severally liable for such overdrafts plus our fee(s) as previously noted.

LIMITATIONS: This Policy applies only to eligible checking accounts primarily used for personal and household purposes. All savings accounts, all money market accounts, all business accounts, all public fund/charitable organization accounts, and all minor accounts are not eligible. We reserve the right to limit the number of accounts eligible for Overdraft Privilege to one account per household.

Overdraft Privilege does not constitute an actual or implied agreement between you and Provident Bank, nor does it constitute an actual or implied obligation of or by the Bank. Overdraft Privilege represents a purely discretionary courtesy or privilege that the Bank may provide to you from time-to-time and which may be withdrawn or withheld by us at any time without prior notice, reason or cause.

We reserve the right to revoke Overdraft Privilege from any account where its use appears not to be handled in a responsible manner. If Overdraft Privilege is revoked, your account is no longer eligible for Overdraft Privilege. However, **prior to being revoked**, we will send you a letter outlining repayment plans to satisfy any outstanding overdraft balance.

Overdraft Privilege ATM Withdrawal/Transfer & One-time Debit Card Opt-in Information for Your Records

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:

- We have standard overdraft practices (Overdraft Privilege - ODP) that come with your account.
- We also offer other overdraft protection plans, such as a line of credit or a link to another deposit account, which may be less expensive than our standard overdraft practices. To learn more, ask us about these plans.

What are the standard overdraft practices that come with my account?

We do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number
- Automatic bill payments

We do not authorize and pay overdrafts for the following types of transactions unless you ask us to:

- ATM transactions
- Everyday 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 Provident pays my overdraft?

Under our standard overdraft practices:

- We will charge you a fee of \$35.00* each time we pay an overdraft.
- The total number of overdraft fees we can charge you through Overdraft Privilege for overdrawing your account is limited to three (3) fees in one (1) business day. No overdraft fee is charged if the resulting overdraft balance is \$50.00 or less.

What if I want Provident to authorize and pay my overdrafts on my ATM and everyday debit card transactions?

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, call our Customer Care Center at 800.448.7768 Monday thru Friday from 8 a.m. to 7 p.m. and from 9 a.m. to 2 p.m. on Saturday, stop by any Provident branch, or visit Provident.Bank.

*Amount subject to change. Please see the Personal Accounts and Service Fees brochure to confirm current fee amount.