

Addendum to Account Agreement

Understanding Your Account Balance

Your checking account has three kinds of balances: Actual (Ledger) Balance, Current Balance, and Available Balance. The information below explains the differences between your three balances and how those balances affect your account. To the extent that balance definitions are provided in other agreements, and if those definitions are conflicting, then this Addendum is the governing document.

Actual (Ledger) Balance

Your Actual (Ledger) Balance reflects all credits and debits that have posted to your account. Your Actual (Ledger) Balance includes the full amount of deposits you have made even though some portion of a deposit may be on hold and not yet available to you. Your Actual (Ledger) Balance is not reduced by holds for pending debit transactions. Your Actual (Ledger) Balance is always greater than or equal to your Current Balance and Available Balance.

We use your Actual (Ledger) Balance to determine whether there is enough money in your account to pay an item when it is presented for payment. We may charge you an Overdraft Fee if we pay an item that exceeds your Actual (Ledger) Balance.

Current Balance

Your Current Balance is your Actual (Ledger) Balance minus any holds for pending debit transactions. Your Current Balance includes the full amount of deposits you have made even though some portion of a deposit may be on hold and not yet available to you. We display your Current Balance in online banking, mobile banking, on receipts from the teller line, and at the ATM.

Available Balance

Your Available Balance is our most recent record of the amount of money available in your account for your use or withdrawal. Your Available Balance is your Actual (Ledger) Balance minus any holds on your account, including holds on deposits you have made as well as holds for pending debit transactions. We display your Available Balance in online banking, mobile banking, and at the ATM. Among other things, we use your Available Balance (plus any available Progressive Pay coverage or overdraft protection plans) to determine whether to authorize or decline your debit card and other electronic transactions.

Your Current Balance and Available Balance may change during the course of a day as debit transactions and deposits are made. The account balances we disclose to you may not include all of your transactions, such as checks you have written that have not yet been presented for

payment or upcoming automatic payments. It is your responsibility to keep track of your transactions in order to avoid overdrafts and fees.

Deposit Holds and Pending Debits

Deposits/Credits: For deposits and other credits, “posted” means the settlement process is complete and the entire deposit is yours to spend. A “deposit hold” is a hold placed on a deposit (or a portion of a deposit) you have made until the settlement process is complete. Please read our Funds Availability Policy for a detailed discussion of how and when we make deposited funds available to you.

Debits: When a debit transaction is “posted,” it means the Bank has paid the item. A “pending” debit transaction is a transaction that the Bank has authorized based on your Available Balance but has not yet posted to your account. For example, when you use your debit card to make a purchase, there is often a delay between the date you initiate (and we authorize) the transaction and the date the merchant submits it to us for payment. The debit card purchase is a “pending” debit from the time we authorize it until the time it posts to your account. Pending debits reduce your Available Balance used to authorize additional items but do not affect the Actual (Ledger) Balance used to pay items and determine overdrafts and fees. See our Electronic Fund Transfer Disclosure and Agreement for more information.