



July 1, 2018

Dear Valued Customer,

Thank you for choosing OneUnited Bank for your banking needs.

Because we value your relationship and in an effort to provide a better customer experience, effective August 1, 2018, OneUnited Bank will offer our new Overdraft Privilege service on your checking account. Please review the enclosed "Overdraft Privilege Disclosure" for additional details.

Our Overdraft Privilege service is available to pay items presented against insufficient funds. Previous to OneUnited Bank offering this service, ALL items were returned unpaid and an Insufficient Funds Charge was assessed. With Overdraft Privilege, we will, as a discretionary service and not as a right or obligation guaranteed to you, strive to pay checks and other transactions made using your checking account number and automatic bill payments when funds are not available if your account is in good standing and meets our eligibility criteria. Your account will be charged the normal Insufficient Funds Charge for each item that is presented.

At OneUnited Bank, we always want you to manage your finances responsibly, however, when necessary, Overdraft Privilege can keep you covered. If you would prefer not to have our Overdraft Privilege applied to your account, simply contact us. Please know that if you elect not to have this service and experience any insufficient funds, all your items will be returned and an Insufficient Funds Charge for each item will be applied to your account.

Presenting items against insufficient funds is an expensive practice. At OneUnited Bank, we have another less expensive option that may be a better service for you. Overdraft Protection is available, which includes account transfers to handle insufficient funds in your checking account. If you would like to discuss Overdraft Protection or if you have other banking needs, please call us at 877-One-United or 877-663-8648 or visit one of our branches.

Thank you for banking with OneUnited Bank.

Overdraft Privilege Disclosure (Effective August 1, 2018)

Overdraft Privilege is a service we add to your checking account to cover inadvertent overdrafts to a set limit, subject to the eligibility criteria as explained below. With Overdraft Privilege, we will as a discretionary service and not as a right or obligation guaranteed to you, strive to pay your reasonable overdrafts when your account is in good standing and meets our eligibility criteria. We reserve the right not to pay. Good standing includes the following criteria:

- Age of account
- Number of deposits
- Dollar amount of deposits
- Deposit patterns
- Repayment patterns
- Overdraft Activity

For example, we typically do not pay overdrafts if your account is not in good standing, you are not making regular deposits, you have too many overdrafts, or your repayment of overdrafts is not consistent.

When we pay overdraft items for you, you will be charged our Insufficient Funds Charge (-Paid) for each item that is paid. The maximum Insufficient Funds Charge per day is six (6) fees for consumers. There is no maximum for businesses. If checks and other transactions made using your checking account number and automatic bill payments are not paid, you will be charged our Insufficient Funds Charge (-Returned). The maximum Insufficient Funds Charge per day is six (6) fees for consumers. There is no maximum for businesses. The Insufficient Funds Charge can be found in our Truth in Savings, Online Truth in Savings and/or Business Account Disclosures that include Miscellaneous Fees. See www.oneunited.com/disclosures. There is no Insufficient Funds Charge if your account balance is overdrawn by \$10 or less. All deposits to an overdrawn account are applied to the negative balance.

Eligibility - No application is required for our Overdraft Privilege service; eligibility is at the sole discretion of OneUnited Bank and is based on you managing your checking account in a responsible manner.

Non-Eligible Account Types - IOLTA accounts, Public Fund accounts, Court Restricted accounts

Suspension/Revocation- Your Overdraft Privilege may be refused, suspended or permanently revoked at our discretion, which may include the following criteria:

- Your account type is not eligible.
- You are more than 30 days past due on any OneUnited Bank loan or credit card.
- You are subject to a bankruptcy proceeding or other legal matter that may impair your ability to repay an overdraft.
- Your account is being reviewed for fraudulent activity or transactions.
- A consumer reporting agency provides us with a report of negative information.
- You have an outstanding balance on an Overdraft Repayment Plan.
- Your account status is identified as inactive.
- You have an unresolved prior loss with the Bank.
- We do not have a valid phone number, address or other current contact information for you.

Transactions Covered – Overdraft Privilege will be available for checks and other transactions made using your checking account number and automatic bill payments. For consumers, Overdraft Privilege will not be available for ATM and everyday debit card transactions unless you authorize OneUnited Bank by completing an ATM/Debit Card Consent Form. For businesses, Overdraft Privilege automatically covers ATM and everyday debit card transactions.

NOTE: For consumers, if you have consented to Overdraft Privilege for ATM/Debit Card transactions, please verify your balance before initiating an ATM cash withdrawal. All items will be subject to our

Insufficient Funds Charge for each withdrawal until the account balance is no longer overdrawn.

Payment Order of Items - The order in which items are presented may affect the total fees assessed to your account. The first items that we pay are ATM withdrawals and any withdrawals negotiated in our branches. We then pay all other items in sequence by time as presented.

Overdrafts are based on available balance which includes electronic transactions that have been authorized but may not have settled, along with settled transactions. An available balance also reflects holds on deposits that have not yet cleared.

NOTE: Please be aware that holds placed on your account for deposits, pending debit card or other electronic transactions, such as hotel, or car rental deposits, impact your available balance and may cause your account to become overdrawn and an overdraft fee assessed. Please also note that authorization and payment of debit card transactions do not always occur simultaneously –there may be days in between where funds are held.

Opt Out - This is an expensive way of handling your account and you have the option to have this service removed at any time by calling us at 877-OneUnited or 877-663-8648 or writing us at OneUnited Bank, Customer Support, 3683 Crenshaw Blvd. Los Angeles, CA 90016 or visiting one of our branch offices and stating that you want to Opt Out of the Overdraft Privilege service. It is important for you to consider that by opting out of this service without some other form of overdraft service such as Overdraft Protection, you are instructing us to return all items presented against insufficient funds as unpaid items. If you opt out, you will be charged our Insufficient Funds Charge. **Customers who receive a Social Security, federal direct deposit, or any other entitlement benefit must opt out if you do not want the Bank to apply those funds to pay an overdraft.**

Excessive Use – We monitor customer accounts for chronic or excessive use. If you overdraw your account more than six times for which a fee is assessed in a rolling twelve month period you will be contacted to review alternatives and/or your continued use of Overdraft Privilege.

Financial Education – OneUnited Bank believes that financial literacy and education helps customers make informed decisions. Heightened awareness of personal financial responsibility helps customers realize the benefits of responsible money management, understanding the credit process and the availability of help if problems occur. www.MyMoney.gov is the federal government's website that serves as the one-stop for federal financial literacy and education programs, grants and other information. To request a personal financial toolkit, call **1-888-MyMoney**. OneUnited Bank also offers a Financial Education Center at www.oneunited.com/learn.

Deposit Account Agreement – Our Deposit Account Agreement describes the duties, obligations, and rights of depositors, authorized signatories and OneUnited Bank with regard to your deposit accounts. That account agreement is incorporated herein for all purposes as if it were set forth verbatim as to matters not directly addressed by this disclosure. Your account agreement and this disclosure shall be construed so as to minimize conflicts between them.

Remedy: You and OneUnited Bank agree that the exclusive remedy and forum for all disputes arising out of the Overdraft Privilege service or your or the Bank's performance there under, except for matters you or OneUnited Bank take to small claims court, is arbitration by an independent arbitrator pursuant to the applicable rules of the American Arbitration Association, except as prohibited by law.

Waiver: OneUnited Bank's forbearance from, or delay in, exercising any of the Bank's rights, remedies, privileges, or right to insist on your strict performance of any provisions of your account agreement, this Overdraft Privilege disclosure, or any other provision related to your account, shall not be construed to be a current or future waiver of OneUnited Bank's rights, remedies or privileges.