



CASH ON DEMAND (COD) SERVICE AGREEMENT

Each customer who has requested and been approved in writing for COD service agrees to be bound by the following terms and conditions:

1. Each customer of the COD service must have signed both the checking account signature card and the COD application. These accounts shall be identified on the COD application or assigned by the bank.
2. The bank shall charge the customer's COD account with advances in amounts as hereinafter described and deposit such amounts to the customer's checking account. These deposits will be made as required to pay regular checks, drafts, withdrawals made through an automated transaction machine or any other charges which would exceed the present balance of the checking account and at the time when such items or charges are presented for payment would result in an overdraft of the account if such items were paid. The amount of each cash advance shall be in the exact amount of the overdraft. The amount and number of advances shall be limited by only the credit line authorized by the COD account.
3. All provisions and disclosures of the checking account agreement and periodic statement, now in effect or which are amended in the future, shall be part of this Agreement. In addition, all provisions and disclosures of the COD Agreement and periodic statement, now in effect or as amended in the future, shall be a part of the Agreement including the following specific provisions:
 - A. **PAYMENT** – Minimum monthly payments will be made from your checking account in the following manner: **5%** of your total new balance. If the amount of the payment is less than **\$10.00**, we will deduct \$10.00 for your minimum monthly payment.
 - B. **FINANCE CHARGES** – The customer will pay a **FINANCE CHARGE** on the unpaid portion of all advances from the date of the advance to the date the bank receives the payment in full. **FINANCE CHARGES** are computed on advances in this manner:
 - Start with any unpaid balance at the beginning of the billing period. Unpaid **FINANCE CHARGES** on previous advances are excluded.
 - Each day payments and credits are subtracted and any new advances are added. From this, a daily balance is determined.
 - The daily balance for each day of the billing period are added together and the total is divided by the number of days in the billing period. This results in the Average Daily Balance.

The **FINANCE CHARGE** on the average daily, unpaid balance is computed by multiplying a periodic rate of **1 ½ %** to the average of the unpaid daily balances. **The annual percentage rate is 18.00%.**
 - C. **STATEMENT** – The bank shall send a single monthly statement for the COD account at the end of the billing period to the customer. A billing period is the number of days between the Statement Closing Date on the previous statement and the Statement Closing Date on the current statement. The statement shall contain all of the information required by law. The statement shall show, among other items, the following the date and the amount of all advances during the billing period; the previous balance due from the last statement; all payments and credits made during the billing period; **FINANCE CHARGES** made; the new balance at the end of the billing period.
 - D. **LATE FEE**: If payment cannot be made upon the due date, a ten(10) day grace period will be allowed. At the end of this period, if there is still insufficient funds to cover payment, a five (\$5.00) dollar late fee will be added to the payment. At no time will the monthly payment of the COD account be paid by a COD advance.

4. Certain events will be considered an act of default in this Agreement and the bank will then have the right to terminate the COD Service Agreement and to demand payment for the entire unpaid balance of the COD account at once. The Bank will have this right without having to give prior notice or warning. The events of default are:
 - The customer's death or a court declares customer incompetent;
 - A bankruptcy or insolvency suit is filed by or against customer;
 - Customer's property is attached or garnished by a court;
 - Customer fails to pay bank on time and in the proper amounts under this agreement;
 - Customer exceeds the credit limit on the account;
 - The bank, in good faith, believes customer is unable or unwilling to pay the amounts the bank is owed under this Agreement. The bank will not lose any of its rights to enforce this Agreement because it delays taking action or because it takes alternative actions for any reason. If this service is terminated or if an act of default occurs, the bank shall not be liable for dishonoring checks, drafts, or other debit items because of insufficient funds resulting from the non-advancement of funds.
5. If a customer terminates either the checking account or the COD account, if either account is deemed to be inactive by the bank; or if customer defaults on the COD account, the bank, at its option, may terminate the customer's COD service.
6. A customer can terminate the COD service at any time by mailing a written notice of termination to the following address: HOCKING VALLEY BANK, 7 W. STIMSON AVENUE, ATHENS, OH 45701. After the bank has received such notice it shall be effective after a ten (10) day period. The bank reserves complete discretion without liability to make or refuse to make advances from the COD account to cover overdrafts, which would result from the payment of items presented during this ten (10) day period. A notice of termination signed by one customer is effective for accounts with two or more customers on the same account. No such notice shall affect liability for the current outstanding balance on the COD account or **FINANCE CHARGES** on such balances.
7. The bank may amend or terminate this Agreement at any time upon mailing the proper written notice as required by law to the customer's last known address appearing in the COD account file. At the bank's option, upon termination of the COD service, all balances on the COD account will become immediately due and payable.
8. The bank agrees that no security interest is or will be retained or acquired under this Agreement relating to the COD account.