

Tips on Managing Your Checking Account

Understanding how your account works can help you avoid unnecessary fees. This document is intended to assist you in managing your checking account.

Things to Keep in Mind When Making a Deposit

When you make a deposit into your checking account, you may want to use that money right away to get cash, write checks to pay bills or make purchases. But as is the case at all banks, how quickly you can access the money you have deposited into your checking account depends on many factors. Some of these factors include the type of deposit you make (for example, electronic direct deposit, check, or cash), or where you make your deposit (for example, at the branch or ATM). In other words, how, when, where, and what you deposit will impact when funds become available for your use.

For specific information about when funds from your deposit become available for use, please refer to our Funds Availability Disclosure. Here are some highlights as well as additional information for quick reference.

~ **Available Balance:** The balance of funds available for your use for writing checks or making other withdrawals and purchases is called the "available balance."

~ **Deposits Made in Branch:** Funds from your deposit made at a branch may not be available for use until the first business day after the day we receive your deposit. In some cases we may hold funds longer.

~ **ATM Deposits:** Deposits made through the ATM may not be available for withdrawal until the second business day.

~ **Business Days:** Anchor Bank's business processing days are Monday through Friday, excluding federal holidays.

~ **Online Banking Account Transfers:** Transfers completed through online banking before 5:00pm PT will post to your account on the same business day. Transfers completed after 5:00pm PT will have the following business day posting date. Funds are available for use the day the transfer posts to the account.

~ **Deposits Made by Mobile Deposit:** Our policy is generally to make funds from your Mobile Deposit available to you on the first business day after the day we receive your deposit if submitted by 3:00pm PT, but in some cases we may hold funds longer.

Things to Keep in Mind When Making a Withdrawal

Funds may be withdrawn from your account in a variety of ways, including by check, point of sale debit card transaction, ATM withdrawal, and pre-authorized recurring withdrawal, among others. Regardless of the type of withdrawal, you should always make sure that there are sufficient available funds in your account to cover whatever withdrawal transaction you make.

~ **Order of Payment:** In the normal course of business, we generally pay transactions in the following order:

- (1) checks cashed at Anchor Bank and in-branch withdrawals;
- (2) electronic transactions (Checks converted to electronic transactions by the payee will post as electronic transactions);
- (3) other checks you write or authorize, lowest check number first.

We reserve the right to change the order of payment without notice to you if we suspect fraud or possible illegal activity affecting your account.

Things to Keep in Mind When Making a Withdrawal Cont.

If an item is presented without sufficient available funds in your account to pay it, we may, at our discretion, pay the item or return the item NSF (Non-Sufficient Funds). The amount of the NSF Paid/Returned Item fees have been disclosed to you previously. We encourage you to make careful records and practice good account management. This will help avoid writing items without sufficient available funds and incurring the resulting fees.

~ **Writing Checks:** You should always assume that the checks will be deducted as soon as you write them.

~ **Point of Sale (POS) Transactions:** These are transactions completed using your Debit Card at a retail store, grocery store, gas station, restaurant, hotel, or other business location. Debit Card transactions differ from check transactions in several ways. Taking a few minutes to understand these differences will help you get the most out of your Anchor Bank Debit Card.

PIN-based Transactions: Once your card is swiped or inserted (for EMV Debit cards), you enter your PIN (personal identification number), and then you confirm the correct total. This indicates your approval to deduct that amount from your checking account, and the transaction is complete. The funds are either deducted immediately from your balance or later that night.

Your PIN is your way of proving that you are the person conducting the transaction. For your safety, never reveal your PIN to anyone else.

Signature and Approved-limit Transactions (non-PIN): Once your card is swiped or inserted, you indicate payment approval by signing your name. In some cases, as with purchases made on the Internet or at a gas pump, your signature is assumed.

Signature and approved-limit transactions require two stages:

Authorization: When your card is swiped or inserted, we check your account available balance (+ No Bounce Limit if applicable) and either authorize or decline payment.

For your protection and ours, we track authorizations against your debit card and place a hold on the committed funds. This process also limits illegal card or account use by unauthorized users.

Non-PIN authorizations are not posted until we receive the settlement information from the merchant.

Settlement: The settlement transaction occurs several days later or it may never happen at all (for example, you never completed the purchase or requested a reversal from the merchant). When settlement arrives, we match it up with the original authorization made at the time of your purchase.

~ Debit Card Authorization Holds and How they Affect Your Account

A debit card authorization holds the portion of the balance in your account in anticipation that the settlement for payment will be presented by the merchant to Anchor Bank. The majority of settlements are usually received within three days of authorization. Because some authorizations are never settled, we release the hold and make funds available again for general use after three days.

Committed funds cannot be spent and the amount of money that can be drawn from your account (your "available balance") is reduced accordingly while the hold is in place. If you don't have sufficient available funds in your account to cover debits presented while the hold is in place, one or more of those debits may overdraw your account or be returned. **These transactions may result in fees.** This is why it is important to treat debit card purchases like a check, entering the amount for each in your check book register and keeping a current total of your account balance. Even if you don't complete the transaction using your debit card, your available balance is reduced while the hold is in place and you can incur a fee if other debits are presented

Things to Keep in Mind When Making a Withdrawal Cont.

~ **ATM Withdrawals:** You can access your account at any Anchor Bank ATM for free. We recommend that you use one of our ATMs whenever possible to avoid the fees you may be charged if you use another bank's ATM. Anchor Bank is also partnered with Allpoint ATM Network to give you access to surcharge-free ATMs all over the country. You can easily search for ATM locations either on our website or via the Allpoint Mobile App.

~ **Pre-Authorized, Recurring Withdrawals:** You can arrange to have payments made automatically from your Anchor Bank account. Some common examples are a monthly installment loan or mortgage payment, gym membership fees, etc.

~ **Fees:** If you withdraw, or attempt to withdraw, more money than you have available in your checking account, an NSF Paid/Returned Item fee may be charged to your account. This fee will be charged regardless of whether we honor or deny your withdrawal request. The decision to honor or deny a request is made at Anchor Bank's discretion. If your account remains overdrawn a Continuous Overdraft Fee may apply.

If a transaction is returned unpaid, you may also be charged a fee by the individual or merchant to which the transaction was payable.

~ **Fee Waivers:** It is Anchor Bank's policy not to waive NSF Paid/Returned Item fees, unless of course, the fee is a result of our error. If you believe that you've been charged a fee in error, please contact your local Anchor Bank branch.

Other Valuable Tips

Always keep your account records current. The best way to avoid any issues with your account is to keep your account register updated. Enter your deposits and withdrawals as soon as you make them.

Funds from an electronic direct deposit are available for your use on the same day that we receive the deposit. This can be a convenient and quick way to access your money. If your company offers direct deposit, you may wish to take advantage of this great service.

Online banking is a great way to keep track of transactions on your account. On the go? With Mobile Banking you can get basic account balance and transaction information, or receive full mobile banking capabilities that allow you to view account details, pay bills, transfer money, make deposits, and more.

This document is not intended to replace the account disclosures that you have received. Be sure to read and keep for your records all of the account disclosures and other account opening documentation we have provided to you. The terms of all of these documents apply to your account and your signature on the signature card confirms that you have received these documents and agree to their terms.

Welcome to Anchor Bank.

For more information visit us online at www.anchorbank.com.