

OVERDRAFT PRIVILEGE SERVICE (OPS) - Customer Overdraft Policy

An insufficient balance could result in several ways, such as (1) the payment of checks, electronic funds transfers or other non-check withdrawal requests; (2) payments authorized by you; (3) the return of unpaid items deposited by you; (4) the imposition of bank service charges; or (5) the deposit of items which, according to the Bank's Funds Availability Policy, are treated as not yet available or finally paid.

Opt In Authorization Options:

An insufficient balance could also occur when you do not have enough money in your account to cover ATM or everyday Debit Card transactions. We will not authorize and pay overdrafts on these transactions unless you ask us to. If you do not authorize these transactions and your account balance is insufficient the transactions will be declined. If you want us to authorize payment of the ATM and everyday Debit Card transactions you must provide the bank with an "Opt-In" authorization. You may do this by either calling us at 800-377-4424, writing to us at 40 Main Street, Putnam, CT 06260, completing our Opt In form at any one of our branch locations, or completing our online form located on our website at www.putnambank.com. If you provide us with authorization you may also revoke this authorization at any time by notifying us in any of the ways we described to Opt-In.

We are not obligated to pay any item presented for payment if your account does not contain sufficient funds. However, if you maintain your checking account in good standing (defined as making regular deposits and bringing your account to a positive balance at least once every 30 days) and there are no legal orders, liens or levies outstanding and you have not used your Overdraft Privilege Service in an excessive manner (defined as having 6 or more overdrafts within a month or having overdraft fees in excess of your average monthly balance), we may approve your reasonable overdrafts as a non-contractual courtesy.

Overdraft Privilege Service limits vary depending on the type of checking account, as follows:

Classic Checking	\$500.00	Classic Choice Checking	\$500.00
Premier Relationship Checking	\$1000.00	Classic 50's Checking	\$500.00
NOW Checking	\$1000.00	Small Business Choice Checking	\$1000.00
Basic Business Checking	\$500.00	iShop Success Checking	\$500.00
Success Checking	\$500.00	Success Checking Plus	\$500.00

In the normal course of business we generally pay items in the order received and pay checks beginning with the lowest amount first and the highest amount last. We reserve the right to change this 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 payment of items may create multiple overdrafts during a single banking day for which you will be charged our standard Overdraft or Returned Item Fee (Non-Sufficient Funds (NSF) / Uncollected Funds (UCF)) of \$26 for each overdraft whether paid or returned. Keep track of your account balance and your transactions to avoid this result. You may opt out of the Overdraft Privilege Service at any time, but you are responsible for any overdrawn balances at the time of opting out. Normally we will not approve an overdraft for you in excess of the predetermined amount assigned to your account type. So as not to exceed your limit, you should note that the amount of the overdraft plus the Bank's standard Overdraft or Returned Item Fee (Non-Sufficient Funds (NSF) / Uncollected Funds (UCF)) Fee of \$26 (per item) will be deducted from the overdraft limit. We may refuse to pay an overdraft for you at any time, even though we may have previously paid overdrafts for you.

You will be notified by mail of any NSF 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 plus our standard Overdraft or Returned Item Fee (Non-Sufficient Funds (NSF) / Uncollected Funds (UCF)) Fee of \$26 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 on the signature card, each owner and agent, if applicable, drawing/presenting the item creating the overdraft, shall be jointly and severally liable for such overdraft plus our standard Overdraft or Returned Item Fee (Non-Sufficient Funds (NSF) / Uncollected Funds (UCF)) Fee of \$26.00.

Overdraft Privilege Service should not be viewed as an encouragement to overdraw your account. As always, we encourage you to manage your finances responsibly. In the event you would like to have this service removed from your account, you may do so by simply notifying Putnam Bank by calling 1-800-377-4424.

You should note that your Overdraft Privilege Service limit may be reflected in your balance provided by a teller, through Online Banking, Telephone Banking, or at an ATM*.

LIMITATIONS: Overdraft Privilege Service is a non-contractual courtesy which is available to individually/jointly owned accounts in good standing for personal or business use. Putnam Bank reserves the right to limit participation to one account per household or business and to discontinue this service without prior notice.

Putnam Bank also offers two other services that may provide an additional level of overdraft protection:

**Personal Credit Protection (PCP, a Line of Credit), and Overdraft Protection (ODP, an automated transfer link to a Putnam Bank deposit account). If you apply and are approved for one of these products, it may be less costly. **Accounts that have a PCP or Precision Line of Credit (Business) are not allowed to also have OPS. *At the Putnam Bank ATM machine, only the current balance will be displayed which does not include your overdraft limit. (revised: 03-08-2011)