

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE No. 1:09-MD-02036-JLK

**IN RE: CHECKING ACCOUNT
OVERDRAFT LITIGATION**

MDL No. 2036

**THIS DOCUMENT RELATES TO:
FOUTH TRANCHE ACTION**

Shane Swift v. BancorpSouth, Inc.
N.D. Fla. Case No. 1:10-cv-00090-SPM
S.D. Fla. Case No. 1:10-cv-23872-JLK

**APPENDIX III TO PLAINTIFFS' MOTION FOR CLASS
CERTIFICATION AND INCORPORATED MEMORANDUM OF LAW**

Dated: December 20, 2011.

Respectfully submitted,

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Plaintiffs' Executive Committee

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE No. 09-MD-02036-JLK

**IN RE: CHECKING ACCOUNT
OVERDRAFT LITIGATION**

MDL No. 2036

CERTIFICATE OF SERVICE

I hereby certify that on December 20, 2011, I electronically filed the foregoing document with the Clerk of the Court using CM/ECF. I also certify that the foregoing document is being served this day on all counsel of record or *pro se* parties identified on the attached Service List in the manner specified, either via transmission of Notices of Electronic Filing generated by CM/ECF or in some other authorized manner for those counsel or parties who are not authorized to receive electronically Notices of Electronic Filing.

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Shane Swift v. BancorpSouth, Inc.

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Motion for Class Certification

Plaintiff's Exhibit No. 1

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IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

IN RE: CHECKING ACCOUNT)
OVERDRAFT LITIGATION)
)
) NO. 1:09-MD-02036-JLK
)
)

DEPOSITION
OF
JEFF JAGGERS
OCTOBER 12, 2011

**In Re: Checking Account Overdraft Litigation
Jeff Jaggers**

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October 12, 2011

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1 The deposition of JEFF JAGGERS is taken 2 on this, the 12th day of October, 2011, on 3 behalf of the Plaintiff, pursuant to notice and 4 consent of counsel, beginning at approximately 5 9:00 a.m. at the Hilton Garden Inn, 363 East 6 Main Street, Tupelo, Mississippi 38801 7 This deposition is taken pursuant to 8 the terms and provisions of the Federal Rules of 9 Civil Procedure. 10 All forms and formalities are waived, 11 and objections alone as to matters of 12 competency, irrelevancy and immateriality of the 13 testimony are reserved to be presented and 14 disposed of at or before the hearing. 15 16 17 18 19 20 21 22 23 24 25	1 EXAMINATION INDEX 2 3 JEFF JAGGERS 4 BY MR. OSTROW 5 5 6 7 EXHIBIT INDEX 8 EXHIBIT NO. 1 PLAINTIFF'S SECOND AMENDED 7 9 NOTICE OF DEPOSITION OF 10 DEFENDANT 11 EXHIBIT NO. 2 DOCUMENTS BATES STAMPED 489 189 10295-10308 12 13 EXHIBIT NO. 3 DOCUMENT BATES STAMPED 11011 229 14 15 EXHIBIT NO. 4 DOCUMENTS BATES STAMPED 231 16 6694-6654 17 EXHIBIT NO. 5 DOCUMENT BATES STAMPED 11012 232 18 EXHIBIT NO. 6 DOCUMENTS BATES STAMPED 233 19 7248-7251 20 21 EXHIBIT NO. 7 DOCUMENT BATES STAMPED 7394 234 22 23 24 25
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1 A P P E A R A N C E S 2 3 FOR THE PLAINTIFF: 4 JEFF OSTROW, ESQ. 5 JONATHAN M. STREISFELD, ESQ. 6 KOPELOWITZ OSTROW 7 200 SW First Avenue 8 Suite 1200 9 Fort Lauderdale, Florida 33301 10 11 FOR THE DEFENDANT: 12 ERIC JON TAYLOR, ESQ. 13 PARKER, HUDSON, RAINER 14 & DOBBS 15 1500 Marquis Two Tower 16 285 Peachtree Center NE 17 Atlanta, Georgia 30303 18 19 20 21 22 23 24 25	1 2 REPORTER'S CERTIFICATE 265 3 JEFF JAGGERS, 4 having been first duly sworn, was examined and 5 testified as follows: 6 EXAMINATION 7 BY MR. OSTROW: 8 Q. Good morning, sir. My name is Jeff 9 Ostrow. I'm here with my partner, Jonathan 10 Streisfeld. If I talk too fast, slap me, do 11 whatever you want because I'm sure it will 12 happen. We represent Shane Swift in this case 13 against BancorpSouth. Would you tell her your 14 full name, please? 15 A. Jeffrey William Jaggers. 16 Q. Can I call you Jeff? 17 A. Yes. 18 Q. And you can call me Jeff. Have you had 19 your deposition taken before? 20 A. Yes. 21 Q. Okay. So I'm not going to spend time 22 going through the ground rules, other than to 23 tell you that I am a classic question taker, 24 that I will give you questions that you will 25 have no idea what I'm asking about. So just

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1 say, Jeff, where are you going with this. Ask 2 me to say it again, and I will. Like I said, 3 the goal here is really just to get specific 4 information. I'm not here on an expedition, 5 just to learn about your bank and you and all 6 the things that are important to us. What's 7 your title with the bank? 8 A. Senior Vice President, Operations 9 Administration. 10 Q. And what how -- do you describe what 11 you do? 12 A. I manage several different groups of 13 departments for BancorpSouth. The three primary 14 areas are treasury management, transactions 15 services, and information technology. 16 Q. All right. Just briefly tell me what 17 each of those three involve. 18 A. Information technology involves the 19 hardware and software that BancorpSouth uses to 20 process the customers' accounts and 21 transactions, and to provide the products and 22 services that our customers utilize on a day-to- 23 day basis. The transactions services group is 24 primarily responsible for the processing of our 25 customers' transactions across multiple types of	1 may not have seen is that the topics have 2 changed, but you've seen all those topics, 3 correct? 4 A. Yes. 5 Q. At first, our goal was to come to talk 6 to you about just what we call Topic 1. And 7 then we realized since you're the person that 8 may be best suited to discuss all the topics, we 9 thought about expanding it to include them all. 10 And then I realized I don't have all the 11 documents to talk about them. 12 However, to save us all time and money, 13 with your attorney's permission, if the 14 deposition goes according to the schedule that I 15 think it will, and we won't be here all day, we 16 may want to go into some of those other topics 17 if you feel comfortable that we can talk about 18 them. And we can discuss that when we get 19 there. 20 A. Sure. 21 Q. And for instance, that could be talking 22 about your deposit agreement. And I believe you 23 have an account information sheet which is a 24 related document that you use that discusses 25 your policies and procedures with regard to
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1 transactions. 2 The treasury management group is 3 focused on our large corporate commercial 4 customers, in which we have specialized products 5 and services that we market and sell to our 6 large corporate commercial customers to meet 7 their needs. 8 Q. All right. I want to go back into this 9 and what you do in a minute. Let me start off 10 with -- by showing you this -- what we've titled 11 as the Plaintiff's Second Amended Notice of 12 Deposition of Defendant BancorpSouth. And this 13 has been amended. This is not the third 14 version, which we have limited the topics for 15 discussion for today. 16 MR. OSTROW: And if we could mark that 17 as A, that would be great. 18 (WHEREUPON THE ABOVE-MENTIONED DOCUMENT 19 WAS MARKED AS EXHIBIT NO. 1 TO THE DEPOSITION, 20 AND IS ATTACHED HERETO.) 21 BY MR. OSTROW: 22 Q. Have you had an opportunity before 23 today to take a look at that? 24 A. Yes. 25 Q. All right. And the only thing that you	1 customers and fees and things like that? 2 A. Yes. 3 Q. All right. And I have number of 4 those. If I have the right ones, then maybe we 5 can talk about it. So with respect to the 6 numbers that are on there, which are to cover 7 today, one, two, three, six and eight, do you -- 8 are you the person at the bank that is the most 9 familiar with those areas? 10 MR. TAYLOR: Let me just object to the 11 form. He is who the bank is putting up to cover 12 those topics. But you can answer if you know. 13 A. I'm prepared to answer all the 14 questions that -- regarding the topics in the 15 deposition. 16 BY MR. OSTROW: 17 Q. Okay. 18 A. That are mentioned there. 19 Q. Then let me ask you the question in 20 another way. And obviously, you are here to 21 talk about them. Do you know whether or not 22 there is somebody that would be better suited in 23 terms of being able to answer specific questions 24 regarding those topics other than yourself? 25 MR. TAYLOR: Again, I'll object to the

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1 form to the extent it causes you to speculate. 2 But go ahead. 3 A. I feel like I'm the best person to 4 answer questions. 5 BY MR. OSTROW: 6 Q. Okay. Perfect. Then we can move 7 forward with these topics. In preparation for 8 today, other than your attorney, did you speak 9 with anybody else at the bank to get ready? 10 A. In preparation for today's deposition, 11 no. 12 Q. To prepare to discuss the topics, which 13 I'm going to ask you questions for, did you 14 speak with anybody at the bank to get any 15 information that you might need to help you? 16 A. Not in the general sense of the topics 17 because I don't think I actually knew the 18 specific topics. But we certainly have been, 19 you know, through the process of this lawsuit, 20 following our counsel's request to provide 21 information and research information and collect 22 information and all like that. So I -- you 23 know, I've been -- I've been a part of that 24 since the suit was filed. 25 Q. You've been part of the whole process,	1 referencing overdrafts, overdraft processing, 2 exception processing. Those are the ones that 3 just jump right out. 4 Q. Did you bring any of those documents with 5 you today? 6 A. No. 7 Q. How long have you been with the bank? 8 A. I've been with the bank 17 years. 9 Q. And what other positions, if any, have 10 you held with the bank prior to your current 11 position? 12 A. I -- let's see, I've held the position 13 of -- I have two stints with the bank. I joined 14 the bank in July of 2000, and I've been in the 15 same position, senior vice president of 16 operations administration since then. Prior to 17 that, I was with the bank in the 1980's, and I 18 started in different capacities; was a 19 programmer. I served as an operations officer. 20 I served as a computer operations manager in the 21 1980's. 22 Q. And in your current position, who do 23 you report to? 24 A. Clyde Hubbard, H-U-B-B-A-R-D. 25 Q. What does Clyde do with the bank?
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1 but specifically, to get ready for the -- to 2 answer questions, the answer is no? 3 A. No, just specifically to answer the 4 question. 5 Q. Did you review any documents 6 specifically to prepare for today as opposed to, 7 again, generally, to prepare for this litigation 8 that you're defending? 9 A. Yes. 10 Q. What did you take a look at? 11 A. I took a look at the actual complaint 12 again. There was a second amended. Reviewed 13 interrogatory responses, request for production 14 of responses, reviewed other documents that our 15 counsel had put together for, you know, I can't 16 name them all, but it was a group of documents 17 that my attorney put together. 18 Q. Did you review any bank reports that 19 you all generally keep? 20 A. We did review some bank documents -- 21 bank specific documents, so, yes, we did review 22 some bank documents. 23 Q. Do you recall what you looked at? 24 A. We looked at tran codes, tran code 25 listing. We looked at some documents	1 A. Clyde is Executive Vice President 2 Operations Administration. 3 Q. And Clyde reports to? 4 A. Larry Bateman. 5 Q. Larry's title? 6 A. Vice Chairman, BancorpSouth Bank. 7 Q. BancorpSouth Bank is the name of the 8 actual bank entity? 9 A. Yes. 10 Q. And there's a holding company? 11 A. Yes. 12 Q. That's correct? Which is what, 13 BancorpSouth, Inc.? 14 A. Yes. 15 Q. Does BancorpSouth, Inc. have any other 16 banks other than BancorpSouth Bank? 17 A. No. 18 Q. And currently, how many states does the 19 bank operate in? 20 A. Eight states. We have branches in 21 eight states. 22 Q. Any states in the last 12 months that 23 you were not previously in that you are now? 24 MR. TAYLOR: Just to clarify, you mean 25 physical branches?

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1 MR. OSTROW: Correct. Not some 2 customer. That's a good question. Good 3 clarification. 4 A. From a branch perspective, no, we have 5 not gone into a new state in the last 12 months. 6 BY MR. OSTROW: 7 Q. Do you know how many branches you 8 currently have? 9 A. No, I don't know the exact number. 10 Q. Can you approximate for me? 11 A. Approximately 275. 12 Q. And the bank is based here in Tupelo? 13 A. Yes. 14 Q. Has the bank always been based in 15 Tupelo? 16 A. No. It was, for a maybe a few years in 17 the 1800's, it was headquartered in Verona, 18 Mississippi, which is about eight miles from 19 here, and it moved to Tupelo. 20 Q. When was the bank established? 21 A. I believe it was established 1876. 22 Q. Who's Michael Lindsey? 23 A. Michael Lindsey is a peer of mine at 24 the bank. 25 Q. What does Michael do at the bank?	1 if I went to Florida State. 2 A. Not common here in Mississippi. 3 Q. So what colors do you wear? 4 A. Maroon and white. 5 Q. What did you study, what was the last 6 thing you studied? 7 A. Business administration. 8 Q. Any specific area? 9 A. Just general business. 10 Q. Have you done anything else other than 11 banking in terms of your professional career? 12 A. No. 13 Q. Are there any other corporate 14 offices -- and I'm not talking about branches -- 15 that the bank has other than here in Tupelo? 16 A. The bank has -- well, I'm sorry, the 17 holding company has an insurance company, or has 18 multiple insurance companies that will have 19 offices. 20 Q. What about the bank itself? 21 MR. TAYLOR: Is the question, is there 22 any other headquarters? 23 BY MR. OSTROW: 24 Q. Well, I assume there's no other 25 headquarters other than in Tupelo. But are
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1 A. Michael is senior vice president of the 2 retail banking division. 3 Q. Have you before ever worked with any 4 other banks? 5 A. Yes. 6 Q. Would be that be in between the two 7 stints? 8 A. Yes. 9 Q. And where was that? 10 A. I worked for -- it was Union Planters 11 Corporation. They were a multi-bank holding 12 company, and I worked for three of their banks. 13 Q. Which ones? 14 A. United Southern Bank in Clarksdale, 15 Mississippi, Union Planters Bank in Memphis, 16 Tennessee, and Union Planters Bank of Central 17 Mississippi in Jackson, Mississippi. 18 Q. Where did you go to college? 19 A. University of Mississippi, Mississippi 20 State University, and Itawamba Community 21 College. 22 Q. You hit the two big ones? 23 A. Yes. 24 Q. I went to the University of Florida, 25 and I got to tell you, that would be big no-no	1 there any other offices around the country 2 where, if they're not just retail branch sites? 3 A. Oh, I'm sorry, I misunderstood. No, 4 that's -- Tupelo would be the only site. 5 Q. Okay. What percent of the bank's 6 accounts are commercial versus retail? 7 MR. TAYLOR: I'll object to the form, 8 but answer if you know. 9 A. Approximately -- 10 MR. OSTROW: Let me back up. Can I ask 11 you why -- what's the objection for? I mean, if 12 there's a better way I can ask it, I'd like to 13 -- 14 MR. TAYLOR: I don't know that there's 15 a better way you can ask. I think there's a 16 better foundation that could be laid to try to 17 lead up to it. But he'll give the best 18 estimate. 19 BY MR. OSTROW: 20 Q. The bank had retail customers? 21 A. Yes. 22 Q. All right. And the bank has business 23 account customers as well? 24 A. Yes. 25 Q. So for the sake of my question,

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1 obviously, I'm going to say, you know, retail 2 versus commercial. Are you -- is that clear? 3 A. Yes. 4 Q. All right. Are you able to break down 5 the percentage of one versus the other? 6 A. I can approximate. 7 Q. And that's fine. 8 MR. TAYLOR: The second part is number 9 versus dollars. You see what I'm saying? 10 BY MR. OSTROW: 11 Q. On strict percentage on 100 percent 12 basis, are you 85, 15? 13 A. On number of accounts, we have 14 approximately 85 percent of our accounts are 15 retail banks. 16 Q. Do you know how many accounts you have? 17 Presently, approximately, I mean, obviously, it 18 changes by the second. Someone's on there 19 opening an account right now online. 20 A. Right. We will have over 400,000. 21 Approximately 400,000 to 420,000. 22 Q. And so the 85, 15 would apply to the 23 400,000 number, correct, approximately? 24 A. Yes. 25 Q. All right. Your counsel did identify a	1 And it would reflect the breakdown of account 2 balances by commercial, and also breaks it down 3 in other categories as well. 4 Q. Is there a specific -- when an account 5 is opened, is there a specific code that 6 identifies whether that account is a retail 7 account versus a commercial account? 8 A. There are -- yes, there are more than 9 -- there is more than one code, but yes. 10 Q. So if I was looking at a report of all 11 your accounts, I would be able to identify which 12 ones are retail versus consumer? 13 A. Yes. 14 Q. You mentioned that there's different 15 codes. What were you referring to? 16 A. Well, we have different types of retail 17 accounts. And so -- 18 Q. Different levels of checking accounts? 19 A. Right, that have different features in 20 them. A student checking account is probably -- 21 well, it is. It's styled totally different than 22 a regular checking account, as an example. 23 Q. But there's no overlap between retail 24 account, regardless of the type of account, and 25 commercial account, correct?
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1 flaw in my question because you could think of 2 it in terms of dollars in their accounts, right, 3 or assets, bank assets, which are actually not 4 deposits, those are your liabilities, right? In 5 terms of deposits, how does the percentage break 6 up? 7 A. It is a more difficult question to ask 8 -- answer in the sense that, again, you know, we 9 have our retail customers who have checking 10 accounts. And so I'm going -- I'm going to make 11 the assumption that you're referring to the 12 checking accounts. 13 Q. I am. 14 A. Okay. Not all deposits. Okay. If 15 we're making -- if we're talking about checking 16 accounts, that information is on reports and 17 available. I -- I do not know the exact number 18 of the dollars. 19 Q. Is there a specific report that you're 20 referring to that you would go to look at if you 21 wanted to identify that information? 22 A. There are multiple reports that would 23 have that. General ledger reports that would 24 have that. There would be balance sheet 25 reports, general ledger balance sheet reports.	1 A. We -- we have specific codes that we -- 2 that can designate which accounts are commercial 3 and which accounts are retail. 4 Q. Okay. And, again, there's multiple 5 reports which we could, or you could look at 6 which would determine which accounts are 7 commercial versus retail? 8 A. Yes. 9 Q. As well as the dollar amounts that we 10 discussed prior? 11 A. Yes. 12 Q. Can you name some of these reports, if 13 we wanted to come back later on and have you 14 pull those, specifically? 15 A. I can't give the exact name of the 16 reports. But they -- but they're common regular 17 generated reports. Because we are -- we report 18 certain types of that information, you know, as 19 categories that we are required to -- to know 20 because certain -- certain regulations apply to 21 retail accounts, and certain regulations apply 22 to -- don't apply to commercial accounts. And 23 so we have to know. 24 Q. There's internal and external reasons 25 for it?

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1 A. Right. 2 Q. Obviously, you have that information 3 available? 4 A. Right. Yes. 5 Q. Where are the main servers that the 6 bank uses kept? 7 A. Our internal servers are kept at 2910 8 West Jackson Street, Tupelo, Mississippi. 9 Q. Is that corporate headquarters, or is 10 that a different address? 11 A. That is not corporate headquarters. 12 Q. What's at that address? 13 A. What we call our West Jackson Street 14 campus. 15 Q. Which is -- what is housed there? 16 A. It is our back office operations; call 17 center, mortgage operations, audit, loan 18 operations, credit card operations. It's our 19 back office facility. 20 Q. And so at that address is where the 21 main servers are that run the bank's systems, 22 correct? 23 A. The primary main servers in our primary 24 systems are located there. So the answer would 25 be yes.	1 A. Not that we own. 2 Q. Okay. 3 A. Third party. 4 Q. Again, out sourced? 5 A. Third parties will have their own. 6 Q. Is it the 2910 address and those data 7 centers that store transactional -- customer 8 transactional data? 9 A. Yes. 10 Q. I guess, we should talk about what you 11 out source so I can understand what's at 12 Jackson, and what's with your outside vendors. 13 So why don't you tell me who you are referring 14 to? 15 MR. TAYLOR: Again, I don't want to 16 limit you, but are you talking about the -- they 17 do a lot of different businesses. Are you 18 talking about the consumer banking? 19 MR. OSTROW: I'm talking about consumer 20 banking. I'm not talking about your mortgage 21 services and your insurance products. And so 22 keep bringing me back to that. So -- and let me 23 just say that I'm trying to understand where all 24 that data is kept, how it's stored, if -- how 25 long it's being retained, which policy is if I
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1 Q. You say primary. What other -- what 2 other -- I want to call these data centers. You 3 know, but what other data centers do you have, 4 if any? 5 A. We have business a continuity data 6 center for business continuity purposes that is 7 located in Jackson, Tennessee. We also out 8 source some processes to third parties. 9 Q. All right. We are going to spend some 10 time talking about that in a little while. The 11 business continuity servers, those are -- when 12 you say business continuity, does that have 13 anything to do with maintaining data and 14 information for consumer accounts? 15 A. It would be -- the purpose of the 16 business continuity servers and systems would be 17 to provide recovery location in case of a 18 disaster. 19 Q. So -- 20 A. Or an outage of significant nature in 21 our West Jackson Street campus. 22 Q. So it's back up? 23 A. It is a back up is one way to look at 24 it. 25 Q. Any other back up data centers?	1 wanted to access to it, who do we talk to, 2 what's kept, things like that. Because 3 ultimately, we may need that information, and we 4 may need to get to it. 5 MR. TAYLOR: So we will just assume, 6 unless you say otherwise, that any of these 7 questions are consumer banking questions. 8 MR. OSTROW: That's correct. And as we 9 know, the commercial accounts, although I 10 understand, also, that there's some co-mingling 11 of some reporting. All right. Other than 12 trying to, you know, peel that apart, I'm not 13 interested in where, you know, X Y Z company's 14 stuff is stored unless it's stored in the same 15 place, and it's going to, you be, be an issue 16 for me to deal with later on that I should know 17 about now. Clear? 18 MR. TAYLOR: I'm clear. 19 BY MR. OSTROW: 20 Q. Okay. So with that understanding, have 21 any of the answers that you've given, changed, 22 or will they change? 23 A. No. 24 Q. Okay. So you're about to tell me the 25 vendors.

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1 A. We process in house; primarily, our 2 checking account application is processed in 3 house at BancorpSouth. We process, using the 4 FIS IMPHCS, that's I-M-P-H-C-S deposit 5 application for our core checking account 6 application. We do that at our West Jackson 7 campus facility. We use internal software. 8 And, Jeff, I can speak lengthy on this, and I 9 want to be relevant. 10 Q. No, no, so far, you're good. I want 11 you to continue doing what you're doing, and 12 then I'm going to go backward, and I'm going to 13 have you talk to me like I'm five years old. 14 A. Okay. 15 Q. But, no, keep going, because I want to 16 kind of get the whole picture, and then we can 17 better understand each part. 18 A. We run multiple transaction services 19 software to support the different types of 20 transactions that BancorpSouth's customers, you 21 know, expect to be able to do; whether they be 22 ACH transactions, we run the PEP plus software 23 application at West Jackson Street to process 24 ACH transactions. In order to process checks, 25 transactions, we run OSI's check imaging	1 provider as well as our credit card processing 2 provider. 3 Q. And the way you're set up is typical 4 for a lot of banks your size, correct? I mean, 5 for what you see -- what you've seen? 6 A. Based on my experience yes. 7 Q. Right. I mean, they have a 8 relationship with FIS, you're using an IMPHCS 9 system, and there's, you know, there's FDR out 10 there doing debit transactions? 11 A. A number of our peers have similar 12 system setups. 13 Q. Any other pieces of software or any 14 other software that you use that you think is 15 relevant to checking accounts and consumer 16 accounts, specifically? 17 A. For the purposes of this, we have -- 18 for those different systems, we -- we operate an 19 application called X Net that is the archive 20 application that our reports that are produced 21 and archived, that would be the application that 22 you would access to pull up historical 23 information. 24 Q. Are there limitations to what is 25 archived in that system?
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1 software application that is housed and 2 processed in our West Jackson Street campus. 3 We run a platform software that our 4 branches utilize to conduct customer 5 transactions on a teller software platform that 6 is derived from Argo out of Dallas, Texas. That 7 is managed and serviced out of our West Jackson 8 Street office. Of course, each branch has to 9 have a software license in order to do those 10 transactions, but we do that out of West Jackson 11 Street. 12 We process wire transfers, which are 13 requests from customers to send electronic wire 14 transfers to another bank. We utilize fund text 15 wire transfer software that's run at our West 16 Jackson Street campus. We run -- we drive our 17 ATM's, using a Stratus ATM box that is housed at 18 our West Jackson Street campus. It drives our 19 ATM's. It maybe located on site as well as off 20 site. 21 The one software that we -- or the 22 primary transaction type that we don't process 23 at our West Jackson Street campus that we out 24 source is our third-party relationship with 25 FDR. And they are our debit card processing	1 A. I don't understand the question. 2 Q. You don't know what I mean by 3 limitations. What is -- what transactions are 4 not stored in that system? Well, let me break 5 it down. Let's do this. How long does X Net 6 archive reports for? 7 A. We've been using X Net, I believe it 8 was 2006, 2007. Prior to that, we had another 9 software application that performed the same 10 function called TREEV. 11 Q. How do you spell TREEV? 12 A. T-R-E-E-V. 13 Q. Not like retrieve. And is there -- was 14 there any difference between the two 15 applications? 16 A. Yeah, there were differences in the way 17 they -- one was older technology, you know, and 18 the other runs on our mainframe. One was a 19 server base. The other is a mainframe 20 application that -- so there are differences. 21 But from, you know, from what we utilize the 22 software for, you know, it is for retaining our, 23 you know, a data base of all of our reports and 24 data out of -- our processing of our 25 applications.

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1 And I did think of one other software 2 application that is a third party, and that is 3 our online banking application that our retail 4 customers will use. And we use Intuit. It is a 5 third party relationship, and we use Intuit's 6 Internet banking product to provide online 7 banking to our retail customers. 8 Q. All right. So let's talk about the 9 type of information that is archived with X Net 10 and with TREEV. What information is stored in 11 those systems? 12 A. Daily reports, weekly reports, monthly 13 reports, ad hoc reports. Reports across all of 14 our applications that we process, you know, our 15 customers' accounts and transactions on. 16 Q. So all account activity for customers? 17 A. Would be in that archive, yes. 18 Q. All their transactions would be in 19 there? 20 A. Yes. 21 Q. All those codes, which we're going to 22 talk about later, are going to be reflected in 23 that data somewhere? 24 MR. TAYLOR: And when you say codes, or 25 do you mean data?	1 be misunderstanding your question. If I 2 think -- you know, I don't want to ask it for 3 you, but I may be misunderstanding your 4 question. 5 But if you're asking, is there a report 6 that you could access that would list last 7 night's transactions in a manner that 8 included -- we -- there is a transaction journal 9 that's produced everyday for our checking 10 account customers. I'm just trying to remember 11 if the specific tran code is listed with every 12 transaction. 13 Q. Correct. So if you went into the 14 archives, and you wanted to pull -- could you 15 pull client No. 1, and see what they did in 2008 16 on a specific day in terms of what transactions 17 took place? 18 A. You could -- if you knew the day you 19 wanted to look at, you can query on that day, 20 or, you know, access the data for that day. You 21 can pull the transaction journal report. And 22 you can find the account number because we -- 23 our accounts have account numbers. 24 Q. Right. 25 A. And then you can look to see if -- and
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1 BY MR. OSTROW: 2 Q. Well, there's data, right? 3 A. Right. 4 Q. There's transactions that are going to 5 be there. And I'm wondering whether we're also 6 going to be able to pull that up, codes which 7 are going to indicate what those transactions 8 were for. 9 A. There's going to be forms of reports, 10 or I'm trying to think specifically, if I'm 11 understanding your question correctly, you're 12 asking is there a report that would list 13 transaction one on Customer A for \$10, tran code 14 100. 15 Q. Correct. And the reason is because, a 16 lot of times, what happens is, when it's stored 17 into those systems, it's manipulated in a way so 18 that it's retrievable, but it may not be in the 19 same format as it started, or it may be, you 20 know, more summary type information that you're 21 still required to keep, but not that you had 22 when you initially started? 23 A. Right. I can't recall a report that 24 will list transactions with tran code specific 25 in like a single repository of report. So I may	1 they will be in the report if they had 2 transactions for that day. 3 Q. Okay. And those transactions will be 4 identifiable by how? And it's either going to 5 -- on that -- 6 A. Dollar amount. 7 Q. On that paper, it's either going to say 8 a dollar amount, and it's going to say what it 9 was, debit ACH, or it's going to say a code, 10 which would indicate the same thing, correct? 11 A. Would indicate what it was. My 12 recollection, right off top of my head, is that 13 it is a description; the dollar amount and the 14 type of transaction it was. But I -- best of my 15 recollection right now, I do not believe the 16 tran code itself is on that transaction journal 17 report that will correspond to a tran code 18 listing. 19 Q. Okay. All right. Let's go back again, 20 and let's walk slowly through FIS and your 21 IMPHCS system. I'm trying to understand, and we 22 can go through a couple of examples of maybe 23 like a PIN based transaction and a signature 24 based transaction. I want to really know how 25 the systems all interplay with one another.

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1 So maybe the easiest way is for me to 2 have you walk through a transaction. And let's 3 say that you have a customer who goes to a 4 restaurant and does, let's say, a signature 5 based transaction. So I want to know, you know, 6 they sign that thing. You know, there's an 7 authorization. 8 It's going to go to FIS, and they're 9 going to read the IMPHCS system. And the IMPHCS 10 system is going to send a message back to FIS. 11 And FIS tells the merchant, yep, there's money 12 in the account. You're authorized. That may or 13 may not be the right way it happens. But I'd 14 like you to explain it to me, if you don't 15 mind. 16 A. Under the example of signature 17 transaction at a restaurant, the restaurant is 18 going to, on a majority of the occasions, 19 attempt to authorize the transaction. That 20 signature transaction is going to go -- that 21 authorization request is going to go to FDR, who 22 is our third party processor for signature based 23 transactions. FDR, if they are online with 24 BancorpSouth. 25 Q. And why wouldn't they be? If there's	1 A. Normal account, it would be \$400. Our 2 stand-in balance would be \$400 on normal 3 accounts. 4 Q. So the swipe takes place, a message is 5 sent to FDR that this merchant -- 6 A. Right. May or may not be, but we'll 7 assume there is. 8 Q. Let's assume everything is working 9 great today. Message sent up to FDR saying that 10 this customer wants to charge \$50 for -- at this 11 merchant? 12 A. Right. We have a connection from FDR 13 to BancorpSouth to our Stratus device in -- at 14 our West Jackson Street campus. The 15 authorization is going to be based -- for FDR, 16 they are going to make a -- a yes or no 17 decision, and that authorization decision is 18 accept or decline, and that is going to go back 19 to the merchant as an accept or decline. At 20 that point, that's over, you know, the customer 21 leaves, you know. And you know, the trans -- 22 there's nothing else that the customer has to 23 do. 24 Q. And so to be clear, so the 25 communication goes to FDR, they are attempting
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1 an outage? 2 A. That's right. You know, there's an 3 outage or whatever. And that either FDR or 4 some -- somewhere in between FDR and wherever, 5 or us, a -- you know -- 6 Q. And when there's an outage, what 7 happens? They get -- the merchant says your 8 card is not working? 9 A. No. There's a stand in process. 10 Q. So it's not as if the world just stops? 11 A. Right. Most of the time, it's not, on 12 signature, it's not. But there are limits on 13 signature stand-in's. It's not necessarily 14 based upon balance. It's based upon a dollar 15 limit that you'll authorize a transaction, even 16 though you -- you can't see if they've got the 17 money or not. And that's just because 18 customers, you know, you -- they don't 19 understand the outages. 20 Q. Of course. 21 A. So you have to have something in place 22 to try to do the smaller dollar transactions. 23 Q. I want to know, what would take the 24 place of FDR if they're not online with 25 BancorpSouth?	1 to charge \$50. FDR then goes into 2 BancorpSouth's Stratus system to read the 3 customer's account information, and determine 4 whether there is an available balance or not? 5 A. Right. And FDR is going to take into 6 account not only that, but it's also going to 7 take and look if there are other authorizations 8 that FDR has made on that same customer in the 9 last three days that have not been settled. 10 Q. Okay. So let me ask one question 11 before we do that. Is there a specific defined 12 account balance that you all use that FDR is 13 looking into the Stratus system to determine 14 whether there is sufficient funds in the account 15 at that point in time? 16 A. We -- we -- 17 Q. What is that balance called? Even if 18 that balance is going to, like you said, it's 19 not only going to say, do you have the money for 20 this, it's going to say what else for the last 21 three days has not come through that is 22 technically held? 23 A. We do not hold it on our IMPHCS system, 24 but FDR holds it as authorized but unsettled 25 transaction.

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1 Q. So FDR knows that there's other things 2 that are not settled yet, and they're not going 3 to just let this \$50 go through that may 4 overdraft you? 5 A. Right, right. So what we're going to 6 -- what -- what the process is going to be is 7 FDR is going to do -- do an authorization 8 request. And the balance that you're referring 9 to is going to be the -- the most current 10 balance we have available on the customer 11 relationship at the time of the authorization. 12 And it will include up to \$500 of the customer's 13 overdraft limit, if they have an overdraft 14 limit. 15 And -- and then FDR will factor in the 16 -- the other authorized transactions. They 17 maintain their own balance. You know, they 18 calculate their own balance. After they get 19 that information from the Stratus system, they 20 then back out, if you will, other authorized 21 transactions that have occurred in the last 22 three days that have not been settled. So 23 BancorpSouth may say there's \$100 in Tupelo at 24 the Stratus system available for authorization. 25 FDR may know of two other debit card	1 Q. That we described. So I guess now 2 let's go where you were talking and saying that 3 FDR, when it goes into the Stratus system, is 4 going to also look for other available money 5 that it could add to the then balance to pull 6 from, correct? 7 A. No. The Stratus system itself is a 8 stand alone system that we drive our ATM's with 9 and we process and authorize our PIN based 10 transactions with. That system is designed 11 to -- to determine the available balance for the 12 account, whether it be an ATM or PIN based 13 transaction, and the available balance for the 14 account that FDR will access. So FDR does not 15 know if they have a credit card overdraft 16 protection, FDR does not know that they've got 17 another checking account -- 18 Q. FDR just knows what Stratus tells it? 19 A. That's right. 20 Q. And Stratus is the brains to find out, 21 at your bank, where there's money that this 22 customer could pull from to get the message back 23 to FDR that there is money available? 24 A. Right. That is done internally at 25 BancorpSouth between our -- our IMPHCS system,
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1 authorizations that aren't on our system. 2 Q. Because you don't maintain that until 3 they actually settle with you? 4 A. That's right. 5 Q. Okay. 6 A. And so they know that, and they would 7 subtract, let's say, two \$20 transactions that 8 have not settled. So for FDR, the balance would 9 be \$60. And then FDR will make a, you know, an 10 accept or decline on that authorization to the 11 merchant. 12 Q. Okay. Well, so in the world where 13 there's no overdraft \$500, and there's no linked 14 account and any of this extra money for FDR to 15 look to see whether they can pull from in making 16 the authorization. And if so -- if there's \$50 17 in the account and they are trying to use \$45 at 18 that store, okay. Then, in the perfect world, 19 it goes up, goes over, comes back, and then they 20 authorize the merchant saying that has been 21 approved? 22 A. That's been approved, yes. 23 Q. And this is for a signature based debit 24 transaction? 25 A. Yes.	1 which runs on the mainframe, and the Stratus 2 system, which is on two applications which runs 3 inside the Stratus. 4 Q. In a minute, I need to understand 5 IMPHCS and Stratus, what the overlap and 6 differences are. But so Stratus is doing -- is 7 going to tell FDR whether there's money there or 8 not, and Stratus going to analyze the actual 9 amount that's in the account at that moment, 10 okay, has nothing to do with maybe processed and 11 unsettled? 12 A. Right. 13 Q. It will also analyze a linked account, 14 which is what I'm calling linked account, which 15 is, you know, correct me if I'm wrong, that's 16 going to be a savings account, okay, or another 17 type of account where it's set up that if you 18 need money to pull because you don't have 19 enough, it will pull from there, correct? 20 A. We have multiple overdraft protection 21 products, and linked account products would be 22 one. 23 Q. What else does you have other than 24 linked accounts? 25 A. We have a credit card overdraft

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1 protection in which we have our own credit card 2 portfolio. And a customer can tie their 3 checking account to their credit card. We have 4 a line of credit overdraft protection in which 5 the customer can have a HELOC, a home equity 6 line of credit, or a stand alone line of credit. 7 Q. Can a linked account be other -- can it 8 be another checking account? 9 A. Yes. 10 Q. Or savings account? 11 A. Yes. 12 Q. Any other type of accounts? 13 A. Checking and savings would be the only 14 linked account opportunities. 15 Q. And then you mentioned another source 16 that Stratus will calculate in determining 17 available balance. Is that the right word? I 18 want to make sure I have the right terminology 19 that you use. 20 A. Available balance is the word that we 21 use. 22 Q. Okay. That's what Stratus is figuring 23 out what's there to tell FDR whether there is 24 sufficient funds, it's the available balance, 25 and that's the amount --	1 \$5,000 limit, you would only authorize \$500 as 2 the overdraft limit for -- is it per 3 transaction, or for a certain period of time? 4 A. For that day. 5 Q. For that day. What if you don't have a 6 linked account and you don't have a line of 7 credit and you don't have a credit card there to 8 protect you? 9 A. Then on the retail banking side, a 10 majority -- 11 Q. You know what we need to do, we need to 12 do -- let's go pre Reg E now. 13 A. Okay. And I'm sorry. I have been 14 answering all these questions pre Reg E. 15 Q. Okay. I don't know with respect to any 16 of those whether it mattered, the time period. 17 But now, we're going to start talking about 18 where you don't have any of those in place 19 protections, okay. So what happens, and you'll 20 tell me whether there's a difference pre Reg E 21 or post Reg E, but let's start pre Reg E, what 22 happens if on a signature based transaction, go 23 to swipe \$60, it goes to FDR. FDR goes over to 24 BancorpSouth, they're going to look at the 25 Stratus available balance, and they're going to
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1 A. In Stratus. 2 Q. From all accounts? 3 A. Well, the -- 4 Q. All the linked accounts as well as 5 whatever -- all the overdraft matrix? 6 A. Overdraft limit. 7 Q. Overdraft limit. 8 MR. TAYLOR: And linked cards or line 9 of credit? 10 MR. OSTROW: Correct. 11 A. Regardless of whether you have a linked 12 account, a credit card or a line of credit, what 13 we provide through the Stratus, or an overdraft 14 limit if you have this much, what we provide to 15 the Stratus is up to \$500. We don't provide the 16 whole dollar amount on debit card transactions. 17 So we don't say you've got a \$5,000 credit card 18 balance, and it's all available to use and 19 authorize through your debit card at a merchant, 20 we -- we provide up to \$500 of that availability 21 for the debit card authorization. 22 BY MR. OSTROW: 23 Q. Okay. So if I had a -- if a customer 24 had a credit card which was to be used, you 25 know, to -- as overdraft protection with a	1 tell you there's only \$50 available. FDR then 2 gets that information and does what with it with 3 the merchant? 4 A. Well, FDR, of course, is -- is going to 5 be the accept or decline point. 6 Q. Right. 7 A. You know, as -- as far as the decision 8 back to the merchant. Pre Reg E, if I -- and 9 again, I may be jumping off here, but it's how 10 we do it. And I want y'all to know, you know, 11 when -- for a majority of our retail banking 12 accounts, pre Reg E, we analyzed those accounts 13 at the point of time that they have a statement, 14 and we looked at several criteria. 15 And we determined an overdraft limit 16 for that account. And then that overdraft limit 17 is going to be used to pay transactions, you 18 know, check ACH, et cetera, as well as up to 19 \$500 of that overdraft limit could be used to 20 authorize debit card transactions on retail 21 banking customers. 22 Q. Okay. So -- 23 A. The majority of them, not all of them. 24 Q. Is the -- what do you call that? 25 A. Overdraft limit.

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1 Q. So you call the overdraft limit -- so 2 they -- are you -- 3 A. I may have misunderstood your 4 questions. 5 Q. Am I right, then, do they have \$500 6 available to them, regardless of whether they 7 have a linked account, credit card, a line of 8 credit, or none of those? 9 A. They have available to them up to 10 \$500. 11 Q. I understand. You're going to tell me 12 that there's several criteria to analyze that 13 customer X may get two bucks, or they may get 14 nothing. 15 A. Right. 16 Q. Or some guy may get the full 500? 17 A. Or more. It could be more, but we're 18 not going to make it available on the debit 19 card. You know, it's just -- you know, our 20 overdraft limit, you know, the purpose behind 21 the overdraft limit is -- is primarily for 22 payment decisions, authorization, you know. And 23 so, you know, an account doesn't have to have a 24 debit card to get an overdraft limit. 25 It has nothing to do with the overdraft	1 you know, \$50 in my account. But all those 2 other things; my savings and the line, all those 3 are, you know, thousands, tens of thousands, 4 whatever it is? 5 A. For a majority of customers, that will 6 not be paid. And I mean a vast majority of 7 customers. 8 Q. Because it's a \$500 cut off? 9 A. Yes. 10 Q. Up to \$500? 11 A. Right. 12 Q. So now, you have none of those 13 protections in place. And you're just one of 14 those people that, you know, just -- I have a 15 debit card. And I have money in my checking 16 account and it's \$50 in my account, and I go to 17 the merchant that I want to swipe \$300. Okay. 18 Do I have a -- I still have an overdraft limit 19 of up to \$500, correct? Yes? 20 A. Yes. 21 Q. Based upon whatever criteria that you 22 determine, and that's going to decide the amount 23 that you'll give me? 24 A. Yes. 25 Q. But, in no event, can I get more than
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1 limit. You know, the overdraft limit is -- is 2 account specific criteria. And it's used in our 3 back office for when transactions come into be 4 paid on the account, you know, to automate the, 5 you know, the up to a certain dollar level based 6 upon that account criteria. And then after 7 that, of course, it becomes a loan officer is 8 going to make the decision. 9 Q. So let's again break them apart. 10 Because I don't know whether -- I'm still a 11 little confused. I don't know whether there's a 12 difference. If you have all those other 13 protections in place, you got the credit card, 14 you got the overdraft line of credit. You've 15 got a linked account. For putting the checks 16 and ACH, all that aside, we're just doing the 17 debit signature. 18 A. Okay. 19 Q. But let's say your credit card is 5,000 20 and your savings account is \$50,000. And you go 21 to swipe at a merchant, \$700, will that ever be 22 paid? 23 A. If you have \$700 in your account, it 24 will, or if you have -- 25 Q. I don't have \$700. Let's say I have,	1 \$500? 2 A. No. There is a -- again, it's an 3 extreme exception, but there is a process that 4 we can go in on specific customers who, you 5 know, we all have them, that we are willing to, 6 you know, give them a higher level of 7 authorization. Or you can call, you know, our 8 call center. You know, if you are XYZ, and I 9 mean these are rare exceptions, but just so you 10 know, you can call the call center and say, hey, 11 I am here. I've got to buy a airplane ticket. 12 I'm trying to come home. You can see my mama's 13 account got -- you know, you know mama. 14 Q. And then you'll authorize above \$500? 15 A. Right. 16 Q. But that requires -- your software 17 doesn't enable you to do that? 18 A. No. 19 Q. Unless you go in and change the amount 20 of the limit internally? 21 A. That's correct. 22 Q. Okay. So we've covered the situation 23 where there's enough money, FDR authorizes it, 24 correct? 25 A. Uh-huh (affirmative response).

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1 Q. And at what point in time does the 2 customer's account get that money deducted? 3 A. Well, that's totally up to the 4 merchant. The merchant's in control of that, 5 because -- and they're in control of the amount 6 because the authorization and the amount can be 7 two different things. Your example of a 8 restaurant is a very common occurrence where 9 it's two different things. Your meal was \$25. 10 They took your debit card, they went back there 11 and they swiped it for \$25, or they may have 12 swiped it, expecting you to give some tip. 13 But it's totally up to the merchant, 14 you know. Then you come back and you decide if 15 you're going to give a tip or not, and you make 16 it out for whatever dollar amount you want. 17 The -- you know, the merchants themselves have 18 to go back. And they're going to have to create 19 the actual transaction. 20 And eventually, they will settle that 21 transaction. And then there will be a file 22 produced by FDR on a daily basis that will 23 present that file to BancorpSouth in the 24 evening, and for all transactions that were 25 settled that day through all the merchant	1 A. Or may not have a relationship. 2 Q. Other than they want to get the money 3 from you? 4 A. Right. They have a relationship -- you 5 know, they'll have a contractual relationship 6 with their merchant services provider. That -- 7 and that's who they expect to give them the 8 money. 9 Q. So if one of your customers goes into a 10 restaurant and they swipe their card they had 11 enough money, when the merchant -- what does the 12 merchant need to do to settle up? 13 A. Well, I couldn't -- in general terms, 14 because there's different software, different 15 procedures, you know, that different merchant 16 service providers may have. And I don't -- 17 MR. TAYLOR: You mean from the bank's 18 perspective, what do they need to do? 19 BY MR. OSTROW: 20 Q. Well, from the bank's perspective, the 21 bank provided an available balance to FDR? 22 A. Right. 23 Q. Then FDR authorized a transaction, 24 based upon that. But then if they -- when they 25 actually have to go to settle up with the
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1 relationships, they will post to that customer's 2 account that night. 3 Q. All right. And that's the -- you would 4 agree that that's the majority of the 5 transactions are done -- that are signature 6 based, are done that way where the merchant will 7 go at the end of the day, or whatever time they 8 sit back at their desk, right? 9 A. Once a day, once a week. 10 Q. And they settle -- well, that changes; 11 once a day, once a week. My question is whether 12 the majority of those merchants are doing that 13 the same day? 14 MR. TAYLOR: Object to the form. But 15 answer if you know. 16 A. I -- I don't know a percentage of 17 merchants that settle on a daily basis, who 18 settle on, you know -- we don't -- they're not 19 all our customers, you know. So I -- I don't 20 know. A merchant can be customer of whoever 21 bank out there. And I would have no idea what 22 their settlement practices were. The merchant 23 doesn't have a relationship with us. 24 BY MR. OSTROW: 25 Q. I understand that.	1 merchant, I mean, with the merchant servicer at 2 the end of the day, or once a week or whatever 3 it is, they're either going to settle up for the 4 same amount that it was previously authorized 5 for, for the 15 or 20 percent or wherever you're 6 from, a different percentage for tip. So my 7 question is, do you know what the merchant needs 8 to do in order to then have the initial or the 9 additional money settled? 10 A. For any transaction that the merchant 11 wants to process, because authorizations, you 12 know, there are authorizations that don't ever 13 get processed for a host of reasons. 14 Q. Name a few. 15 A. Hotel reservations, you know, you use 16 your debit card for a hotel reservation and car 17 reservations. And you use your card, you know, 18 for hotel reservations, but you use a different 19 card to pay for it. You used -- you do 20 authorizations for, you know, different types of 21 -- 22 Q. Would an example be you go online to 23 book a hotel for a month from now and it's \$300 24 a night. So they take your \$682. Are you 25 saying some of those hotels are then going to

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1 get the authorization right when you enter that 2 information, so Stratus is -- FDR is going to 3 then contact Stratus to get the available 4 balance. And there's an authorization that 5 comes back. The money doesn't come out of the 6 Stratus account, but FDR knows there's an 7 authorization there. And then the person 8 cancels the hotel and gets, you know, their 9 money back. But the money never came out of the 10 account? 11 A. And money never came out of the 12 account. 13 Q. They get the authorization terminated. 14 Is that safe to say? 15 A. Well, the authorization never cleared. 16 I mean, an authorization is just -- it's a -- 17 it's a -- it stands on its own. You know, when 18 a merchant get an authorization, it stands on 19 its own as an authorization. Some merchants 20 want to authorize, you know, they're doing the 21 minimum dollar authorization. 22 And I know we're chasing rabbits here. 23 But just, you know, I know, and you may know 24 this, if you go to the convenience store and 25 swipe your card to get gas, you have no idea how	1 Q. And is that -- does that have a time 2 and date information? 3 A. You mean the -- the transaction time 4 and date? 5 Q. The authorization time and date? Let 6 me make sure I understand what's on that 7 report. You said you get a report from FDR that 8 has authorization information. Does that report 9 have only authorization information when the 10 actual money was taken out of the account, or 11 every authorization that came through, whether 12 or not the sale was consummated? 13 A. If there was an authorization, 14 regardless of whether it's ever settled, it's 15 going to be on the authorization report. And 16 you know -- 17 Q. So let's use me, for example. I -- you 18 know, on a particular day, the merchant -- five 19 different merchants, including one hotel 20 authorized, right, and then I cancel the hotel 21 and I end up never using that money, all right. 22 That -- that -- those authorizations will all be 23 there whether or not I actually stayed at the 24 hotel or not? 25 A. That is correct.
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1 much gas you're going to buy. Now, they're 2 doing some nominal -- normally, they're doing 3 some nominal authorization, you know, so that 4 you can purchase gas. 5 Q. They want to make sure that you've got 6 a real card that's got something there? 7 A. Right, right. And then later, you 8 know, however they do their settlement, you 9 know, they're going to -- they're going to do 10 the transaction for whatever dollar amount you 11 bought gas for. But on the hotel side, you can 12 do a -- you can do an authorization, and 30 days 13 later, you can show up and pay -- pay with 14 another means. Or you can cancel and not pay at 15 all. So there are multiple factors. 16 Q. FDR, are you aware whether they keep 17 records of all their authorizations, whether or 18 not they actually, you know, the money actually 19 ever came out of the account or not? 20 A. We maintain a report of authorizations 21 on a daily basis in X Net. 22 Q. In X Net? 23 A. Uh-huh (affirmative response). We 24 receive that report from FDR. And it's 25 authorization report.	1 Q. And my question is those 2 authorizations, when you -- if I were to look at 3 that report, would I see the date and the time 4 that FDR -- 5 A. My recollection is yes. 6 Q. -- FDR went into your system to find 7 out what the available balance is? 8 MR. TAYLOR: I think you're asking a 9 different question. 10 THE WITNESS: Yeah, you changed it. 11 MR. TAYLOR: Did you mean to ask does 12 the X Net held FDR report, report the 13 authorization, regardless of whether the 14 transaction posts? 15 MR. OSTROW: I think I asked -- and I 16 thought he said the answer is yes. 17 A. Yes. We -- the -- the FDR 18 authorization report is a -- is a listing, it's 19 a journal, or whatever you want to call it, a 20 listing of authorizations for that day that were 21 made through the FDR in that cycle of period. 22 BY MR. OSTROW: 23 Q. And you get the report every day? 24 A. Yes. 25 Q. And if you looked at it, there would be

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1 just pages and pages and pages of transactions, 2 correct? 3 A. Yes. 4 Q. So what other information, other than 5 an authorization for X amount of money, is going 6 to be on that report? 7 A. Normally, a description, you know, 8 saying where the authorization -- a description, 9 you know, of, you know, the authorization, you 10 know, Hilton Garden Inn, you know. I believe 11 there's a -- there's a unique identifier, you 12 know, that says, you know, when you have an 13 authorization, you create a, you know, an 14 authorization number. 15 Q. Some 18 digit number that has to do 16 with that one swipe? 17 A. Right, that uniquely identifies that. 18 And then, if I recall correctly, there would be, 19 of course, the authorization amount, you know, 20 the authorization itself. And then there'll be 21 a date. And my recollection is there's a time, 22 you know, 14:22, which is 2:22 in the afternoon, 23 you know, on October 11th. And it just, you 24 know, just -- just a big report. 25 Q. And it has the customer's account	1 Q. But FDR can match that up? 2 A. Yes. And we have -- we know, too. We 3 know -- we know what debit card goes with what 4 customer. They call in our call center, you 5 know, my debit card ain't working, you know, we 6 know -- yeah, we know as well. 7 Q. Okay. So let me back up. Explain for 8 me, the IMPHCS system is your -- is your 9 internal checking account application? 10 A. Yes. 11 Q. And then Stratus is specific to? 12 A. Stratus is specific to ATM's, and PIN 13 based authorizations for debit cards, you know. 14 Of course, all our ATM's are tied and driven by 15 the Stratus device. And then it is used -- 16 utilized for the -- it's a connectivity point 17 for FDR into our bank's -- into our bank's 18 information. 19 Q. The overdraft limit you spoke of 20 earlier, do customers ever know what that limit 21 is? 22 A. No. 23 Q. Can they find out? 24 A. Normally, not. It's not something that 25 we publish.
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1 number as well? 2 A. No. 3 Q. Does not? 4 A. No. 5 Q. So how do you match up those 6 authorizations, if you ever wanted to, with a 7 particular customer? 8 A. The FDR system, you know, there's a 9 debit card number. And so you have a debit card 10 number, and that's what FDR is utilizing. Then 11 there's a table that would say Jeff Jaggers, 12 checking account number, 123, correlates to 13 debit card number seven, eight, nine, ten. That 14 -- 15 Q. Does the debit card number show up on 16 that line item? 17 A. No. 18 Q. I will -- 19 A. I don't believe the debit card number 20 is on that report either. I -- I don't believe 21 it is. 22 Q. That's fine. 23 A. I'd have to look. If we had a copy of 24 the report, I could -- it's not a report I look 25 at very much.	1 Q. How often is that recalculated? 2 A. Normally, it's calculated at the 3 statement time, when the customer's account 4 statement drops, which is, normally, every 5 month. It is also recalculated if they have 6 been overdrawn more than eight consecutive days, 7 it's recalculated to zero. It goes down to 8 nothing. 9 MR. TAYLOR: When you get to a 10 convenient stop, can we take a very short break? 11 MR. OSTROW: Right now. 12 (SHORT BREAK) 13 BY MR. OSTROW: 14 Q. All right. So in that first example 15 with the signature based transaction, if they 16 don't have an overdraft limit, or if their limit 17 is nothing, then when that card is swiped, FDR 18 sends back a rejection to the merchant; is that 19 correct? 20 A. If the available balance -- if the 21 Stratus is less than what the authorization 22 request is for, or if the available balance at 23 the Stratus is enough, but there's, within three 24 days, settled authorized transactions that have 25 not been settled that lower balance below the

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1 authorization request, they will be declined. 2 Q. Is Stratus' available balance, you said 3 earlier does not take into account 4 authorizations unless they settled, correct? 5 A. Signature authorization, that is 6 correct. 7 Q. Is there a distinction between PIN 8 based? 9 A. Yes. The PIN based authorizations are 10 done by Stratus itself. Therefore, it has the 11 information immediately because it's going to -- 12 that's its role, if you will, that system. One 13 of it's roles is to authorize PIN based 14 transactions. So therefore, it knows it 15 immediately, it will take it into account before 16 another PIN based transaction or whatever else, 17 you know, ATM transaction or whatever posts. 18 Q. We'll talk about the PIN based in a 19 second. Let's go through the PIN based 20 transaction. Walk me through a customer that is 21 attempting to do a transaction in that fashion, 22 and who's communicating with who after that. 23 A. The PIN based transactions are, you 24 know, at a merchant, we'll use Wal-Mart as an 25 example again, Wal-Mart is going to have a	1 authorizes them to do PIN based transactions. 2 Q. Which takes place of FDR? 3 A. Right. 4 Q. When it's a signature base for you all? 5 A. Right. 6 Q. And then it goes through the exact same 7 process as described before, then the 8 communication process is the same -- 9 MR. TAYLOR: From the Stratus -- are 10 you asking in a PIN based transaction when the 11 information hits Stratus? 12 BY MR. OSTROW: 13 Q. Correct. Well, walk me through it 14 again. Wal-Mart PIN based goes through 15 Wal-Mart's third party? 16 A. Right. 17 Q. Then what happens? 18 A. What -- you know, that -- it will be 19 routed to BancorpSouth, you know, Stratus 20 system. And that system is going to authorize 21 or decline the -- it's actually going to make 22 the authorization or decline decision. And it 23 will send back a, you know, an authorized -- an 24 authorization number, it will send back a 25 declined.
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1 relationship with -- with an entity, you know, 2 through its code authorization process, that if 3 they -- if the transaction is initiated and 4 attempted as a PIN based transaction, that 5 authorization is going to come through that 6 network and going to come to BancorpSouth. And 7 the Stratus system at BancorpSouth is going to 8 approve or decline that PIN based authorization, 9 and then the -- go back through network. And 10 that approval or declination will make its way 11 back to the merchant, and move on. I mean, it's 12 just -- 13 Q. So FDR is not involved in that? 14 A. No. 15 MR. TAYLOR: As a matter for the 16 record, you want to have, when we're using the 17 word, PIN, all caps. 18 MR. OSTROW: Yes, P-I-N. 19 BY MR. OSTROW: 20 Q. Okay. So if I heard you, I was reading 21 something while you were talking, so they go to 22 Wal-Mart. It's a PIN based transaction, it goes 23 through Wal-Mart's vendor? 24 A. Wal-Mart is going to have to have a 25 relationship with somebody that -- that	1 And when that occurs, you know, if the 2 transaction is accepted, that's immediately 3 going to go to the IMPHCS system, because, you 4 know, we know it. It's inside of our system, 5 and it's a -- it's a -- PIN based transactions 6 are processed in a more real time type thing, 7 that, you know, they're not authorized in coming 8 in as a different dollar amount. You know the 9 transaction, what it's going to be. 10 So those are memo posted to our IMPHCS 11 application and to Stratus. So that if you go 12 and try to do another PIN based transaction, you 13 know, later in the day, or if you do a signature 14 transaction later in the day, the Stratus system 15 knows you did it. It has already authorized a 16 PIN based transaction. 17 Q. And the money will be deducted from the 18 available balance instantaneously? 19 A. Memo posted. 20 Q. Which means what? 21 A. Memo posted means that there is 22 transactions during the day, during a cycle, a 23 normal cycle, of a day can be memo posted to the 24 account which the means they can either receive 25 a credit for it, if it's a deposit, like an ACH

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1 draft that comes in in the morning. You know, 2 you can make that available to the customer that 3 morning for -- for transaction authorizations. 4 Or if it's a debit, you can memo post that 5 against the account so that those funds can't be 6 withdrawn again. 7 Q. I'm still confused. I'm trying to 8 understand. So for the available balance, when 9 does that available balance reduce? 10 A. At the Stratus, it reduces immediately 11 upon a PIN based authorization. 12 Q. So a customer goes to Wal-Mart, it goes 13 through their third party, goes right into 14 Stratus. Stratus says, yes, there's enough 15 money, boom, approved. Stratus is sending the 16 message right back. And then it's deducted 17 immediately? 18 A. From the Stratus available balance. 19 Q. And if somebody -- if a customer goes 20 online and looks at their statement right after 21 the approval, would the online statement reflect 22 that reduction? 23 A. Not immediate. And there's a time 24 period for several years, that update was done 25 every two hours. You know, we would update the	1 account applications at night. 2 So what we're doing during the day is, 3 you know, is it's either memo posting, or we do 4 not do, you know, real time processing posting. 5 The -- the application, the core applications, 6 IMPHCS is processed at night. All of the 7 transactions are accumulated for that day, 8 regardless of the transaction source. And then 9 they post on the customer's account that night. 10 Q. Okay. So FDR, then, is your third 11 party for debit transactions to authorize or 12 reject, correct? 13 A. Yes. 14 Q. And they use FIS? 15 A. We -- we use FIS' IMPHCS application in 16 house to process our core checking account. 17 Q. Okay. So does FIS communicate with the 18 IMPHCS software? 19 A. FIS owns -- FIS is the company. 20 Q. Right? 21 A. That -- that we licensed the software 22 from them. 23 Q. But is there other than, you know, when 24 you get the software, other than maintenance, 25 or, you know, upgrading year to year so they can
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1 customers online banking or we out source that 2 to Intuit, as I mentioned earlier, the Internet 3 banking product. 4 So for several years, that would have 5 been, that update to the online banking 6 transaction journal would have been done on a 7 periodic basis throughout the day, which is 8 approximately every two, two and a half hours. 9 Today, it would be done within five minutes, ten 10 minutes. 11 Q. So that's pretty fast? 12 A. Yes. 13 Q. And your system -- your system, when 14 it's PIN based transaction, obviously, you know 15 exactly when it comes in, the date and the time, 16 right, because they're processing it real time. 17 So you keep a record of that date and time 18 somewhere? 19 A. Yes. 20 Q. Of when it happens? 21 A. In our X Net report archives, there is 22 a PIN based transaction log of all transactions 23 that were authorized through Stratus for that -- 24 for that day. I do want to make sure I'm 25 clear. We post and process our core checking	1 get their gazillion dollars that they probably 2 do, what is the every day, if any, relationship 3 between the bank and FIS? 4 A. For the -- FIS is a large company for 5 the purpose of retail banking. 6 Q. Yes. 7 A. We license software from them that we 8 run in house. And -- and there's not a -- we 9 have our own technical staff, our own computer 10 hardware, so there's not a day-to-day 11 relationship. 12 Q. Do they back up any of that 13 information? 14 A. No. 15 Q. For what's run through your software? 16 A. No. 17 Q. Nothing. And there's no -- so there's 18 no -- other than for retail banking, other than 19 issues that may arise regarding the software 20 that your in house people can't deal with, for 21 upgrades or other things of that nature, there's 22 no regular communication between the two of you? 23 A. That is correct. 24 MR. TAYLOR: And just again, the two of 25 you in that instance is FIS and BancorpSouth?

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1 MR. OSTROW: Correct. 2 MR. TAYLOR: Okay. 3 BY MR. OSTROW: 4 Q. On a PIN based transaction, when 5 Stratus is authorizing, does Stratus treat the 6 PIN based transaction the same as a signature 7 based when it's looking for other available 8 money to include in the available balance? 9 A. Yeah -- yes. 10 Q. Doesn't matter that it's one versus the 11 other? 12 A. No, no, I mean, an ATM would fall in 13 the same category. If you're at an ATM to do 14 the transaction at a BancorpSouth ATM, that 15 Stratus would authorize that. 16 Q. So let's just quickly touch on ATM. If 17 you go to a BancorpSouth ATM and take out \$300, 18 is that communicating directly with Stratus? 19 A. Yes. 20 Q. So you're online point-to-point as 21 opposed to going through FIS? 22 A. Right. We process our own ATM's and we 23 own our own ATM's. And so the ATM's that 24 BancorpSouth has either on its property or maybe 25 on a remote site, you know, a convenience store	1 only thing that occurred, yes. 2 Q. Right. Nothing else happened? 3 A. Right. 4 Q. And again, when it's a PIN based 5 transaction or an ATM, Stratus isn't taking into 6 account authorizations, correct? 7 A. That is correct. Signature 8 authorizations are not taken into account, 9 either anywhere inside of Stratus for 10 authorization. 11 Q. Again, to be clear, until an 12 authorization, a debit transaction authorization 13 is -- signature based debit transaction is 14 actually settled, the customer who looks at 15 their account statement is not going to see that 16 money taken out of their account, correct? 17 MR. TAYLOR: Are you talking online or 18 paper? 19 BY MR. OSTROW: 20 Q. Online. 21 A. Online, no. The signature -- because 22 the signature transaction that's authorized by 23 FDR, we don't -- we don't memo post that. We 24 don't reflect that in any of our systems until 25 the actual transaction itself is settled and is
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1 or whatever, we have a communication 2 connectivity to that ATM that comes back to our 3 West Jackson Street campus. And our -- all of 4 the ATM loads, if you will, the software that 5 operates the ATM, the transactions through our 6 ATM's comes through the Stratus. 7 Q. So it is similar to the PIN based, 8 obviously PIN based, right, in that it's going 9 -- Stratus is making the authorization, and the 10 money is going to come out immediately? And I'm 11 not saying out of the machine immediately, but 12 out of the account immediately because they're 13 the ones that are authorizing? 14 A. It is going to authorize -- it is going 15 to operate like a PIN transaction, but the money 16 is going to be memo posted. It does not come 17 out of the account at that time. It is memo 18 posted and it is reflected as a transaction, you 19 know, that will post that night on that 20 customer's account. 21 Q. If you have \$10,000 in your account and 22 you go to an ATM -- BancorpSouth ATM and take 23 out \$400, if you hit available balance, does it 24 come out say \$9,600 right then? 25 A. At that -- at that time, if that's the	1 presented to BancorpSouth, you know, with our 2 FDR relationship in a file that we receive each 3 evening, and then that file goes into our 4 posting for that -- for that day. 5 Q. And is the policy for not doing that 6 because it's not settled and not finalized at 7 that point? 8 A. We have never done that, you know. 9 We've been -- we've had signature based 10 transactions with FDR since the 90's. It's just 11 never been something that we've done. We know 12 other banks do, you know -- you know, hold those 13 funds, if you will, but it's not an interface 14 that we've ever written. 15 Q. I understand. What is your 16 understanding of what the other banks do when 17 they hold those funds? 18 MR. TAYLOR: Object to the form. 19 A. Yeah, they do multiple things. 20 BY MR. OSTROW: 21 Q. If you have an understanding? 22 A. They do -- different banks do different 23 things. You know, so, you know, like some banks 24 do, you know, a hold of the transactions, you 25 know, on their core systems, so that those funds

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1 are memo posted and that those balances are 2 reflected at the time of authorization, even 3 though the transaction may not come in two or 4 three days later, you know. 5 So they go ahead and place a hard -- 6 what I call a hard hold or a memo post on that. 7 And so those funds are not available, you know. 8 And most banks that I'm familiar with, who have 9 that type of process, they have a number of 10 days. Because you can't practically hold a 11 30-day reservation, you know, on a customer's 12 checking account. 13 Q. Understood. 14 A. They use their debit card to authorize 15 a hotel, I mean, to make the hotel reservations. 16 So they normally might hold it for two days or 17 three days. But they'll -- they'll hold those 18 transactions, and it will reflect in the 19 balances that are available. And therefore, it 20 will reflect in the transactions that may be 21 subject to a fee. 22 Q. Getting back to your stored information 23 with X Net. Does the information get over to 24 that system after a certain period of time, 25 meaning do you have live -- I don't know how	1 And the branch has the ability to see that 2 transaction, you know, right there on their 3 screen in real time. They don't have to go into 4 X Net or, you know, through the IMPHCS system. 5 And then once that time period elapses, 6 if a customer comes in and wants to -- has a -- 7 has a question about a transaction from 120 days 8 ago. They're going to have to look into X Net 9 and look at the reports to see that information. 10 Q. Does the branch personnel have access 11 to X Net? 12 A. Yes. 13 Q. I'm assuming they don't have -- am I 14 correct that they don't have access to 15 everything that X Net has? 16 A. That is correct. 17 Q. Don't have access to reports that you 18 can see? 19 A. They would only have access to the 20 report that they would need to perform their job 21 duties. 22 Q. And X Net's retention is for how long, 23 how far back? 24 A. Well, right now, it's for ever since we 25 put it in, which was either late '06, somewhere
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1 you all -- you probably know all the right 2 words, and you're laughing at me. 3 A. No. 4 Q. Do you keep information live for, say, 5 a week, and then it goes on back up to X Net and 6 gets put in the same or different format? I'm 7 asking two different questions so I don't want 8 to confuse you. You know, first is the time 9 period that it's live. And then the second is 10 the format once it gets over different? 11 A. Okay. I'm going to answer in multiple 12 -- I'll start with if you walk into a branch, a 13 BancorpSouth office. You walk into a 14 BancorpSouth office, all of our branches have 15 access to your account information, including 16 your transaction history. And they can view 17 your prior -- previous day's history up to, I 18 believe it is now 60 days prior to your last 19 statement. Previously, it was maybe 30 days 20 prior to your, you know, your last -- last 21 statement. 22 And so you can walk in a branch and 23 say, hey, you know, I want to talk to you about 24 a transaction, you know, from last Thursday. I 25 don't -- I didn't do it, whatever, you know.	1 around '06. 2 Q. And then you'd look at TREEV? 3 A. TREEV before that. And I will -- so 4 that I'm clear, the branches do not have access, 5 today, any longer to TREEV. You know, that's 6 just used in our back office. So if you have 7 something that you -- for whatever reason, need 8 something from 2005, you would contact our 9 research department. We have a back office 10 research department that would pull that 11 information. 12 Q. And so I guess the other part of the 13 question was is the data that's stored in X Net 14 and TREEV in the same format that it was in 15 previously? 16 A. I didn't answer that part of it. No, 17 it would not be in the same format. The format 18 that the branches would have access to or our 19 call center would have access to would be an 20 online real time IMPHCS screen that we run a -- 21 we run an IBM mainframe shop, which uses 22 software called CICS. It's an acronym for 23 communication software. 24 IMPHCS is developed to operate in that 25 environment, and through that environment, there

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1 are programs, online programs, that are created 2 to display different information based upon a 3 CICS transaction type. I can do an IMPHCS 4 transaction one type of transaction. And it may 5 give me your name, your address, you know, when 6 you opened your account, you know, what product 7 type you're in. 8 You know, I might do an IM transaction 9 type two, and it might give me a listing of your 10 prior day's transaction. And I am -- you know, 11 and so you have different online screen that is 12 meant to display and provide different 13 information about the customer's relationship. 14 That type of information, you would be able to 15 see certain intraday information. 16 The customer had an ACH payroll deposit 17 come in, you know, at 9 a.m. this morning. And 18 it has been -- that deposit has been made 19 available to the customer. They had a PIN based 20 transaction authorized at 2 p.m., you know, you 21 can see that on these online transaction 22 listings. So that's a -- that's a process and 23 program that are designed for that purpose for 24 the use of people who are supporting a 25 customer's needs, et cetera. And then there's	1 obligation to retain that. 2 Q. Trial balance, I don't take us off the 3 mark, but what is your definition of trial 4 balance as you all use it? 5 A. It's just a standard report that comes 6 out of the IMPHCS application that lists all of 7 the accounts for that day with their account 8 number, lists their short name. It lists what 9 product type they are. And I believe it lists 10 -- I believe it lists the ledger balance, you 11 know, for that day, it's end of that day's 12 processing. 13 It may list the tax ID number. I can't 14 remember if the tax ID number is on it or not, 15 but it may list the tax ID. I would have to 16 look at one to -- to make sure. But that -- 17 those reports -- there are some reports, where I 18 was going with this on your searchable question, 19 there are some reports that people going to be 20 in them every day. And we know it, you know, 21 because that's what they're used for. 22 And so X Net has the ability, when you 23 produce the report, if you -- and when you 24 archive the report, if you want to be able to 25 search on certain things, you can define that in
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1 no archive of CICS online screens. 2 Q. Right. 3 A. You know, because they, you know, it's 4 a transaction that you do at that moment in 5 time. And it gives you whatever it was at that 6 moment in time that you're looking at. The 7 reports that are archived in X Net are, you 8 know, we consider those our -- our record 9 retention requirements, you know, that all banks 10 have. 11 And those are normally -- normally 12 maintained for consumer banking type of reports. 13 Most of them are maintained for at least seven 14 years. There are other types of information 15 that may not have that long of a retention 16 period. 17 Q. Are the X Net and the TREEV retention 18 files searchable? Not by human eye looking at 19 it, but you know? 20 A. I understand. The X Net application, 21 there are certain reports that are more commonly 22 used that, you know, in the bank. You know, 23 we -- we may produce a report called a trial 24 balance that is a record of an account for the 25 day that nobody ever looks at, but we have a	1 the system. So that when it archives it, it 2 becomes a searchable field. Okay. So not every 3 report has the same searchable functionality. 4 Now, there's a find criteria, you know, 5 that you can probably use for -- for most 6 reports. You may or may -- you know, it's not a 7 real sophisticated search like you can do when 8 you build a searchable criteria, you know, when 9 you're archiving the report. If you know you're 10 archiving this report, and you want to be able 11 to look at tax ID number, you know. And you 12 want to be able to find tax ID numbers, you 13 know, key them in and find them in a second, 14 well, you build that into the archiving of the 15 report. 16 Q. Understood. But what's the actual 17 format that the data is kept? 18 A. Meaning PDF? 19 Q. Yes. 20 A. Or Excel or whatever. X Net allows you 21 to maintain report formats in different 22 formats. Again, it's a -- and you kind of 23 define that at the point of finding a report 24 for, you know, for archiving. And so you may -- 25 we may archive some reports in Excel and PDF, or

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1 we may archive a number of reports in what I 2 call X Net native. I'm not a programmer. But 3 it's -- 4 Q. You're doing good. 5 A. It's the X Net standard, you know. And 6 its intent is to, you know, be efficient in the 7 storage of reports and be efficient in the 8 amount of space it takes to store reports, and 9 all like that. But if you -- if there's a 10 reason, a business reason, that we want to -- 11 that report to be in Excel format, you know, the 12 system is capable of doing that. But now, I 13 can't take like the 2008 report that's already 14 been archived and say, now, I want to see it 15 Excel. 16 Q. Before you store it? 17 A. Right. 18 Q. Talk to me about the process of what 19 happens at night in terms of settlement. So 20 explain to me how that works. 21 A. On signature transactions or nightly 22 processing or both? 23 Q. Both. 24 A. Makes sense to do both. 25 Q. One at a time.	1 A. Would have that stuff in it for the 2 transactions. So that we can have that and pass 3 that information on in the form of an additional 4 description on a statement. So you know, so we 5 get two files, up to about 10:30 at night. And 6 then those are the two files, from a signature 7 process, that are going to go into tonight's 8 processing and post, or attempt to post to the 9 appropriate account. 10 Q. When something posts, it's fully 11 settled, right? 12 A. That is correct. 13 Q. And then it comes off of your available 14 balance? 15 A. Yes. 16 Q. And? 17 A. Want me to go through the nightly? 18 Q. Yes. 19 A. Throughout the day, there are multiple 20 types of transactions that customers may be 21 doing and or have asked someone else to do on 22 their behalf, whether it be drafts, you know, 23 that you've authorized some company to take 24 draft your insurance payment. Whether it's some 25 form of a bill payment that you've authorized to
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1 A. First, we'll do the signature debit 2 card process. Through our relationship with 3 FDR, each evening, we receive two files from FDR 4 for the signature transactions that have been 5 settled with them by a cut-off time. My 6 recollection is that the cut-off time that the 7 merchants and/or the merchant services providers 8 out there in the world have in order to get 9 their transactions in so that FDR gets them to 10 us is 6 p.m. central time. 11 So if the merchant makes a settlement 12 prior to the cut off time, somewhere between 13 9 p.m. and 10:30 p.m. central time, we will 14 receive two files from FDR for that day's 15 settled transactions. There will be a file, a 16 large file of all of the transactions, and then 17 there's a file called the travel and 18 entertainment file. There are rules and 19 requirements, regulatory requirements, 20 implemented back half a dozen years ago that 21 said certain information is required to be on a 22 debit card transaction that is used for certain 23 types of travel and entertainment. And so 24 there's -- there's additional fields of data. 25 Q. Would have that stuff?	1 be made. There's checks, there's transactions 2 that occur inside a branch. 3 There's ATM transactions. There's 4 signature transactions. There's PIN 5 transactions. There is systems generated 6 transactions you previously authorized on every 7 day, you know, you want a -- a transfer made 8 from your account on the 15th of every month to 9 your child's account, who's in college in XYZ. 10 You know, it's not an online banking 11 transfer, it's more of a system generated. 12 There are system generated transactions, you 13 know, to pay interest, to charge fees to -- all 14 of those type things. Well, the collection of 15 customer initiated transactions, you know, 16 occurs throughout the day in those forms; debit 17 card, ATM ACH, over the counter, checks, et 18 cetera. 19 We accumulate those somewhere around 20 midnight. You know, we've processed all the 21 checks that we've taken from them, all of our 22 branches. We've processed all the checks that 23 we received from the federal reserve, from other 24 banks. We've gotten our debit card files from 25 FDR. We've processed all the ACH draft files

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1 for that day. 2 And so we're going to post what we call 3 our core applications, which IMPHCS is the 4 checking application, core application. And we 5 are going to create posting files, based upon 6 whether it was a checking account transaction 7 that needs to post, a loan payment that needs to 8 post, a CD that was purchased or renewed or 9 whatever. 10 You know, across the different types of 11 application, we're going to post those, normally 12 starting around midnight. That posting is going 13 to -- posting process is going to take about 14 four hours. Those programs run out of West 15 Jackson Street, Tupelo. 16 Somewhere around 4 a.m., we've 17 processed all of our customer core 18 applications. And then we're going to have 19 produced the reports for that posting. And they 20 will be archived into X Net. We're going to 21 update our online banking. 22 Q. When you say the reports, you mean the 23 individual customer reports? 24 A. Either individual customer reports or 25 bank generated aggregate reports. It could be	1 as it relates to actual settlement time for each 2 one of those transactions? 3 A. My recollection is there's not. It 4 does not say that Wal-Mart settled at 5:40 on 5 Tuesday, and that -- you know. 6 Q. How does FDR, then, provide that 7 information? So let's say one of your customers 8 goes through ten debit signatures transactions 9 within a given day, and they have all settled. 10 And they settle at various times throughout the 11 day, correct? 12 A. Yes. They would have to because 13 different merchants have different settlement 14 processes and procedures. 15 Q. Right. 16 MR. TAYLOR: I'm not sure I understood, 17 presented for settlement or actually settle in 18 the account? 19 MR. OSTROW: Well, they're going to -- 20 FDR is going to, for instance, Wal-Mart. 21 Wal-Mart, you know, that transaction is settled, 22 they're done, right, that's the first -- 23 MR. TAYLOR: As to Wal-Mart? 24 BY MR. OSTROW: 25 Q. And Wal-Mart was a PIN based, what we
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1 notices. It could be statements, it could be a 2 system report 3 Q. So everything happens while we're 4 sleeping? 5 A. Everything happens when everybody is 6 asleep. 7 Q. Pretty amazing, if you think about it. 8 A. And so at 4 a.m., we'll start getting 9 ready for the next day. At 5 a.m. in the 10 morning, we'll start accepting, if you will, 11 files for that day from the Federal Reserve. 12 You know, they got, you know, ACH files. You 13 know, we'll start processing next day. We, you 14 know, we want to be ready for our branches to 15 open and our call center to open and be current. 16 So that's a simple explanation. 17 Q. That was an excellent explanation. 18 When FDR sends over their information to you for 19 the debit signature authorizations, which have 20 now been settled, okay, the good stuff that 21 matters to you all, what is in that report, 22 other than -- well, let me ask you this. You 23 already went through what's in the report and 24 told me about the entertainment category. Is 25 there a date and time information on that report	1 were talking about earlier. These transactions 2 that FDR, you know, they're -- let me back up. 3 They know when the debit -- well, the debit 4 signature transactions are going to settle with 5 FDR at various times, depending on when the 6 merchant contacts back saying, we just did the 7 tip, or the end of the night, I just did this, 8 or the next day. 9 They get the information in, I'm 10 wondering -- you know, I would like to know, as 11 they put in the report to you so you can then 12 take that information and take it out of the 13 person's account, what order it comes in in the 14 report? 15 A. I understand your question. And I'm 16 trying to -- I think I understand your 17 question. I think you're -- I think you're 18 trying to find out, does BancorpSouth have a 19 record that reflects when the merchant may have 20 made a decision to do whatever procedures they 21 were doing so that it -- so that the 22 transactions themselves became debit card 23 transactions that were going to eventually post 24 at the bank at night. And you were trying to 25 find out when they did that?

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1 Q. Well, not from the merchant side, but 2 when FDR is collecting information, like FDR -- 3 if there's ten transactions? 4 A. Right. 5 Q. You know that are open? 6 A. Across multiple merchants. 7 Q. That were there were authorizations 8 for. And then all of a sudden, they start 9 settling. And No. 1 settles first, and two 10 settles after it, and three, whatever those are, 11 okay. They settle in a certain order. I want 12 to know whether, when FDR tells you, go ahead 13 and take it out of the account, are you getting 14 information that No. 1 came in first, two came 15 in second? Because I know what you then do with 16 it. You're going to tell me, yes, you put them 17 in buckets and you go high to low, right? 18 A. Right. 19 Q. So to you, it doesn't really matter the 20 order? 21 A. Right. 22 Q. But, obviously, for our case, that 23 matters. 24 A. I understand, right, right. And with 25 -- if I had a report in front of me, I could	1 about. You've been going for eight hours now. 2 I want to know what you're talking about. 3 A. I would refer -- I would refer to it, 4 if Eric called me and said, Jeff wanted the FDR 5 transaction detail report for a day, or you 6 know, three pages of it, you know -- 7 Q. I don't want the whole report. But 8 that's a different report than the FDR 9 authorization report, which you got, we talked 10 about an hour ago? 11 A. Yes. Two different reports. 12 Q. So we talked about this pretty amazing 13 process that all you banks go through in the 14 middle of the night. All these software 15 applications are talking to another. And next 16 thing you know, you wake up and everything is in 17 whatever order the bank wanted to put it in, but 18 it's all there, and your account balance is what 19 it is? 20 A. Right. 21 Q. Is there anything that shows up, other 22 than what we talked about earlier, which was the 23 PIN based transaction which used to be two 24 hours, now, it's ten minutes, five minutes 25 intraday that will show up on an online
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1 look at that. But right off the top of my head, 2 I cannot say that there is a time of settlement 3 on what we -- on what we get from FDR as the 4 transaction report for that day. 5 There is -- there's certainly 6 identification of what the transaction is. 7 Going back to, we know, you know, again, not 8 every transaction is authorized, but it doesn't 9 matter. When the transactions come in to us, 10 you know, they're unique and they're uniquely 11 identified transactions. 12 And it has the information that we're 13 going to pass on to the application for posting, 14 you know, that, you know, so that the customer 15 knows, you know, that they did the, you know, 16 \$38 purchase at Wal-Mart. And in that 17 description, the -- my -- 18 Q. If the best way is for us to see a 19 report, then let's not guess. 20 A. Let's look at a report. And I would be 21 more than happy to explain how that. 22 Q. Is there a specific name to that 23 report, so if I need to follow up with Eric, and 24 say, Eric, I want to get that report. And he 25 says, Jeff, I don't know what you're talking	1 statement? 2 A. If the -- anything that we can -- that 3 we have the information to memo post today, 4 which would be an ACH transaction, an over-the- 5 counter transaction that's an individual 6 transaction. I mean, if your check is one of a 7 thousand of Wal-Mart's deposits, you know, when 8 they're at the teller, they don't go through at 9 the teller and, you know, go through those 10 thousand checks. You know, we have a back 11 office process that will take that thousand 12 check deposit, and yours may be in it, which we 13 won't know until that night. 14 Q. You keep saying Wal-Mart, you guys are 15 in Wal-Mart? 16 A. Yes, they're just one of the largest. 17 Q. I would say whoever did that one, that 18 was a good one. 19 A. But the transactions that we can make 20 available to our customers by knowing what they 21 are, we try to. Again, that would be an over- 22 the-counter deposit, an over-the-counter 23 withdrawal, an ATM withdrawal, an ATM deposit or 24 transfer. 25 Q. And when you keep saying memo posted,

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1 is that because it hasn't done its magic at 2 night and become final? 3 A. That's right. 4 Q. So it's there on the -- on the ledger, 5 but it's not a final available balance? 6 A. That's correct. 7 Q. Calculated transaction? 8 A. That is correct. We will do that. And 9 we will make as many of the transactions that we 10 can, and we, you know, we want our customers, 11 you know, it's in our best interest for our 12 customers to know what they did if they're not 13 keeping up with it. You know, I mean, we wish 14 they would keep up with their transactions. 15 But most of them, or many of them, I 16 don't know any percentage, but I would estimate 17 most, you know, in today's world, they mobile 18 bank, Internet bank, call the call center at 19 eight o'clock in the morning, and then call back 20 at 5:00 in the afternoon, you know, what did my 21 wife do today, you know, those type things. 22 Q. So let's talk about, then, the 23 transactions that you can show intraday. When 24 they're memo posted, and let's say I've got my 25 iPad, and I'm every hour, going on to see what	1 BY MR. OSTROW: 2 Q. Let's take the word bucket out. So 3 even though it's one, two, three, four, five, 4 because that's the order I did it in, at night, 5 when we get the settlement, it's going to then 6 change online at some point in the middle of the 7 night or early in morning to the order that the 8 bank has told the software to change it to? 9 A. We are going to post according to our 10 posting order criteria, which, you know, takes 11 across multiple types of transactions that may 12 or may not have been memo posted during the 13 day. But in your example of five transactions 14 that are PIN based transactions that memo post 15 to online banking during the day, at night, they 16 may not post in the same order. 17 Q. Okay. That's the answer. Thank you. 18 There's several different types of fees that you 19 all charge your customers, right? 20 A. Yes. 21 Q. One of those is the overdraft fee? 22 A. Yes. 23 Q. One is an NSF fee? 24 A. Yes. 25 Q. Then there's ATM fees?
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1 my account looks like. But they're not settled 2 and they're not posted. And so do they just 3 show up as they're done in whatever order 4 they're done for that intraday? 5 A. For the intraday, yes, it is -- it 6 is as the transactions occur. We don't go back 7 and do some posting order change intraday to 8 say, okay, let's recalculate this, you know. 9 Q. So let me ask you this, if I do five 10 PIN based transactions, and your system knows 11 right away and it shows on the online, and I do 12 a one-dollar, and then next a two and a three 13 and a four and a five, it should show up 14 intraday; the one, the two, the three, the four, 15 the five in that order, correct? 16 A. That would -- that is my recollection, 17 yes. 18 Q. And then we'll talk, obviously, you 19 know, why we're here later. It's then going to, 20 at night when everything is doing its thing, 21 it's going to then take those, if they are 22 within a certain priority bucket, and put them 23 in the order that you want them to be in? 24 MR. TAYLOR: Let me object to the form 25 on assuming how the buckets.	1 A. Yes. 2 Q. Now there's all sorts of other fees 3 that show up on people's accounts? 4 A. Right. 5 Q. Right, what I keep reading online, not 6 necessarily by BancorpSouth, but about all the 7 banks. So when do those fees -- when do those 8 fees show up on someone's statement? 9 A. The fees are -- are in two different 10 categories. You know, some of the fees are a 11 factor about your account. You know, you fell 12 below a certain balance at the time your 13 statement was cut. You had a certain activity. 14 You used a foreign ATM. You had a returned 15 check. So their, you know, their activity fees 16 that will occur either if the information that's 17 known and it will occur during posting, or it'll 18 occur the next evening during posting, so the 19 next day. 20 Q. What are the known ones that would 21 occur that day as opposed to the unknown ones 22 which occur the next night? 23 A. Well, you know, a common one would be a 24 foreign ATM fee. You know, when you -- when you 25 authorize an ATM, when you use your debit card

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1 or ATM card, whatever, and you use a foreign, a 2 non-BancorpSouth ATM, normally, you withdraw 3 \$100, and then you're going pay some fee for 4 that convenience of using, you know, someone's 5 else's ATM. 6 You're normally going to pay that bank 7 a fee and you're going to pay us a fee. But 8 it's going to all come out of your account. And 9 so when that transaction comes in, that ATM 10 transaction comes in, we're going to post that 11 fee the same night, you know, that we post the 12 ATM withdrawal. 13 Q. Does it memo post, those fees, since 14 it's an ATM and you're memo posting the actual 15 withdrawal? 16 A. Because of, you know, non-BancorpSouth 17 ATM transactions process a little bit 18 differently than BancorpSouth transactions, 19 because we drive our own ATM's. Therefore, we 20 control those, and whether there's fees 21 generated, you know, to other customers or not. 22 A third party, another bank, depending upon how 23 they process and how they might generate their 24 fees, we may or may not know it until later. 25 Q. That's fair enough.	1 technically, for the moment, they're in 2 overdraft land, but they cover before the end of 3 the day. 4 A. Right. 5 Q. Just tell me whether or not that's true 6 whether they're covered or not. But they have 7 no more deposits, and they spend more than they 8 are allowed, but you've authorized them to do 9 it. So during the course of that day, the rest 10 of the day, do they see anything on their 11 statement that says that they're incurring an 12 overdraft? 13 A. No. 14 Q. All right. So at night, when it all 15 comes together, is that when the fee's going to 16 be assessed? 17 A. No. 18 Q. So then they go that whole next day, 19 and it's still not there, but the next night 20 processing is when it shows up? 21 A. Yes. 22 Q. And why is that? 23 A. The exception processing of 24 transactions that occur after you post. You 25 know, I mentioned that we go to about 4:00 or
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1 A. So it depends on them. 2 Q. So let's talk specifically about OD and 3 NSF. 4 A. OD and NSF fees are -- they are 5 assessed the next day after the transaction that 6 incurs the fee. 7 Q. So if today someone goes to swipe their 8 card and there's \$50 in the account, and it's 9 \$60, and we'll do the PIN based because we know 10 that's -- we don't have to worry about any time 11 delays. There's \$60, it goes to the system and 12 looks for the overdraft limit, sees that it's 13 there, they're approved up to \$500, the message 14 gets sent back that it's authorized, but they're 15 in overdraft land. Right? 16 A. They could be. 17 Q. Well, let's say -- 18 A. If they have a deposit come in, an ACH 19 deposit or a deposit at the branch or whatever 20 else. 21 Q. In the clean example where they don't. 22 A. Okay. 23 Q. And they're going to be charged a fee. 24 A. Yes. 25 Q. We'll talk about a situation where,	1 five o'clock in the morning, everything has 2 processed. There are X number of transactions 3 that either paid into the overdraft, or are 4 available for a decision to be paid or 5 returned. And other exceptions, you know, you 6 got a stop payment. You got fraud on your 7 account, or things like that. 8 But in the general terms, that next 9 morning, we're going to take the -- we know the 10 transactions that either paid into overdraft or 11 are subject to a decision for that morning. Our 12 branches have until 10 a.m. to make pay return 13 decisions. The first thing we do, and we do 14 this very early in the morning as we look to see 15 if you had a credit card overdraft protection. 16 If you have a credit card overdraft 17 protection, we're going to take a look at that 18 morning and see did you have enough available 19 balance in your account to cover the overdraft. 20 That's the first thing we do early in the 21 morning. And then if you do, you know, you're 22 not going to, you know, we're going to make the 23 transfer, and you -- you don't get any fees. So 24 we need to know that. 25 I have not -- we haven't talked about

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1 credit cards. We don't process credit cards 2 internally. Credit card is processed by a third 3 party processor, FDR. So we, you know, we 4 don't, necessarily, you know, there's not a real 5 time interface between us and the FDR credit 6 card system. But going back to the example, 7 sorry for the rabbit there. 8 Q. No. That's good to make sure we hit 9 all of them. 10 A. So we try to identify whether you had 11 any available balance in your credit card for 12 overdraft protection. And then, you know, the 13 officers -- after that, the officers are going 14 to make their decision, you know, on the 15 exception items. 16 We're going to -- if there's special 17 criteria on the account related to reported 18 fraud, suspicious activity, those type things, 19 we're going to look at all of those things in 20 the morning. Somewhere around ten o'clock, 21 we're going to say, here is the items that we 22 are absolutely going to either stay paid in the 23 overdraft, pay into overdraft, or return. 24 Q. Now, there's a report that's generated 25 for each branch manager, or somebody at the	1 something that you -- or does it just 2 automatically go take that money and no fees are 3 charged? 4 A. Certain -- again, let me go back to -- 5 on the retail banking side, there's a \$5 6 transfer fee to transfer -- to automatically 7 transfer that money. That is done during the 8 nightly process. What we do during the nightly 9 process is, you know, the checking account 10 application looks and says, oh, I don't have 11 enough money, and they've got a linked account. 12 If they got any money over there? Yeah, well, 13 let's transfer it so they don't get overdrawn. 14 Q. Then they pay five bucks? 15 A. They pay five bucks. Same thing on the 16 line of credit. Although all lines of credit 17 because certain states don't allow you to charge 18 a fee, all lines of credit don't get fees. 19 Q. And then, obviously, if there are just, 20 using your overdraft limit of, you know, 21 which -- up to \$500, then there is a fee 22 assessed if it's not otherwise reversed? 23 A. Yes. You know, if the account does not 24 have any other form of overdraft protection, or 25 any form of overdraft protection, and we used
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1 branch, that they look at to make those 2 decisions? 3 A. Generally speaking, our -- those 4 reports are by branch that would have the 5 listing of their decisions. Not every branch -- 6 not every, you know, we're in 275, some 7 communities may say, I want the main office to 8 make the decisions. And some communities say, 9 no, I want the branches to make their own, and I 10 don't care at the main office. And that's 11 really not our bucket. We just need to know 12 whether the item needs to be made or evaluated. 13 Q. Let me just check a couple of things 14 off. So if there's credit card and it hits the 15 credit card, there's no overdraft fee charged? 16 A. Correct. 17 Q. And there's no -- there's not an NSF 18 fee charged because it was paid? 19 A. Right. 20 Q. If there's a linked savings account or 21 another account, is there a fee charged for 22 accessing it? 23 A. For accessing the linked savings 24 account? 25 Q. Yes. Is there like a token \$5, or	1 the overdraft limit to make payment decisions up 2 to that limit, and on a retail account, it can 3 be up to \$1,050 for payment purposes, for 4 payment decisions purposes. On authorizations, 5 we only, you know, authorize up to \$500. 6 Q. Because, now, you're differentiating 7 between debit and just? 8 A. Everything. 9 Q. Everything? 10 A. Right. 11 Q. Got it. 12 A. So if, you know, if the item, you know, 13 pays to the limit, if the item -- if a branch or 14 community or whatever makes a decision to pay 15 the item or return the item, all that 16 information is collected. And then we process, 17 based upon all of those decisions. That's done 18 around eleven o'clock in the morning. And then 19 that's the point that we know who's going be 20 charged a fee and who's not, somewhere between 21 11:00 and noon. 22 Q. If you don't charge the fee, if some 23 branch manager says, you know what, I'm going to 24 let Joey go on this one, right, does Joey's 25 account even show an overdraft and then a

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1 credit, or it shows nothing? 2 A. There are two ways to have an account 3 totally avoid an overdraft fee. And the first 4 way is to code the account to never charge a 5 fee. 6 Q. Those are good ones. If you can get 7 those. What is that code? 8 A. So we -- you know, our system, we can 9 say, you know, you know, we have the option of 10 saying that. And then secondly is the fee is 11 assessed, and then it is refunded. And it can 12 be assessed and refunded the same day. So 13 that's an account that we have not have the code 14 of never charge a fee. 15 That is an account that the fee is -- 16 the account is subject to a fee. And if it's 17 subject to a fee and the branch officer or 18 whatever says, no, I see this, or whatever -- 19 for whatever reason, the fee is assessed on the 20 account. And then there's a deposit made into 21 the account to offset the fee at the branch. 22 Q. Okay. So the regular customer, whoever 23 that is, doesn't have that code built into their 24 account, right, where they never get assessed a 25 fee?	1 charged, multiple overdraft fees charged, and 2 the decision is made to credit less than all of 3 them, does your system reflect which fee, which 4 specific transaction that resulted in an 5 overdraft the credit is going towards? 6 A. No. 7 Q. So if you have five overdrafts, you're 8 going to credit three, all it says is you have 9 \$175 in charges, and you're getting, you know, 10 \$105 back? 11 A. That's right. You get a deposit. 12 Q. So the branch manager or whoever it is 13 doesn't need to do anything to link a specific 14 transaction with a specific credit? 15 A. No. 16 Q. You would only know if it's one to one? 17 A. Correct. And even in those -- well, 18 and that would not -- that would be difficult to 19 determine if it is a customer who has 20 repetitive -- who repetitively overdraws. 21 Because they could be -- 22 Q. It's only in a perfect world they've 23 only had one in a month, and it's the next day? 24 A. Right. 25 Q. I got it. NSF fees, does that apply
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1 A. A majority of our customers do not have 2 that code. 3 Q. And so, again, to be clear, though, if 4 you're charged a fee, because the majority of 5 the customers, right, there's not exception that 6 makes sense, you get charged that fee, and it 7 comes in the following night? 8 A. Yes. 9 Q. If by 10 a.m., the branch manager, or 10 the central branch, whatever you call it, 11 decides they're going to not charge the fee, 12 again, does the statement going to reflect -- 13 it's going to reflect that there's a \$35 fee or 14 whatever your amount is at the time, and then 15 it's going to show a deposit back in for \$35? 16 A. Yes. And it'll be that night, the next 17 night. You know, when, you know, the decisions 18 are made, the branches have decisions, you know, 19 if they have determined at that particular time 20 that they don't want that customer to be 21 assessed fee, you know, they make a deposit to 22 offset that fee in that customer's account. And 23 then it will post on the same day as the fee 24 posts. So, in effect, it washes. 25 Q. Washes. And if there are multiple fees	1 just to paper checks? 2 A. No. 3 Q. What else can somebody be assessed an 4 NSF fee for? 5 A. A number of things. I mean, an ACH 6 transaction is, you know, returned. ACH 7 transaction, ACH draft, an over the counter 8 draft. 9 Q. But a debit -- the debit or ATM 10 transaction, it's either going to result in an 11 overdraft or a rejection with no fee, correct? 12 A. If I understood, in the -- there could 13 be fraud related to the transaction, debit 14 card. And again, this is a small, small volume, 15 but just so that I'm clear, the vast, vast 16 majority of all the debit card transactions are 17 going to post to the account if it -- to the 18 account. And if they don't have the necessary 19 funds, it's going to post them into overdraft. 20 You know, to return a debit card transaction is 21 unusual. Normally, it's fraud related or 22 something like that, you know, that would cause 23 you to do that, which is a very small number. 24 Q. Correct. But for the instance where 25 somebody is not approved into overdraft, and you

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1 just flat out, you know, FDR sends back saying 2 no. Okay. Or your system, Stratus sends back a 3 no, they're not charged a fee, right? 4 A. You're correct. I'm sorry I 5 misunderstood your question. Right. 6 Q. But you gave me a better explanation of 7 the whole thing. 8 A. Yes. If the customer -- if it's 9 authorized, but never posts, authorization does 10 not denote a fee, and we do not charge a fee for 11 authorizations, you know, signature based, or 12 for any authorization. 13 Q. Okay. Does MA system mean anything to 14 you? 15 A. I'm sorry? 16 Q. MA system. Is that anything that 17 applies to your bank? I'm not trying to trick 18 you. I've had a deposition with another bank 19 that has a extremely similar system with IMPHCS, 20 FDR and FIS, but they talked about an MA. 21 A. I am not familiar with an MA. 22 Q. When we break, I will figure out what 23 it is. That way, I can maybe help both of us. 24 A. Okay. Now, we may call it something 25 different and it's the same thing, but I'm not	1 Q. And that's fine. We'll spend a few 2 minutes later just figuring out what has 3 changed. Have your overdraft fee amounts 4 changed during that '06 to '10? 5 A. Pretty sure they have. 6 Q. They've gone up or down, no. What are 7 they currently? 8 A. Thirty-five. 9 Q. Thirty-five. 10 A. I believe they were 32, and went to 35 11 in, and I believe it occurred after 2006. 12 Q. All right. So I spent some time trying 13 to understand about, you know, what you've got 14 that maintains date and times of these debit 15 transactions. Obviously, that historical 16 information for this case is important. If I 17 wanted to understand the date and times of those 18 debit transactions, and we went back to, what is 19 it, X Net? 20 A. X Net. 21 Q. And TREEV, where would we look? 22 A. Well, we -- we -- from, you know, you 23 would have to look at the FDR reports that we 24 archive, that we receive from FDR on a daily 25 basis, reflecting our customers, either
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1 familiar with an MA. 2 Q. Now, what's your DDA account, demand 3 deposit account system? 4 A. IMPHCS. 5 Q. That's IMPHCS? 6 A. Yes. 7 Q. And that's just demand deposit account 8 system is DDA? 9 A. DDA is the -- I think that's a common 10 regulatory word, you know, describing the type 11 of account. 12 Q. Checking account? 13 A. Checking account. And IMPHCS is the 14 software that we use to process a checking 15 account. 16 Q. Have you used IMPHCS since? 17 A. 1992. 18 Q. 1992. That makes that easy. And have 19 the same systems and processes that we've been 20 discussing this morning, have they been the 21 same, since '06? 22 A. The only difference in the what we -- 23 we've discussed this morning would be Reg E. We 24 have not, you know, I've answered all my 25 questions as pre Reg E.	1 authorizations or transactions or settlements or 2 travel and entertainment. Or, I mean, there's a 3 segment of reports that, you know, new accounts, 4 new cards, fraud cards, stolen cards. You know, 5 you've got, you know, a group of reports that 6 would reflect FDR's processing on our behalf. 7 That would be where the information would be. 8 You know, there's an not exact -- there's not 9 one report. 10 Q. Is there a certain -- can you describe 11 for me how you would go about finding those 12 reports if I needed you to do that? 13 A. In X Net, we have a -- we categorize 14 our reports into groups of reports. So we have 15 a category of reports called FDR reports. We 16 are not real geniuses here. And so I would look 17 under the category of reports labeled FDR 18 reports. And then there's going to give me a 19 list of every report under that. And I would 20 peruse those reports. 21 Q. Okay. So you don't know for sure, 22 then, as you sit here, whether or not those 23 reports would contain the date and time 24 information as to -- 25 A. Per transaction.

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1 Q. -- per transaction on a customer 2 individual level, do you? 3 A. Again, you know, you have to have -- 4 separate authorization from the -- from 5 settlement and transactions. You know, like 6 we -- and there are two different reports, 7 because they are two different things. So there 8 are a set of reports that reflect authorization 9 information. And there's a set of reports that 10 reflect the detailed transactions that we 11 receive for processing for that evening, the 12 settled transactions. 13 Sitting here right now, I cannot recall 14 a report that would say for the detailed 15 transaction, that this is when it was 16 authorized. You know, you'd have to look at the 17 detailed transaction, and say, okay, here's the 18 detailed transaction now. It may be for a 19 different dollar amount. Certainly could be for 20 a different day -- on a different day. I need 21 to go back and figure out when -- match when it 22 was authorized. 23 Q. Match the two? 24 A. Right. 25 Q. So if I asked your -- through your	1 Q. So if every day, you can that as 2 opposed to, you know -- you know, the fees 3 coming in two days later, and you don't know 4 which day they're for, right, because -- 5 A. Right. We know that day -- 6 Q. It's a direct connection between the 7 fee and the transaction? 8 A. That's right. And that fee will 9 post -- you know, the notice is generated when 10 we -- when we get through at that lunchtime with 11 our decisions and all that like that, that's 12 when those notices are produced. And they 13 reflect -- they'll reflect the overdraft fees 14 that are going to be assessed that night. And 15 they will list the transactions that, and it 16 will give them the overdraft -- the overdrawn 17 balance of their account. And there's a 18 statement message on it. You know, I mean, 19 there's a message on it. You know, your 20 account's been overdrawn, you know. 21 Q. What's your terminology for the account 22 balance in the morning once the night has -- 23 nightly processing has taken place? 24 A. You mean the beginning ledger balance? 25 Q. For a customer? For a specific
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1 lawyer, for you to, you know, have a homework 2 assignment to go back to see whether that's 3 available, that information, you would know, you 4 know, when that message comes back, what to do? 5 A. All right. Now, what -- what -- I 6 understand what you're asking for. 7 Q. You just don't know what -- 8 A. I don't, to what extent. And I'm 9 not -- yes, I'm not sure how -- and we'd 10 certainly report back the, you know, what -- 11 what's there and -- and the effort that it would 12 take if it's among -- if it's not in a -- if 13 it's not in a easy form to identify. 14 Q. I asked you about whether or not when 15 the branch manager wants to credit an NSF, and 16 there's an OD fee, and there's multiple ones, 17 whether they match it up. And you said no. 18 When OD charges are assessed, are those charges 19 matched up to specific transactions? 20 A. Yes. And we produce and notice each 21 day that goes out to each customer, that says 22 you had these six transactions. You incurred 23 this fee, you know, for those six transactions. 24 And this is the dollar amount of those fees. 25 And it lists one, two, three, four, five, six.	1 customer, if I woke up in the morning and looked 2 in my BancorpSouth statement and, you know, 3 everything had posted from the night before. My 4 balance right there, is that my ledger balance? 5 A. That's your beginning ledger balance. 6 Q. And what is the balance that the bank 7 uses to determine whether or not a charge is 8 going to result in an overdraft? 9 A. I think I understand what you're 10 asking. 11 Q. Is what we discussed before the 12 available balance? 13 A. Yes. Because there could be holds on 14 an account that would not be transactions, that 15 would be, you know, holds on an account. A 16 customer, you know, branches -- banks have 17 processing windows. You know, not every branch 18 is open the same hours. Some branches have 19 after hours, some branches have current day, you 20 know, it's all day. And so there could be holds 21 on an account for after hour transactions, or 22 there could be holds on an account for Reg CC 23 purposes. 24 There could be holds on an account for 25 other -- other purposes that -- that would be

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1 taken into account when determining whether 2 there is an overdraft fee or not. So it is 3 not -- it is -- and again, those are exceptions, 4 those are not the norm for the, you know, for 5 the vast, vast majority of people, their 6 beginning ledger balance is their available 7 balance, you know. And so if that is -- if that 8 is overdrawn, they're going to get a fee. 9 Q. Is that because the other category, 10 which would make it not so vast, would be as if 11 those authorizations resulted in holds? 12 A. No, no. The signature authorizations, 13 we do not hold. 14 Q. I understand that. 15 A. Right. 16 Q. Right. 17 A. After hours. 18 Q. What I'm trying to understand is, you 19 know, when you look at your balance, okay, you 20 can look at your balance at different times 21 during the day. 22 A. Right. 23 Q. The ledger balance is the opening 24 balance? 25 A. Right.	1 Q. So intraday, you know that they haven't 2 posted yet, but their balance doesn't reflect 3 that? 4 A. That's correct. 5 Q. Until that night? 6 A. Until that night. Because, you know, 7 we'll -- we'll, you know, we'll make a decision 8 whether to pay a return. If we make the 9 decision to pay it, it's going to reflect it. 10 It's going to affect their balance in one way. 11 If we make the decision to return the item, it's 12 going to reflect their balance in a different 13 way. 14 Q. Since you don't account for unsettled 15 authorizations, you don't hold? 16 A. Right. 17 Q. Do you have any records regarding -- 18 you wouldn't have hold records, then, right, 19 because you don't -- 20 A. Not on unsettled. That's right. We do 21 not do that, and they would not be reflected on 22 their online statement. 23 (LUNCH BREAK) 24 BY MR. OSTROW: 25 Q. I am still a little confused, and I'm
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1 Q. Okay. Then there's a balance intraday? 2 A. Right. 3 Q. And then there's -- you know, there's 4 an available balance, you know. What 5 transactions could have taken place which could 6 impact the balance or what's available, but the 7 customer doesn't see it on their online 8 statement? 9 A. Well, of course, any trans -- again, 10 we're talking about the beginning of the day. 11 You know, any item that unposted, for whatever 12 reason; it unposted because it was above the 13 overdraft limit that we were willing to let the 14 system post it to. So they had \$500 in their 15 account. They had a \$600 rent check come in, 16 but they also had several hundred dollars of 17 worth of debit card transactions. 18 I mean, you know, but they -- we don't, 19 you know, we don't -- we don't display unposted 20 transactions to the customer because they 21 haven't posted in the morning. We make those 22 decisions, like I said, you know, do they have a 23 credit card, does the branch want to pay the 24 item, et cetera. And so those would not be on 25 the online banking system until the next --	1 proud to say Jonathan's confused, too. You 2 couldn't shed any light on your overdraft limit? 3 A. Oh, sure. 4 Q. Now, that we've gone through it several 5 times. You got a \$500 maximum on debit 6 overdrafts, correct? 7 A. Maybe I can -- let me do it this way. 8 The overdraft limit itself, you know, is based 9 at the account level, and it can be up to a 10 \$1,050. That's the overdraft limit at, you 11 know, at the account level. And it's, if you 12 will, calculated every time a statement drops. 13 For the purpose of authorizing PIN 14 based or signature based transactions, up to 15 \$500 of that overdraft limit is made available 16 for authorizations. And so if you have \$100 17 overdraft limit, \$100 is available. If you have 18 a \$700 overdraft limit, \$500 of it is available 19 for authorization of transactions via a debit 20 card. 21 Q. Including ATM? 22 A. Prior Reg E, you could not use your -- 23 it was not available at the ATM. So after Reg 24 E, you know, the regulation put the language in 25 there that says, you know, if you'll -- how did

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1 it go, if you give some type of message to the 2 customer, and tell them, you know, hey, your 3 transaction may be subject to a fee if you 4 overdraw, you know, and whatever. We followed 5 the letter of the regulation, and you can do it 6 now at the ATM as long as you are opted in. And 7 you say, yes, I know I may be subject to a fee 8 by doing this transaction. 9 Q. So prior to Reg E, you couldn't 10 overdraft on your ATM? 11 A. No, that would not be an accurate 12 statement. The available balance of the 13 overdraft limit was not in the authorization 14 process. But as, you know, the cycle of an ATM 15 processing window, if you were to do a 16 transaction at 7 p.m. tonight, it's not going to 17 post tonight. You know, there are cut offs and 18 all in a day's processing. So 7 p.m. tonight 19 transaction, you know, may not come in until 20 tomorrow night. 21 Well, it won't come in until tomorrow 22 night. We settle out ATM's earlier in the day, 23 most of them by four o'clock in the afternoon. 24 And so you could be -- you could have an ATM 25 transaction overdraw the account, but it would	1 Q. So no matter what kind of protections 2 you have in place, all right, the max you can 3 ever pull out, whether you have those or you 4 have nothing, you just have the overdraft limit 5 that you all approved, based upon their credit 6 and their history, it's 500 bucks in a single 7 day from a debit? 8 A. From a debit card authorization, 9 regardless of what -- whether it's an overdraft 10 limit or overdraft protection, that would be 11 correct. We do not make -- we don't -- right -- 12 I think another way to say it is, we don't 13 make -- for debit card authorizations, yeah, you 14 only have up to \$500 of your overdraft 15 protection and/or overdraft limit available for 16 authorization. 17 Q. So somebody, then, who has a million 18 dollar line of credit and a million dollar 19 savings account and, you know, they're the best 20 customer you got, except for the fact that 21 they're about to overdraft their checking 22 account, if they're over \$500, that's all they 23 get? 24 A. As we said earlier, that's the general 25 customer. There are exceptions to customers who
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1 not be because the authorization was using any 2 of the overdraft limit. 3 Q. In that circumstance, you'd be charged 4 the traditional fee? 5 A. Yes. 6 Q. So I guess the confusion that I'm 7 having with the \$500 limit on debit card -- 8 A. Authorization. 9 Q. -- authorizations, is -- is there a 10 limit if there is a linked account? 11 A. If you have a linked account credit 12 card overdraft protection, or a line of credit, 13 you also have \$500 available to your -- added to 14 your available balance for authorization. 15 Q. Is that above those other limits? 16 A. No. 17 Q. So what happens if I want to do a debit 18 transaction for a \$1,000, and I have \$100 in my 19 account, all right, and I have a linked savings 20 account with \$50,000? 21 A. You would -- 22 Q. You're going to tell me that I can only 23 get 500 bucks? 24 A. For a debit card transaction, that is 25 correct, yes.	1 do have million dollar lines of credit and 2 million dollars, whatever, where we manually 3 give them a higher authorization amount. 4 Q. But when you keep saying exceptions, I 5 mean, you're talking about the very rare 6 circumstance -- 7 A. Yes. 8 Q. -- where somebody has been able to, for 9 whatever reason, fall outside of? 10 A. Of the norm. 11 Q. And what percent would you say the norm 12 is? 13 A. Oh, gosh, 99 and a half. 99.8. Yeah 14 -- but I just -- I don't want, you know, when 15 you -- when we use the words, never or always, I 16 just want to make sure that I'm -- I'm not 17 misrepresenting that there could be an 18 exception. 19 Q. Okay. So there really is no -- if 20 you're a person who -- who's got a decent 21 history with you, been with you a long time, 22 even if you have none of those linked accounts 23 or the credit card or the line of credit, you're 24 really in the same overdraft position as the 25 person who -- as the person who doesn't have any

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1 of those things, right? The person who doesn't 2 have them is the same as the one who does. 3 Because you only get \$500, regardless. The 4 question is whether or not you're going to get 5 hit for an overdraft fee because whether you had 6 protection or not? 7 A. From an authorization perspective, the 8 -- the debit card authorization, if it's an 9 overdraft limit, you can have up to. If it's an 10 overdraft protection, you get \$500, it's not up 11 to. You get an arbitrary \$500. 12 Q. Right. But you guys don't -- there's 13 no -- there's no discretion when they have the 14 money available, they just get \$500, though, 15 that's for -- 16 A. For a debit card authorization. 17 Q. As opposed to a person who doesn't have 18 it, they may get \$225? 19 A. That's right. 20 Q. We're calling it overdraft limit. Have 21 you also heard that as overdraft matrix? 22 A. Well, the overdraft matrix calculates 23 the overdraft limit. 24 Q. Right. The matrix is just the elements 25 that go into determining the limit?	1 market that as a service, if that's what you're 2 asking. Are we -- are we communicating to our 3 customers that if you have linked account 4 services, we make \$500 available, no, I don't 5 believe -- 6 Q. So does that happen from time to time, 7 that someone comes in or calls and says, listen, 8 I just went to use my card. Yeah, I don't have 9 in the checking, but I got, you know, a million 10 dollars in the -- in my savings account. We're 11 linked, and all it authorized was \$500? 12 A. Has somebody ever called about that? 13 Oh, I'm sure they have. 14 MR. TAYLOR: The way you asked the 15 question, I just want to make sure we're clear. 16 I think the way you asked the question was do 17 you inform customers of the \$500 kind of 18 regardless. 19 BY MR. OSTROW: 20 Q. Right. I didn't know whether there was 21 some sort of, you know, policy, publication or 22 something that's says \$500 for the linked 23 account debit. And the answer to that is? 24 A. No. 25 Q. Right. We talked about same day
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1 A. Correct. 2 Q. And each person, there's a matrix that 3 applies to each customer? 4 A. There's -- the criteria is unique for 5 that customer in that, you know -- you know, the 6 common criteria, you use like age of account. 7 You know, if your account has been with you a 8 shorter amount of period, you know, you may, you 9 know, that person will not get as much credit 10 for being customer as a customer who's been with 11 you ten years. Same thing on balance and other 12 things. 13 Q. And earlier, you said the customers 14 don't know what arbitrary 0 to 500 limit is? 15 A. That's right. We do not disclose. 16 Q. That's re-calibrated or calculated 17 every time a new statement drops? 18 A. That is correct. 19 Q. But the \$500 to your linked account, 20 that's not a -- something you would not tell the 21 customer because that is what it is, right? 22 A. Well, again, we don't -- we don't -- 23 Q. I'm talking about for the linked 24 account, \$500 max? 25 A. Max -- no, we don't, I mean, we don't	1 deposits where there's an overdraft, okay, 2 earlier in the day. And to be clear, I think 3 what you said, and correct me if I'm wrong, is 4 that if you overdraft, and you're going to be, 5 you know, otherwise would have been assessed a 6 fee, if you come in before settlement time, 7 whichever time that is at the end of the day, 8 you guys all have your own times, and make a 9 deposit to cover the overdraft amount, the 10 following night, you will not be assessed a fee? 11 A. That's correct. We post credits first 12 in all cases. When we post at night, we are a 13 credits first post. So regardless of what time 14 of the day, regardless of what else may have 15 occurred, you always get your credits first. 16 Q. And have you been that way since '06? 17 A. Oh, gosh, yeah. 18 Q. Been that way since way before '03 19 even, right? 20 A. Yes. Yes. 21 Q. You mentioned earlier about certain 22 data you kept had some customer information; 23 their name, their address, things like that. 24 Remind me what report you were talking about, or 25 we were talking about what's kept in the

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1 storage? 2 A. We do have -- yes, in our archive, 3 report archive X Net system, we do have customer 4 information as well as account information. So 5 you know, customer name and address would be, 6 you know, some data that is stored there. 7 Q. And that's only current up until the 8 time now, obviously, that -- you know, that they 9 had an account with you if they're no longer, 10 correct? 11 A. That is correct. You know, depending 12 -- well, let me go on. Checking accounts, 13 depending upon if you're an interest bearing 14 account or a non-interest bearing account, there 15 are tax consequences. Therefore, we may, and 16 do, retain interest bearing customer information 17 through the period of tax reporting. 18 Because even though the account may be 19 closed and have been closed, but we have an 20 obligation to report tax information the 21 following year to the IRS. So we're going to 22 maintain that data through the tax reporting 23 period, and then it will be purged off the 24 system. 25 If you're a non-interest bearing	1 criteria, we may change the address on the 2 notice, you know. I mean, we retain the before 3 and after, but we -- we want -- we make every 4 effort to keep a current address. 5 Q. What does that software do for you, how 6 does it get them updated? 7 A. It interfaces with the US Postal 8 Service address change registry. And -- and we 9 get, you know, on a, I think it's every two 10 weeks. I don't -- I didn't prepare for that. 11 I'm guessing. 12 MR. TAYLOR: As long as there's still a 13 post office, that's how it works. 14 A. And we update that. And it's also a 15 customer gives us an address that says -- 16 sometimes customers give us bad addresses, and 17 not intentionally. And when -- when that goes 18 into our system, you know, it'll -- it'll create 19 a red flag. 20 BY MR. OSTROW: 21 Q. And the address information that you 22 all keep is for sending notices and statements, 23 paper statements, things like that? 24 A. Yeah, right. Right. 25 Q. So it's typically wherever they want to
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1 account in which there is no need, you know, or 2 requirement to maintain that data on our system, 3 after the account has been closed a period of 4 time, and I -- I can't recall if it's 30 days or 5 60 days, the data is purged from the system. 6 You know, it goes off the system. 7 Q. And so that personal information; the 8 name, address, that is information that you get 9 from when they open the account with you all, 10 typically? 11 A. That's the most common time. 12 Q. And then if they want to update their 13 address information, they do that whenever they 14 want to do that during the course of the 15 relationship? 16 A. They can do that, and we also used 17 third party software to help us maintain good 18 addresses on our customers. You know, many 19 customers will go to the post office and do a 20 change of address, but they forget to tell us. 21 And so we have software in which we are 22 attempting to identify those customers that may 23 have relocated who are still customers of ours, 24 inactive customers of ours because we want to -- 25 we may reach out to them, depending on certain	1 receive their mail? 2 A. That's right. 3 Q. And that doesn't necessarily, you know, 4 it's not necessarily the same as where they 5 live, or something like that? 6 A. We don't do -- right. We're not doing 7 verification of residency. We're just asking 8 for, you know, address to do, you know, so that 9 we can communicate with the customers. 10 Q. Is it safe to assume, then, you have 11 statements that are mailed out to customers that 12 are not within the states in which you have 13 branches in? 14 A. That would be correct. 15 Q. What happens on the weekends with 16 regard to -- I want to say things we discussed 17 with, but with regard to -- he's not going to 18 let that happen. With regard to settlement and, 19 you know, posting and authorization and things 20 like that? 21 A. Sure. We process five nights a week, 22 five business days a week, normally. You know, 23 this week, of course, is four. Federal holiday 24 was Monday. But we process, you know, on 25 business days. Then you have Saturday morning

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1 would be, you know, systems would come up, 2 everything would be normal. 3 We have a number of branches that are 4 open on Saturday as well as, of course, 5 customers expect to use their debit cards, write 6 checks, ATM's, online banking, bill pay, 7 whatever over the weekend. So all those systems 8 are up and running and doing the business as we 9 discussed. But we will not post and process any 10 application again until Monday night, assuming 11 Monday is a business day, not a federal holiday. 12 Q. So transactions that occur Friday after 13 whatever your cut-off is, Saturday and Sunday, 14 won't come in until or settle until Monday 15 night? 16 A. Until Monday. 17 Q. And again, if anything we've talked 18 about is different between, what are we saying, 19 January 1, '06 to July 2010, please let me 20 know. 21 A. Uh-huh (affirmative response). 22 Q. So I assume if you're telling me that 23 it's not different, then it has been consistent 24 with the exception of perhaps the amount of your 25 fees?	1 Q. I think I asked you about those reports 2 that the branch manager looks at. I was calling 3 it an overdraft disposition report. What do you 4 all call that report? 5 A. I believe the official name for that 6 report is the exception processing NSF activity 7 report, I believe is what the branch sees. And 8 then, you know, they'll -- they'll make their 9 decisions. Because those are items that they 10 need to make a decision on. And so they will 11 make, you know, pay return decisions based upon 12 that. And they have a -- they have a screen 13 they go in and key, you know, pay or return. 14 Q. So these branch managers expect to look 15 at these reports of every overdraft and say, you 16 know, just find the exceptions that they want to 17 reverse, basically? Or they -- well, no, it's 18 reversal because they're going to have to put a 19 deposit back in? 20 A. Do they want to pay the item, you know, 21 or do they want to return the item. And the, 22 you know, there could be multiple reasons to pay 23 the item, but they make that decision at the 24 branch. 25 Q. Okay. EPG, you know that company?
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1 A. The amount of the fees are different. 2 And we discussed earlier that the online banking 3 updates became more -- more frequent. 4 Q. And your back up storage, I mean, 5 that's still back up storage, just a different 6 system? 7 A. Right. 8 Q. Overdraft fees that would occur Friday 9 post your cut-off Saturday or Sunday, as a 10 result of transactions, won't show up until 11 Tuesday, correct? 12 A. Right. Those decisions and all will be 13 made on Monday morning. You know, Friday night 14 will process. You'll have the items that either 15 paid into overdraft or were unposted. You know, 16 we do the credit card verifications Monday 17 morning; did the customer have, you know, a 18 credit card coverage. 19 Officers make their decisions on Monday 20 morning. We create the files early Monday 21 afternoon, middle of the day Monday, and they 22 will post Monday night. And the customer will 23 see them on there if they're looking at online 24 banking, they'll be reflected Tuesday morning 25 when they log in.	1 A. Earnings Performance Group. 2 Q. Do you still work with them? 3 A. No. 4 Q. From what I saw in interrogatory 5 response, they are a company that consulted with 6 you back in '02 regarding fee income and areas 7 that you may want to consider to generate 8 additional income; is that correct? 9 A. We engaged EPG on -- the earliest 10 engagement was in 2002. 11 Q. And from my understanding, from the 12 response that we got, there were different areas 13 that they consulted with you regarding? 14 A. Yes. 15 Q. And in addition to posting priorities? 16 A. Yes. 17 Q. What else did they consult with you 18 about? 19 A. The initial engagement was with what 20 they called the overdraft matrix. They came to 21 us in, I believe, it was late 2001, and asked to 22 do a presentation about a service that they 23 offered regarding overdraft matrix. We engaged 24 them. 25 And they came in the bank in 2002. And

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1 we implemented their -- at their recommendation, 2 you know, we implemented the overdraft matrix on 3 our customers' accounts. And they also did 4 recommendations. I don't remember how many -- 5 across a number of areas for revenue 6 enhancement, and we worked with them for about 7 two years. 8 Q. How was that engagement? Did you pay 9 them a fixed amount, or was that a -- what I 10 would call contingent agreement, based upon the 11 amount of income that they generated for the 12 bank? Did they get a percentage of it? 13 A. No, they did not. It was a fixed 14 figure. 15 Q. And prior to meeting with them, how 16 were you prioritizing your transactions in terms 17 of debiting the account? 18 A. We were high to low. And what we were 19 doing, from a high/low perspective, we had like 20 maybe four buckets, high to low. And -- 21 Q. This is pre EPG? 22 A. Yes. Yes. 23 Q. Okay. Four buckets? 24 A. Yes. 25 Q. Do you remember what they were? I know	1 A. We simplified out posting order. We -- 2 we basically went to a more simplified posting 3 order. All -- all customer transactions in one 4 bucket, high to low. And you know, bank 5 initiated transactions in one bucket, high to 6 low. So it didn't matter what the transaction 7 type was that the customer initiated, they would 8 post high to low, instead of ACH and check in 9 one bucket, and electronic transactions in 10 another bucket, and over-the-counter 11 transactions in another bucket. 12 Q. So you just went from those buckets 13 to -- if you give me a check, ACH debit, 14 whatever it is, we're just going to go high to 15 low? 16 A. High to low. Didn't matter the 17 transaction type the customer initiated. 18 MR. TAYLOR: And just so it's clear, 19 EPG, the engagement included a number of 20 suggestions. You're talking about only one of 21 them, and not all of the suggestions were 22 implemented. So in focusing on this one, I 23 don't want you to lose sight of the larger 24 engagement that EPG -- 25 MR. OSTROW: No, I understand. I mean,
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1 I'm challenging your memory. 2 A. Yeah, it was -- I believe it was 3 electronic transactions in one bucket, paper 4 check transactions in one bucket. Bank 5 initiated entries in one bucket, and bank, 6 electronic, paper and check, and then there 7 were -- I believe it was things like cash, 8 checks, ATM withdrawals. My recollection is 9 there was a bucket for transactions that 10 involved cash. If cash left the bank, there was 11 a bucket for transaction that involved cash. 12 But those four buckets, and they all posted high 13 to low. 14 Q. So were you involved with that 15 engagement? 16 A. Yes. 17 Q. What was your role? 18 A. I managed that engagement. I led that 19 engagement. 20 Q. And with respect to what I'm calling 21 posting priority? 22 A. Yes. 23 Q. What we're talking about. What changed 24 from the time that you engaged them, going 25 forward?	1 it was clear from your response that there was 2 things that you didn't go with. I'm assuming 3 that if there were anything that were directly 4 relative to our case, you'd probably tell me. 5 MR. TAYLOR: Probably. 6 BY MR. OSTROW: 7 Q. Maybe a foolish question. But what did 8 that do to your overdraft revenue? 9 A. What, when you say -- 10 Q. What did the posting change do to the 11 overdraft revenue? 12 A. Overdraft revenue increased. 13 Q. Obviously, you keep records of your 14 overdraft revenues from year to year? 15 A. Yes. 16 Q. And can you analyze that on a month to 17 month basis? 18 A. Yes. 19 Q. Have you done an analysis to determine 20 what Reg E is going to do or has -- what it was 21 going to do, and now what it has done to your 22 overdraft revenue? 23 A. Yes. 24 Q. And you have all those reports? You 25 don't have them with you, but you have those

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1 reports at the bank that you could pull if 2 necessary? 3 A. Yes. 4 Q. Again, speaking specifically about 5 consumer accounts. The posting priority to that 6 change which went from high to low for 7 everything, did that vary between any customers 8 within the consumer checking account group? 9 A. No. 10 Q. Everybody got the same treatment, per 11 se? 12 A. Yes. 13 Q. And this was a decision that the bank, 14 obviously, decided to go with to change the 15 priority, correct? 16 A. Yes. 17 Q. And if the bank wanted to, at that 18 time, switch to go low to high, it could have 19 done that as well, right? 20 MR. TAYLOR: Object to the form. 21 A. Yes. We received recommendations from 22 EPG on a number of areas; this being one of 23 them. And you know, we -- we implemented their 24 recommendations. So if it had been a different 25 recommendation and we made the decision to do	1 I mean, that's been our practice for -- 2 Q. Do you know why you do that? 3 A. No, I have no idea. We always do it. 4 That goes back, I mean, to me, that's standard 5 banking practice, from my experience. 6 Q. I'm not suggesting it's not a good 7 idea. I mean, I assume, and my assumption 8 doesn't really mean anything in the case that, 9 you know, you want to make sure you get our 10 money for your own fees first. 11 A. I understand what you're saying. And 12 again, from my experience, that's the way banks 13 have always posted fees. But I've been doing it 14 so long, I've never sat in a meeting where 15 somebody said, here's why we are going to do, 16 you know, post fees first. 17 Q. Did you sit in the meeting where EPG 18 told you why you should switch everything from 19 high to low? 20 MR. TAYLOR: Object to the form. 21 BY MR. OSTROW: 22 Q. Did EPG tell you that you should switch 23 the posting order that you were currently using 24 at the time that you met with them to a high to 25 low for all transactions?
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1 it, we would have done that. 2 BY MR. OSTROW: 3 Q. Right. I guess my question was, you 4 know, isn't really, you know, why or who, it's 5 more of the bank can change the posting priority 6 if it wants, correct? 7 A. Posting priority is -- yes, we 8 determine the posting priority for our account. 9 Q. Where do fees fall? In the high to 10 low, fees fall -- how do they fall in the high 11 low hierarchy? 12 A. The fees would fall in the group 13 considered bank initiated transactions. Bank 14 initiated transactions post first. Overdraft 15 fees are a day's delay, you know, they post the 16 next day. But they will post first in the next 17 day. 18 And a fee cannot generate another fee. 19 You know, if you get an ATM withdrawal fee, 20 you're not subject to incur an overdraft fee 21 because you're overdrawn and you got an ATM 22 withdrawal fee. So fees don't incur, you know, 23 additional fees, but they do post first. 24 Q. Why is that? 25 A. The bank has always posted fees first.	1 A. EPG made a number of recommendations. 2 And yes, I participated in those conversations 3 and meetings regarding those recommendations, 4 including the posting order recommendations that 5 they made. 6 Q. What was the rationale for their 7 suggestion to go high to low in every -- with 8 all transactions? 9 A. Multiple reasons. You know, 10 simplification was No. 1. We had buckets -- if 11 you -- if you go back in time, customers wrote 12 checks, and then they wrote checks that had 13 ACH. And then they -- you introduced different 14 types of transactions. So we had multiple 15 buckets. You know, a customer were to call up 16 and say, hey, I'm -- I had an overdraft fee last 17 night, I can't figure out why. 18 You know, you said, well, you know, we 19 posted you two checks first, and then we posted 20 your debit card transaction, and then we posted 21 this, no. If it's high to low, it's very simple 22 for the customer to understand. Very simple for 23 the bank to explain, so simplification was one 24 reason. 25 Certainly, we discussed revenue. That

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1 was -- the whole engagement was for revenue 2 enhancement. So for certain customers, there 3 would be additional revenue that the bank would 4 generate from those account relationships. 5 Let's see. What else was there? I mean, you 6 know, they had three or four points that 7 supported their recommendation. 8 Q. Are you still posting the same way? 9 A. We -- yes. Since 2003, we've posted 10 the same way. Not all the same transactions are 11 subject to OD fees because of Reg E. But the 12 posting order, it was not changed as a result of 13 Reg E. 14 Q. So you're still doing every transaction 15 high to low? 16 A. Yes. 17 Q. Did you keep notes from your meetings 18 with EPG? 19 A. I don't -- you know, I provided counsel 20 my EPG file. I can't remember if there were 21 notes in them or not. I'm not a big note 22 taker. But I know, you know, there were EPG 23 related documents that they, you know, 24 produced. I mean -- 25 MR. TAYLOR: You have everything from	1 Q. So it's our understanding that your 2 OD -- and I think this in the -- your OD revenue 3 and NSF revenue is co-mingled. When I say that, 4 I'm not even sure what that means. You know, I 5 know that means it's all in one number. So if 6 you told me you made a hundred million dollars, 7 part of it's each of it. But is that just for 8 aggregate reporting purposes when you say it's 9 co-mingled? 10 A. Up until Reg E changes in January 2009, 11 I believe our bank used the same tran code, 12 transaction code, for an NSF fee as an OD fee. 13 So there was -- there was no discrepancy between 14 the two fees, you know, because of Reg DD and 15 the requirement that we display on the customer 16 statement every month, the amount of OD fee and 17 the amount of NSF fees, and the year-to-date OD 18 fees and the year-to-date NSF fees, we had to 19 make some changes so that we could count them 20 separately in 2009. I'm sorry. 21 Q. That's good. So before January '09, 22 when a customer gets their statement, either 23 looks at it online or sees their statement, they 24 would see a fee. But it wouldn't -- I mean, 25 they wouldn't say there would be no identifier
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1 his file. 2 A. Right. But I don't recall notes per 3 se. 4 BY MR. OSTROW: 5 Q. Did the change of the posting order -- 6 when I say the posting order, to go away from 7 buckets and just go high to low, did that also 8 have the same effect of increasing revenue for 9 NSF's? 10 A. When I -- normally, NSF revenue as a 11 percent of total NSF/OD is a factor of whether 12 you pay or return the item. So if you pay an 13 item, there's going to be an OD fee. And if you 14 return an item, there's going to be an NSF fee. 15 If you change the dynamics of how you pay an 16 item, and you increase your pay rate, your 17 NSF/OD revenue may go down. Your overall may go 18 up. 19 My recollection, just right off the top 20 of my head, is that as a result of the 21 recommendations that EPG made, and that we 22 implemented, our OD revenue increased, but the 23 revenue attributable to NSF either stayed flat 24 or probably went down. But my recollection is 25 it went down because we paid more.	1 as to whether it's an NSF fee or an OD fee? 2 A. I believe the -- well, when we made the 3 decisions to pay or return, it would generate 4 two different fees. There would be -- 5 Q. Thirty-five. 6 A. Right, whatever the amount for the 7 returns, and then whatever the amount for the 8 overdraft. 9 Q. So if we knew how much fees were, then 10 they would know which one it was for, or if they 11 -- 12 A. And the notice -- and the notice would 13 display it as well. The notice would say these 14 two items are returned for insufficient funds. 15 You know, and it will tell them which two. And 16 there was a fee associated with those. And 17 these three items, or none, may have been paid 18 into overdraft. And here's the associated fees 19 for those. 20 Q. So on an individual account level, if 21 my expert wanted to look at 10,000 accounts, he 22 could go through each one and figure out which 23 was an NSF fee and which was an OD fee? 24 A. Yes. Yes. We know -- 25 Q. But if I said, Jeff, hit enter, and

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1 give me the total numbers you got of each, you 2 could say, post January '09, I could do that, 3 Jeff. Before '09, I can only give you the 4 total? 5 A. From a -- right, from an accumulation 6 of revenue in the bank's books, you know, not 7 the account. 8 Q. Right. 9 A. But the banks' books where the general 10 ledger, you know, we have accounts for different 11 types of revenue, and accounts for your balance 12 sheet, and account for your income statement. 13 The accounts that reflect the NSF/OD revenue is 14 combined. We don't segregate NSF into one group 15 of GL accounts and OD revenue in another. It's 16 combined. 17 So in order to give you specific 18 information, we would, you know, what I would 19 probably do if I was trying to do that is to 20 take the days payment decision reports, which we 21 know each day, which ones we pay. You know, I 22 mean, everyday, regardless of pre 2009 to post 23 2009, we know which items we pay and which items 24 we return every day, and the fees associated 25 with doing that. So that would be a source of	1 A. Right. 2 Q. Post '09, too? 3 A. Yeah, that's right. We do not -- we do 4 not change the data fields, the year-to-date 5 data fields for refunds. We report to the 6 customer their gross. 7 Q. But if you looked at the daily reports 8 with the branch managers, that's -- there's -- 9 do you ever -- they look at a report that says, 10 here is all the charges, what you want to do 11 with it. Then is there another report that 12 there is generated after that they go in and do 13 what they want to do? 14 A. Right. From an exception processing 15 standpoint, they get that report before any 16 decision has been made. And that's what they 17 work off of. They don't get another report. 18 Because all they're doing is paying and 19 returning an item. 20 Q. But what do you look at? Is there a 21 report the next day that says, here is all the 22 stuff that was reversed or refunded, as you 23 would say? 24 A. No, we don't -- we don't collect data 25 on refunds at the account level. It goes into a
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1 information on the difference between OD and 2 NSF. 3 Q. Any other than that, and looking at 4 100,000 or 10,000, or any other sources that 5 you're aware of, which would help one determine 6 the revenue from each? 7 A. That would -- that would be the 8 sources. You know, I would start with the 9 exception reporting information because that's 10 going to be more summary and not account 11 specific. Account specific makes it hard. 12 Q. Are those the same reports you would 13 look to to determine what reversals, how much in 14 reversals you all did? And when I say 15 reversals, paying back for overdrafts or NSF's? 16 A. No. Our process to what we call refund 17 a customer's OD or NSF revenue or any other fee 18 is a manual process. So if the customer 19 inquires about having a fee refund, or if the 20 branch does it arbitrarily, for whatever reason, 21 it is a deposit into the customer's account. 22 And there's nothing about that deposit that 23 notes that it's an OD refund, or a -- any other 24 fee refund. It's just a pre-owned deposit. 25 Q. Exactly.	1 general ledger account. There's a specific 2 general ledger account that if you -- you know, 3 you debit -- credit the customer's checking 4 account so the offsetting debit, to the general 5 ledger account which lowers the bank's revenue 6 number -- non-interest income number. 7 So there's -- that's what I look at is 8 the bank's, you know, I don't look at it every 9 day, but I look at the refund dollar amounts. 10 And there's a specific account for those, but 11 it's not account specific. I can't say that 12 Jonathan got \$100. Jeff got \$200, and Eric got 13 \$300. It's not at the account level. 14 Q. But is it specific as to NSF and OD? 15 A. No. It is combined. It can be -- 16 Q. Well, now, that's what I meant. It's 17 combined for those two, but what if you reverse 18 some other fee? 19 A. There are other accounts that are 20 available to refund service charges would be a 21 different refund account. Other fees would have 22 a different refund account. There is a specific 23 general ledger account just for refunding 24 NSF/OD. 25 Q. So it sounds like if I said, you know,

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1 Jeff, tell me how much you did in OD/NSF revenue 2 for the time period, you could say here's your 3 number. And again, if I said tell me how much 4 you refunded, you go, here's your number. And 5 then I would have to look at two different 6 sources that we've discussed if I really wanted 7 to understand the percentages, you know, between 8 OD and NSF, right? How much of each? 9 A. Yes, uh-huh (affirmative response). 10 Q. Do you know, as you sit here, what 11 percent of the total OD/NSF revenue is 12 approximate for each? 13 A. Yes. Be somewhere around 83 percent is 14 OD, about 17 percent is NSF. 15 Q. And that's as of when, is that today? 16 A. No, that -- 17 MR. TAYLOR: It might be helpful to ask 18 that on a time basis. 19 BY MR. OSTROW: 20 Q. It sounded like you know. 21 A. That's -- that's probably the average 22 over the last several years. It'll range 23 anywhere from, you know, 80 to maybe 85 percent. 24 Q. Okay. You said deposits always went 25 in?	1 all acquired? 2 A. Yes. 3 Q. I think, what did I read, '05, '06, 4 something like that? 5 A. Acquired in '05. 6 Q. Was that a failed institution, or was 7 that a true acquisition? 8 A. It was a true acquisition. It was not 9 a failed institution. 10 Q. Have you grown by acquisition other 11 than that bank in -- since '05? 12 A. Yes. 13 Q. What else have you bought? 14 A. I try to go -- we acquired -- 15 MR. TAYLOR: Are you talking about 16 commercial banks? You're not talking about 17 anything -- you're not talking about 18 BancorpSouth, Inc. growth? You're talking about 19 bank -- 20 BY MR. OSTROW: 21 Q. Correct. That are now under the 22 BancorpSouth Bank umbrella, not the holding 23 company? 24 A. We acquired the Signature Bank out of 25 Springfield, Missouri since American State Bank.
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1 A. You know what? I need to clarify that 2 because I want to make sure we're all on the 3 same page. When I talk numbers, and NSF/OD, I 4 don't have a separate column for retail and 5 commercial. I'm speaking as a whole, you know. 6 Q. Well, there's a couple components. I 7 mean, there's percentage of those two, you know? 8 A. Right. 9 Q. Amongst themselves. Then there's a 10 percentage of those two in the broader 11 category. Then there's the broader category of 12 what percentage of those, right? 13 A. Right. 14 Q. Which you have given me a little chart 15 which summarizes everything we're talking about. 16 Just a question of how do I actually, you know, 17 break those numbers down when I need to. It 18 sounds like we've got some way of doing that. 19 A. Yes. 20 Q. You've always put deposits in before 21 credits, no matter what, right? 22 A. Yes. 23 Q. As long as you can remember? 24 A. Uh-huh (affirmative response). 25 Q. American State Bank, is that a bank you	1 Q. How long ago, Jeff, if you can guess? 2 A. Oh, my goodness. That's over four 3 years. It was -- it was prior -- it was, I 4 believe it was '06; either '06 or '07. '06, I 5 believe. The Signature Bank in Springfield, 6 Missouri was the last bank acquisition that we 7 had. And it was either in '06 or '07. American 8 State Bank was before the Signature Bank. 9 Q. Were these banks high to low? 10 A. I don't know. 11 Q. Okay. What's the asset size of the 12 bank today? 13 A. It's approximately 13.25 billion. 14 Q. When you all report service deposits, I 15 mean service, you're non-interest revenue. And 16 that is your -- 17 A. Service charges? 18 Q. Service charges. Within that category, 19 obviously, overdraft and NSF fee income. Then 20 there's other fee incomes, right? 21 A. Yes, we have a total -- we report, like 22 most banks, we have a total non-interest 23 income. And broken inside of that total 24 non-interest income are going to be different 25 categories of non-interest income broken, you

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1 know, maybe across lines of business or types of 2 fees, et cetera. And of that deposit related 3 service charges is, you know, is a category. 4 Q. Right. Do you know what percent of 5 those -- of that income of the service charges 6 is overdraft NSF income? 7 A. Well, if I had a quarterly report, I 8 could -- could do it, because -- and the reason 9 that is, is if you're, you know, you've got 10 multiple ways to look at that. And I'm not sure 11 if you're referring to what we publicly put out 12 in the categories that we put out in our 13 financial releases. Or if you're looking at 14 internal reports, that might get much more 15 granular. 16 Q. I don't have the -- I, unfortunately, 17 don't have the ability, at this point, to see 18 internal reports. And so when I look at a bank, 19 I can -- I only get to see what you file with 20 the SEC, which is usually then taken and reflect 21 on the FDIC site. So you're broken down on 22 non-interest income. And there's usually a 23 service -- you know, service charges and -- 24 A. Right. 25 Q. I'm trying to understand, from that	1 Q. So if I went online, I could just take 2 that and do the math. 3 A. You should be able to because what also 4 should be in that number, is standard service 5 charges and some other service charges that 6 are -- that would be considered deposit related 7 service charges. And I can't -- I don't want to 8 guess. 9 MR. TAYLOR: There is certainly a way 10 to get you the specifics. 11 THE WITNESS: Yeah, I want you to have 12 the information. 13 MR. OSTROW: It doesn't change 14 anything. I'm just -- it was a just -- 15 MR. TAYLOR: It's a reasonable 16 approximation. 17 MR. OSTROW: Got it. 18 A. Right. And that was an annualized 19 number that I gave you, not a quarterly number. 20 BY MR. OSTROW: 21 Q. Got it. No. Right. And he's provided 22 those already. 23 A. Okay. 24 Q. You're right. It's some reason they go 25 down in the later years. And then --
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1 bucket, what percent -- and it doesn't tell me 2 that. 3 A. Well, I could if I had the proper 4 report, or if I had, right off the top of my 5 head, I can't remember what we published, for 6 reference discussion, second quarter of 2011. I 7 don't remember what we published as a service 8 charge. If you had that, I would -- I can do 9 the math. 10 Q. Well, I'm just saying on a percentage 11 basis. If you have a general idea of what that 12 one category, vis a vi, all service charges? 13 MR. TAYLOR: If you are about to say 14 guess, he's not asking you to guess. 15 A. Right. If I had the report, I could do 16 the math. And I'm not trying to not give you 17 anything. I just can't remember if the service 18 charge that's on that, what all it includes. 19 But looking at it, my -- I'll answer it this way 20 because I want to give you everything you want. 21 You know, we have -- since 2006, you know, we've 22 averaged between 50, 51, 52 million to 60 23 million in NSF/OD revenue on an annualized 24 basis. Service charges -- 25 BY MR. OSTROW:	1 A. I can certainly explain that. 2 Q. Why is that? 3 A. Well, Reg E is part of the reason. 4 Q. Yeah, but before Reg E, it looked like 5 they were dipping a little bit? 6 A. Yes. Customer transaction volumes have 7 been down. Customers are not spending money 8 like they used to. If you look at the -- 9 Q. I mean, I -- 10 A. Spin rate. 11 Q. I live in this world, I understand 12 that. But I mean, I'll tell you with other 13 banks that I've seen, they -- the chart goes 14 like this, right up until Reg E. And then you 15 would think it does, and the banks actually 16 marketed the opt-in, even maybe went a little 17 bit higher until the end of the year. And then 18 some of those that didn't market, just kind of 19 dropped off. Wherever they changed their 20 posting, and then it dropped off. 21 A. Right. For our bank, you know, we have 22 not changed anything systematically that would, 23 you know, no posting order changes or anything 24 like that in that period of time. You know, 25 certainly, Reg E made certain transactions

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1 ineligible for an OD fee. But, you know, our 2 customer transaction volumes are down. 3 Q. Okay. I think I may have asked you 4 earlier in the day, but if a customer were to 5 call up the bank during the middle of the day, 6 say twelve o'clock, and say, can you tell me my 7 balance, what balance is the rep who is 8 responding to them giving? 9 A. She's going to give probably the -- the 10 current -- what we would call, at that 11 particular time, the current available balance. 12 And it would include any deposits that we have a 13 record of, whether they were in the branch and 14 made it that morning, or whether it was an 15 electronic deposit that they made. And it would 16 include, you know, it would -- it would be minus 17 any debits that we have memo posted to their 18 accounts, whether it's an ATM or debit card or 19 an over-the-counter withdrawal. 20 Q. So it would be net of the memo posted 21 up until that moment? 22 A. Yes. 23 Q. In order to determine what the fees, 24 overdraft and NSF's fees have been through the 25 period that were of interest, '06 through	1 account -- of course, they get an overdraft 2 notice on the day that the overdraft decisions 3 are made. 4 And it will be mailed to them. They 5 get a letter from us if their account continues 6 to be overdrawn ten days later, reminding them 7 that they have yet to come in and bring their 8 account back to good standing. Then we send 9 them another letter after 17 days, letting them 10 know that it's been 17 days. And that if they 11 do not bring the balance back to a good balance 12 within 30 days, that we're going to charge it 13 off and close the account. 14 And then if they don't bring the 15 account back into good standing, we have -- we 16 automatic -- automate, -- have an automated 17 process that will charge the account off and 18 close it if the balance is less than \$1,000. If 19 the balance is more than \$1,000, we manually 20 charge it off and close it. So those reports -- 21 we have -- we have overdrawn reports, overdrawn 22 account reports that are produced daily. Then 23 we've got more specialized reports. You know, 24 if you've been overdrawn more than ten days, or 25 if you are approaching charge-off.
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1 whenever until now, I would have to look at your 2 fee sheet. And you don't know that information 3 offhand, do you? 4 A. What our fees have been over the period 5 of time. 6 Q. Right, for those last four or five 7 years? 8 A. I know the 35 now. And prior to that, 9 they were 32. And I can't -- I can't go back 10 any further than that. I mean, I know it's -- 11 Q. What's the current NSF fee? 12 A. Thirty-five and -- \$35. 13 Q. Now, you don't have to worry about up 14 and down rate, get the same amount for each. Do 15 you have uncollectible reports, uncollectible 16 fees, overdraft, NSF? 17 A. What we -- you know, when an account 18 becomes overdrawn, for whatever reason, it could 19 be for whatever reason, the account becomes 20 overdrawn, we have multiple reports that we 21 produce during the period of it being overdrawn 22 until it is either brought back to a current 23 balance, or we charge the account off. You 24 know, we have a -- and we communicate with the 25 customer as well during that period once their	1 Q. Do the reports break down what the -- 2 what's being charged off, though, meaning you 3 got a \$900 person that's just not paying. 4 Presumably, at least, for the sake of my 5 example, a portion of it is from overdraft, 6 NSF. But then there's the principle that you 7 actually paid, which is probably usually the 8 bulk of it, most of the time, unless they're the 9 one that you look at statements, NSF, NSF lined 10 up. So do these reports just say, hey, we 11 charged off \$900 for this account, or does it 12 say \$900 of which 75 were fees, and the rest was 13 actual money we went -- that went out the door? 14 A. Right. The charge offer report itself 15 is going to charge off a dollar amount. But 16 what we do internally, on a quarterly basis, we 17 analyze a random sampling of accounts that we've 18 charged off. And we examine to see what portion 19 of the balance is principle and what portion of 20 the balance is fee revenue. 21 Q. Right. Because fee revenue is not -- I 22 don't want to say it's not real money to you, 23 but it's not the same as, you know, the \$700 24 principle that you paid off for the person? 25 A. Right, right.

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1 Q. Would then the fee -- within your 2 analysis of what fees, you know, versus 3 principle, do you know what category of fees 4 were written off? 5 MR. TAYLOR: You mean on the report 6 itself? 7 A. When we do that analysis? 8 BY MR. OSTROW: 9 Q. Right. So if he writes off \$900, and 10 there's \$200 in fees -- actually, I would like 11 to know, you can tell me if you can figure it 12 out, what is NSF or OD and what's another fee 13 you charge. 14 A. Service charge. 15 Q. They went below minimum balance? 16 A. Right, right, right. For the purposes 17 of charged off checking accounts, what we do is 18 we're trying to, on a quarterly basis, identify, 19 you know, the fee and the principle amount. We 20 make the assumption that all of the fees are 21 NSF/OD related because they're overdrawn. So we 22 don't break out a service charge separate from 23 ATM withdrawal fee. 24 And then, you know, because what we -- 25 what we are going to do, and I think this may	1 something like that. If he's one that you wrote 2 off or charged off, will that be reflected 3 within his documentation when we go back to look 4 at his particular account? 5 A. Make sure I understand your question. 6 For checking accounts that have been overdrawn 7 for, I believe it's 35 business, or 35 days, not 8 business days, calendar days, that have been 9 overdrawn 35 calendar days, we're going to 10 produce a report when we do that. And it -- say 11 at least 112 accounts have been overdrawn, you 12 know, 35 days. You know, we need to, you know, 13 bring the account back to zero so it can be 14 closed. 15 And we need to do something with the 16 funds, you know, where do we put the offsetting 17 entry, you know, to account for that closure of 18 that account, which goes into the charge off, 19 the other account I mentioned a minute ago. And 20 on the statement that that customer will 21 receive, their, if you will, their final 22 statement, their closure statement, their 23 closing statement on, there will be an entry. 24 And I can't remember the description on 25 the entry, but it is a specific entry that we
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1 lead to where you're hoping to go is we want to 2 accurately reflect the true NSF/OD revenue. So 3 we're also going to make a monthly entry to the 4 NSF/OD charge-off, GL account, to take the 5 principle that we charged off out of that 6 account. And we're going to move that into 7 another general ledger account that reflects 8 what we estimate to be principle loss on 9 overdrawn checking accounts. So that our net 10 NSF/OD revenue number does not include any of 11 the principal lost. So that we're not 12 understating or overstating our NSF. 13 Q. But it could still include some other 14 margin? 15 A. It could. 16 Q. Your presumption is if they got to that 17 point, those fees are related to getting to that 18 point, which is getting to overdraft land, 19 right? 20 A. Right. 21 Q. When you look at historical 22 transactional data on an individual consumer, 23 meaning we want to look at consumer Joey again, 24 and we want to look at what happened for his 25 account for a particular, you know, day or	1 make, you know, that takes the account back to 2 zero so that -- and it's called a closing entry 3 as well. So that on the system, you know, that 4 account is closed. So that if there are other 5 checks that they've written out there, you know, 6 they automatically get, you know, sent back 7 because the account is closed. Or if understudy 8 -- 9 Q. Makes sense. So when you give me 10 information of 40, 50, 60 million dollars on an 11 annualized basis, doesn't matter what that 12 number is, is that number net of charge-offs? 13 Meaning that's not the number of overdraft NSF 14 total assessed, that's what you actually 15 collected, right, the revenue? 16 A. The net revenue is the number that -- 17 that I know we have discussed most frequently. 18 It would include the net charge-off, I mean, the 19 charge-offs would be removed from that number. 20 Q. Yeah, it's a net number? 21 A. It's a net number. 22 Q. Is it also, then, what we talked about, 23 you call it refunds. 24 A. Net of refunds. 25 Q. It's net of all that, right?

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1 A. Yes. 2 Q. This is just putting those two 3 categories we discussed aside. This is the 4 actual money that the bank got. There's no more 5 deductions that come out of that for refunds or 6 charge offs? 7 A. And again, yes. And on a periodic 8 basis, you know, we all know that, you know, 9 there are always, because of the way periods 10 work, there can always be the occasion where you 11 don't charge off -- you know, the revenue -- fee 12 revenue occurred in June, but the account didn't 13 get charged off until July because it needed to 14 -- you know, it was only eight days overdrawn in 15 June, and it didn't get to 35 days overdrawn 16 until July. So there's a little bit of -- 17 Q. Right. But the broader the period you 18 look at, it all washes itself out? 19 A. That's exactly right. 20 Q. Batch processing, what is it? 21 A. What we referred to earlier, the 22 nightly processing that occurs. 23 Q. As opposed to real time? 24 A. Right. 25 Q. Okay. How difficult is it for the bank	1 A. Right. 2 Q. Right? 3 A. Right. It's high to low. 4 Q. Which is high to low. But you have to 5 keep your records so you know what's what? 6 A. Right. Right. 7 Q. So that may take more time if you had 8 to change it because you still need to change 9 all those accounts. 10 A. I had to account for all that, right. 11 I had to account for all of that. 12 Q. Have you ever done any studies or -- 13 regarding consumer preference and posting order? 14 Not you personally, the bank? 15 A. I mean, from my general -- I will say 16 from my general experience in banking, most 17 customers that I've had contact with prefer to 18 have their more important transactions paid. 19 And they're much more concerned about their 20 rent, their health insurance, their car 21 payments, than they are, you know, their grocery 22 bill. That's my experience. But no, the bank 23 has not done a study or engaged a third party to 24 do a customer evaluation. 25 Q. Other than the consultation that you
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1 to actually change the posting order. If you 2 left here today and said, you know what, go back 3 to the board and say, I want to change this 4 order. And I'm certain that I wasn't, you know, 5 that impressive that you are going to change the 6 order. But if that was to take place, how 7 quickly can you get your system? 8 A. Depending upon the complexity of the 9 change. And the impact, you know, I mean, you 10 know, the more complex you make it, the -- the 11 longer it will take. What goes into that is 12 there are -- there are, you know, a significant 13 number of tran codes that reflect -- some of 14 them are for the bank's benefit, if you will. 15 Because, you know, most customers don't care 16 that their deposit, you know, that we got their 17 money from the Fed, from another bank, you know, 18 from them walking in over the counter, you know, 19 presenting a check to us. 20 Q. But you guys care? 21 A. We care where it came from. 22 Q. That's why you have a map of tran 23 codes, but the reality is the posting priority? 24 A. That's right. 25 Q. Is all the same?	1 got with EPG? 2 MR. TAYLOR: Object to form. 3 BY MR. OSTROW: 4 Q. I'm saying -- well, you consulting with 5 EPG regarding payment priority for revenue 6 purposes? 7 A. We engaged -- well, EPG -- we engaged 8 EPG to analyze a number of factors. And one of 9 their recommendations, when they came into the 10 bank, and you know, did their analysis was to 11 consider changing the posting order, yes. But 12 no, I mean, we didn't go out and engage EPG and 13 say, hey, come in here and change our posting 14 order, you know, as an active engagement. 15 Q. That's not why they were necessarily 16 there? 17 A. Right. 18 Q. I get it. 19 MR. TAYLOR: And I understood your 20 question to be about customer, the study of 21 customer. And then it sounded like you were 22 connecting EPG and customer. 23 MR. OSTROW: I did. It was probably 24 those two concepts together. 25 BY MR. OSTROW:

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1 Q. Did EPG present any studies or anything 2 to you all regarding customer preference? 3 A. I don't recall -- I don't recall any 4 studies or anything, but do recall that, you 5 know, some of the comments were the -- I mean, 6 when I mean comments, it sounds like I'm 7 recalling an actual comment, but you know, the 8 gist of the recommendation was -- their 9 experience in other banks had been that the 10 larger -- that customers preferred the more 11 important, larger transactions to post prior to 12 the others. But they did not present us a study 13 that said we -- you know, we talked to a 14 thousand customers, and here's what they said. 15 Q. What written disclosures, during the 16 time period '06 to Reg E, were made to the 17 customer regarding posting sequencing? 18 A. We periodically, of course, new 19 customers get an account agreement. You know, 20 that includes an account information statement. 21 But we periodically -- and it's not every year, 22 but it's almost every year, or it may be 15 23 months in between or something, but we 24 periodically send them an account information 25 statement, disclosure information regarding, you	1 acquisition BancorpSouth? 2 A. When we acquire a bank, we do a whole 3 slew of disclosures to a customer. You know, 4 welcome to BancorpSouth. 5 BY MR. OSTROW: 6 Q. Those banks that you acquired, those 7 customers are going to fall within this class 8 period? 9 MR. TAYLOR: What I understand is, the 10 way you asked the question, I didn't know if you 11 were talking about what disclosures BancorpSouth 12 made to them as they became BancorpSouth 13 customers, or what disclosures were made to them 14 as their prior bank's customers. Because that 15 would be within the period. 16 MR. OSTROW: I'm not concerned what the 17 prior bank's disclosures were to those customers 18 that are now BancorpSouth customers. I just 19 want to know, since they became BancorpSouth, 20 what everybody has gotten. 21 A. All right. They would have received, a 22 -- at some point, and I'd have to go back and 23 look, we did a mass change in terms, terms and 24 agreements, t and a. And I cannot recall the 25 date, but it is going to be in the time line of
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1 know, it could be new fees. 2 It could be things like that. But we, 3 you know, since 2006, not counting Reg E, I 4 think our -- we disclosed to our customers, we, 5 you know, we pay transactions in any order we 6 choose, even if those order we choose causes you 7 to incur additional fees. You know, that, you 8 know, -- I mean, we've been disclosing that for 9 years and years, that we have the right to pay 10 items in any order we choose. 11 Q. Do you know if that disclosure language 12 has changed from agreement to agreement from '06 13 to July 2010? 14 A. Take out Reg E? 15 Q. Right. 16 A. Well, we did disclosures in March for 17 Reg E, you know, because you got to -- 18 Q. Right, got to go in advance. So you -- 19 go before that. For the time period that would 20 include, you know, for the banking up until Reg 21 E. 22 A. Okay. 23 MR. TAYLOR: And you talked earlier 24 about some acquisitions. You're talking about 25 non-reacquisition? In other words, post	1 post 2006, or 2006 going forward. And then we 2 would have made periodic disclosures, that we 3 call it account information statement 4 disclosures. 5 And it will give a, you know, a litany 6 of fees. And we might highlight fee changes 7 that are taking place in the particular notice. 8 Or if there is a regulatory change or something 9 else might be highlighted in that. And then -- 10 but my recollection those it would be the -- the 11 two things. 12 Now, if -- the other way we would 13 communicate certain changes to customers is 14 through a statement message. If there's 15 something, you know, that the bank is wanting to 16 communicate to its customers, we may, you know, 17 on their statement, you know, put a message. 18 And it could be a marketing message, or it could 19 be a change message. 20 Q. Have you sent out any of those messages 21 regarding posting order? 22 A. On statements? 23 Q. Yes. 24 A. No. 25 Q. So then, just so I make sure I

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1 understand the universe of the types of notices, 2 disclosures regarding posting order, it would 3 be -- sounds as if, correct me if I'm wrong, 4 it's limited to the deposit agreement? 5 A. Right. 6 Q. Which you call the deposit account 7 terms and conditions, as well as the account 8 information statement? 9 A. Those would be the -- those would be 10 the two -- regarding posting order, sitting here 11 today, those are the only two I recall. And I 12 can't think of reason it would have gone in any 13 other form. 14 Q. I'm not trying to trick you. I haven't 15 seen anything else. 16 A. Right. Those are the only two I just 17 recall. 18 Q. Okay. 19 A. And I can't imagine why we would have 20 done it another way. 21 Q. And the high to low posting regime that 22 we've been discussing, since you implemented 23 EPG's suggestion has been since '03? 24 A. Yes. 25 Q. And that doesn't vary from state to	1 documents as account opening. 2 MR. OSTROW: Right. Those two 3 documents, the deposit agreement and account 4 information statement, I wanted to know whether 5 they varied from state to state, or are they the 6 same regardless of where you were. 7 MR. TAYLOR: And when you phrased the 8 question, literally, that broadly, I think the 9 answer is, there are differences, state to 10 state, in the deposit, but -- 11 BY MR. OSTROW: 12 Q. Well, let's break it down then, now 13 that you're telling me that. 14 A. The terms and conditions agreement is 15 the same. 16 MR. TAYLOR: Right. And I think what 17 you're interested in, if you were to ask the 18 question about posting order, I don't think that 19 is a difference among the states. 20 THE WITNESS: No, it's not. 21 MR. OSTROW: Do you know what the 22 differences are, for whatever the other terms 23 would be? 24 MR. TAYLOR: I would have to go back 25 and look at the chart. But anything that
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1 state, depending upon where your customers are, 2 does it? 3 A. No. 4 Q. And are these, the two documents that 5 we just discussed, the deposit agreement and the 6 account information statement, are they the same 7 document that all BancorpSouth customers have 8 gotten, regardless of what state they're in? 9 A. The account information statement is. 10 I'm just trying to remember. We would have, at 11 the point of acquiring a bank during that 12 period, we would have made some specific 13 disclosures to those customers. But the posting 14 order, again, would not have been any different 15 in any state, you know. But there's just -- 16 when you acquire a bank, there's a significant 17 amount of regulatory disclosures that you've got 18 to undertake. 19 MR. TAYLOR: And I think the way you 20 asked the question was, were the account's 21 opening documents the same per state. I may 22 have misunderstood. 23 MR. OSTROW: And I don't remember 24 saying account opening. 25 MR. TAYLOR: I'm combining the two	1 impacts the lawsuit, I think the answer is no. 2 BY MR. OSTROW: 3 Q. Okay. So as far as the implementation 4 of the changes of -- that EPG recommended, are 5 you the person from the bank that was 6 responsible for implementing them as well? I 7 say as well, as well as the primary person to 8 engage the company? 9 A. I would have been responsible for 10 overseeing that the effort was -- the 11 recommendations that the bank determined it was 12 going to implement, overseeing whether they were 13 implemented or not. Now, I mean, I've got a 14 staff of people that were going to actually do 15 the work. But I would have had the 16 responsibility of working with the different 17 entities to have the recommendations 18 implemented. 19 Q. Okay. We have talked a little bit 20 about transaction codes. But tell me what your 21 definition of what a transaction code is, as far 22 as the bank's concerned. Broad. 23 A. Big. 24 Q. Don't tell me what CSE transfer credit 25 is. I don't care what that is. Maybe somebody

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1 will. 2 MR. TAYLOR: What the function of the 3 transaction code is? 4 BY MR. OSTROW: 5 Q. Right. Why do you use them? 6 A. Well, transaction codes are used in our 7 software at BancorpSouth to uniquely identify a 8 type of transaction so that you can either have 9 a unique description. You can have the ability 10 to track or collect information on it. Or 11 identify a source of type of transaction so that 12 you can eventually post that transaction to the 13 customer account and know what type of 14 transaction it was so that you can, from our 15 perspective -- the bank's perspective, 16 adequately, you know, post the transaction. And 17 if the customer inquires as to what it was, 18 explain to them what the transaction was. 19 Q. And does it also assist you all in 20 generating reports for whether there are reports 21 that are required to be, you know, for public 22 filing purposes or for internal analysis? 23 A. Transaction codes, I don't believe we 24 have any transaction code -- I tell you what, 25 there are industry transaction information that	1 get all the 06's for a certain period, so you 2 would be able to determine how many of those did 3 we process? 4 A. Not quite that simple. But yes, we 5 have the ability to extract information off of 6 the transaction history that -- that will 7 accumulate facts regarding that transaction 8 code. 9 Q. When you're recording transactions, do 10 you use codes for all the transactions, 11 regardless of what they may be? 12 A. Yeah, every transaction is going to 13 post to a customer's account, is going to have a 14 transaction code. You know, you got -- you may 15 have, as we discussed earlier, you may have a 16 transaction code like deposit that is numerous 17 type, you know, could be over the branch. It 18 could be electronic, but it's a, you know, it's 19 a deposit. But yeah -- 20 Q. So there could be different forms of a 21 code, but only one code? You understand my 22 question? 23 A. Right. Every transaction that posts to 24 a customer's account has to have a transaction 25 code.
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1 is helpful to trend. So from our perspective, 2 yes, there are certain types of transactions 3 that you may want to, No. 1, identify which 4 types of customers use that service, or which 5 types of customers do business that way. Or you 6 compare that to industry trends to compare to 7 that to whether the thought or the product or 8 the service worked. But I'm not sure of a 9 regulatory requirement on transaction codes. 10 Q. I know you're not filing certain 11 reports regarding those codes. I didn't know 12 whether you take the codes to generate certain 13 aggregate data that you then somehow use for 14 reporting purposes? 15 MR. TAYLOR: I think what he's asking 16 is just, are transaction codes a method by which 17 the bank can extract information for reporting 18 purposes? 19 THE WITNESS: Yes. 20 BY MR. OSTROW: 21 Q. And can you -- that was what I was 22 asking, thank you. Then can you take a 23 particular transaction code like ACH credit that 24 I see here as No. 6, and do you have the ability 25 to type in something into some sort of field to	1 Q. And the codes that you use now, are 2 they different from codes that you've used in 3 the past for the same types of transactions? 4 A. Again, we're not going to talk about 5 Reg E. So let's say pre Reg E, because there 6 are some new tran codes that related to Reg 7 E. But for the period of 2003 to prior to Reg E, 8 there will be new codes that have been 9 introduced, for a variety of reasons, but the 10 codes that you're interested in, like for debit 11 card transactions, are the same. 12 Q. I'm interested in all codes that are 13 going to show up on a customer's transaction 14 detail. 15 A. Well, you know, if we established a 16 relationship, a clearing relationship, with NBC 17 Bank in Starkville, Mississippi. And we, you 18 know, it's a check clearing relationship, but 19 we -- you know, we want to take those files. 20 And we may -- we will, we'll set up a special 21 tran code for those. 22 They are going to post in the same 23 group. But it might be tran code 200 and 24 whatever. But it means the same thing as the 25 tran code from the exchange relationship we may

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1 have with the Federal Reserve Bank. It's just a 2 different source for getting the checks. 3 Q. Right. And I don't think the sources 4 are irrelevant to us, right? 5 A. Right. 6 Q. It's just more of the actual 7 transaction, the type of transaction. 8 A. Right, right. But we have, and if we 9 introduce a new fee, we could introduce a new 10 tran code associated with that fee. So there 11 could be, you know, from 2006 to 2010, I know we 12 have additional tran codes. But the customer, 13 you know, the customer relation -- or the 14 customer initiated tran codes, you know, are 15 going to be in the -- in the categories of 16 check, ACH, debit card, ATM, you know, over-the- 17 counter withdrawal, you know, that type of 18 thing. And then, you know, your bank initiated 19 fees are going to be in the forms of fees 20 adjustments to an account for whatever reason. 21 Q. Are they each going to have their own 22 tran code with the exception of NSF and OD's, 23 which would have been blended into one pre '09? 24 Let me back up. I don't like my own question. 25 Do different fees have different tran codes?	1 were used in 2008 that's not on the list. I'm 2 not aware of us deleting tran codes in the 3 period of time, or changing a debit card tran 4 code from one thing to another, until we get to 5 Reg E. 6 Q. Well, let's start earlier in time. 7 I've been given a number of these. 8 A. Okay. 9 Q. And I'm showing you a document that 10 just -- you know, this one happens to be called 11 transaction code. And it comes from your 12 general operating procedures? 13 A. Yes. 14 Q. Your general operating procedure, what 15 your handbook on how to operate the bank, what 16 is it? 17 A. It's a -- it's a manual that is used, 18 you know, it's put together in our back office 19 that describes the different procedures, 20 processes, tran codes and efforts for the bank. 21 Q. And so can you help me, based upon what 22 I'm looking at here, what I've got, determine 23 what the actual code list was at a particular 24 period of time? Because I don't know whether 25 it's a one page list, a two page list, a five
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1 A. They can, yes. Many of them do. 2 MR. TAYLOR: And your earlier question 3 about change, isn't it fair to say that in the 4 period we're talking about, new codes have come 5 on, but no codes changed? 6 A. Correct. 7 BY MR. OSTROW: 8 Q. You don't do a PIN based debit 9 transaction as No. 17 in '08, and today, it's 10 No. 19? 11 A. Right. 12 Q. So the map or the book gets thicker, 13 right? 14 A. Right. 15 Q. But the same things keep the same 16 numbers? 17 A. Yes. So if, you know, if you were to, 18 for the purpose I'd think you'd want to know, if 19 you were to use the most recent tran code 20 listing, you know, you might not have any of 21 those tran codes if you were looking at data in 22 2008, you know, for one of the tran codes. And 23 you're like, well, I don't have that. Says, 24 well, that wasn't used in 2008. 25 But you're not going to have any that	1 page list? 2 A. Yes, I can help. 3 Q. I've got all sort of dates that are 4 mixed. 5 MR. OSTROW: Off the record for a 6 second. 7 (OFF-THE-RECORD DISCUSSION) 8 BY MR. OSTROW: 9 Q. Jeff, I'm going to show you what's 10 Bates stamped 10295 to 10308. We can maybe mark 11 this as an exhibit, No. 2, a composite. Take a 12 look at this, if you would. 13 (WHEREUPON THE ABOVE-MENTIONED DOCUMENT 14 WAS MARKED AS EXHIBIT NO. 2 TO THE DEPOSITION, 15 AND IS ATTACHED HERETO.) 16 BY MR. OSTROW: 17 Q. And those are a set of documents 18 produced to me this morning by your lawyer. Can 19 you tell me what those are? 20 MR. TAYLOR: Well, they were produced 21 to you last week. 22 MR. OSTROW: Produced to me in 23 production, but and upon my request to make my 24 life easier, printed and brought here for our 25 review,

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1 A. These are pages out of the bank's 2 general operating procedures manual that the 3 bank uses to document its procedures, processes, 4 and for processing accounts. 5 BY MR. OSTROW: 6 Q. And are those pages a complete set of 7 all the existing transactional codes as they're 8 used by the bank today? 9 MR. TAYLOR: I'm going to object to the 10 form, only to make sure this is going to be it, 11 to the best of our knowledge. 12 A. And I would need to -- because I would 13 need to answer no, because it doesn't include 14 credit card. And doesn't include, you know, 15 some other systems that -- that would -- would 16 not be in this particular manual. 17 BY MR. OSTROW: 18 Q. As it relates to debits, debit 19 transactions, ATM transactions and fees related 20 to those types of transactions? 21 A. Yes. 22 Q. Yes, meaning this would be a 23 comprehensive list of the transaction codes 24 currently in use by the bank? 25 A. Yes, I believe it does.	1 particular type of transaction? 2 A. That would be the transaction code. 3 Q. And then the posting priority is, as we 4 discussed earlier, it's a number that is 5 assigned so that the -- when you all settle 6 accounts at the end of the night, it knows what 7 order to put those specific transactions in, 8 correct? 9 A. That is correct. 10 Q. And so we see here, for the first 11 proximate 20 or so of credits, with all 12 different names, maybe 25, they're number has a 13 posting priority of 20? 14 A. Yes. 15 Q. The next set of credits all have number 16 25. You see that? 17 A. Yes. 18 Q. And as a 20, looking lower than 25, 19 does a lower number mean that it is prioritized, 20 meaning it is higher in terms of withdrawal time 21 out of the account? 22 A. These would be deposits. 23 Q. Excuse me, in terms of deposits, 24 meaning that a 20 would be deposited before a 25 25?
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1 Q. Okay. 2 A. Based upon the last. 3 Q. If you find out for some reason that 4 you're missing something, just let me know what 5 it is, and we can get those pages. 6 A. If we somehow made a change last week 7 to a tran code or added a new tran code last 8 week, it would be in this manual, but you 9 wouldn't have a copy from last week. 10 Q. So let me take a look at that. Okay. 11 So if you need to see this again, let me know, 12 but I bet you know this pretty well. The 13 documents titled transaction codes comes from 14 your IMPHCS system? 15 A. Yes. The first few pages do. 16 Q. First few page for the IMPHCS system. 17 And so on the first two pages, the first two 18 columns are credit, user trend, and post 19 priority. Where it says credit, each one of 20 those line items is in an identification or is a 21 description of the type of credit that it could 22 be? 23 A. Yes. 24 Q. And user trend, that is the bank unique 25 identifier or code that's provided for that	1 A. Yes. The posting priority code 2 grouping would be 20, the lower number would 3 post before the higher number of posting 4 priority group codes. 5 Q. Is it fair to say the lower the number, 6 the higher the priority? 7 A. Yes. Yes. I -- 8 Q. Can you find, in these documents, where 9 any fees related to overdrafts or NSF's are? 10 A. Yes. 11 Q. What is there, like a laundry list, 12 okay. So a OD charge and an NSF charge have a 13 posting priority of 33. And one more thing I 14 want you to look at, and tran code of 35 and 85, 15 respectively; is that right? 16 A. Yes. 17 Q. However, prior to '09, there would not 18 have been two transaction codes for OD or NSF; 19 is that right? 20 A. That's correct. 21 Q. They would have been combined into the 22 same number? 23 A. Yes. 24 Q. Would it have been one of those two 25 numbers?

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1 A. My recollection is it was 35. We added 2 85. Tran code, I'm sorry. I wasn't specific. 3 Tran code 85. 4 Q. I got it. And where, in these 5 documents, would I find signature based debit 6 transactions and PIN based debit transactions? 7 A. Okay. Make sure I got them all here. 8 All right. Here we go. On Bates number 010300, 9 it would be the tran codes that reflect either 10 POS PIN based, and they would begin with POS. 11 And there are three today for POS. And then the 12 signature would be the tran code with the 13 description, master money debit. That is the 14 signature transaction. 15 Q. And that's how you reference signature 16 transaction by going master money debit? 17 A. Yes. 18 Q. And that's No. 45? 19 A. Yes. 20 Q. And then -- so then the three PIN based 21 are 245, 46 and 47? 22 A. Yes. Let me see if there's one more. 23 No, there's three. Okay. You also can have a 24 debit card used at an ATM. So, you know, you 25 can use your debit card to do an ATM	1 know, when you have an item that needs to be 2 returned, you want to be easily identifiable 3 which item, which bank you would like to return 4 that item to. 5 It's for efficiency sake. You know, if 6 I have a direct relationship with another bank, 7 I avoid the Federal Reserve, which charges us 8 fees. And we just -- we have the cost of 9 exchanging with each other, but we don't pay a 10 Federal Reserve fee for exchanging those checks. 11 Q. What's the legal fees, 205 -- 12 A. All right. That is going to be a 13 transaction related to a customer -- a customer 14 initiated request to conduct some form of legal 15 related activity at the bank. And we have fees 16 that we charge for some of those things. And so 17 a customer initiates that request, and we're 18 going to debit their account for the fees 19 associated with that request. That what that 20 represents. Do you want me to put this back in 21 order? 22 Q. Okay. Let's put it back in order, and 23 I think we're done with that for now. Did I ask 24 you earlier, I may have asked you multiple 25 times, but when you refund a fee, NSF or OD fee,
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1 transaction, and they can carry different tran 2 codes. Well, they will carry different tran 3 codes if you use your ATM -- your debit card at 4 the ATM, so you could have an ATM transaction 5 with a debit card. You could have a signature 6 transaction with a debit card. And you could 7 have a PIN POS transaction with a debit card. 8 Q. So without looking, if I understand, 9 then, it's just all high to low when it comes to 10 credits, debits, excuse me, then the checks are 11 going to be the same posting priority, 50? 12 A. Yes. 13 Q. As debit transactions? 14 A. Yes. 15 Q. Why do you have specific tran codes for 16 Renasant, Hancock, Great Southern, Trustmark, 17 and I don't know if there's any others, but for 18 those banks? Is it because they are other local 19 banks where you regularly see those transactions 20 come into your bank? 21 A. We establish those relationships 22 because we have direct check clearing 23 relationships with them. And so we want to 24 know, for purposes of -- of those direct check 25 image exchange relationships, when you -- you	1 if there's a tran code for the refund? 2 A. You did. And it is not a specific tran 3 code. It just goes in as a regular deposit into 4 the customer's account. Should be tran code 36, 5 looking for it. Or I may be thinking, tran code 6 12. There it is. 7 Q. Since this lawsuit has started, have 8 you had a litigation hold on any reports that 9 you otherwise don't need to maintain? 10 A. Yes. 11 Q. And I don't want to hear about what 12 they are. I just want to make sure that you all 13 are maintaining reports, at least through the 14 time period that we're in this, discussing '06 15 through the current. I don't want to hear 16 anything else. 17 A. Yes. 18 Q. Okay. For the time period of '06 19 through Reg E, would your historical data have 20 ledger balances for each customer's account for 21 each day? 22 A. Yes. We would have reports that 23 would -- that would have the customer's ledger 24 balance on it for each day. 25 Q. Daily basis?

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1 A. Daily basis, yes. 2 Q. Would you have -- where would we find 3 available balance information for that same time 4 period for a customer's accounts? 5 MR. TAYLOR: Daily available balance 6 during the -- 7 A. Like a running balance? 8 BY MR. OSTROW: 9 Q. Yes. 10 A. There would be no source for that. 11 Q. Okay. Up until Reg E, did you have a 12 cap on the number of overdrafts that you would 13 assess a customer in a single day? 14 A. No. 15 Q. Have one now? 16 A. No. 17 Q. What about a continuing overdraft 18 charge for, or charge for being negative, do you 19 have one of those? 20 A. We have a continuous OD fee. It went 21 into effect in May of 2010. 22 Q. And the fee is -- when does the fee 23 kick in, after a certain number of days? 24 A. After ten days. 25 Q. So does that mean you have ten days to	1 A. West Jackson Street campus. 2 Q. Down the block? 3 A. Around the corner. 4 Q. You used the word, formal, in 5 describing the type of complaint there would be 6 a record. What you mean by formal? 7 A. There's complaint process that you -- 8 through either, you know, the state regulatory 9 agencies, FDIC. 10 Q. You're talking about a regulatory type 11 of -- 12 A. Right, a formal complaint that someone 13 might make about anything. There's a -- if 14 they, you know, whatever it is, they don't like 15 interest they're charged, those, we do maintain 16 records of. 17 Q. And where are those records kept? 18 A. Those records are kept in our audit 19 department. 20 Q. What format are they kept in? 21 A. I don't know. 22 MR. OSTROW: Take a two-minute break, 23 five-minute break. 24 (SHORT BREAK) 25 BY MR. OSTROW:
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1 bring it current without being assessed a fee, 2 and then after that, the fee kicks in? 3 A. Yes. There's a one-time fee. After 4 ten days, if your account reaches the ten day -- 5 ten days overdrawn -- ten consecutive days 6 overdrawn, there will be a one-time fee. 7 Q. How much is it? 8 A. \$25, and changed October 1st to \$35. 9 Q. Charge them 40. What about -- is there 10 a minimum threshold that you need to be negative 11 before an OD fee will kick in, or is it one 12 penny? 13 A. There is no threshold. 14 Q. Has the bank received customer 15 complaints regarding high to low posting from 16 the time period of '06 through Reg E? 17 A. Yes, I would say yes. Yes. 18 Q. Is there a record kept when somebody 19 complains? 20 A. If it is a formal complaint, there is a 21 record kept. But if it's a call center, you 22 know, inquiry, you know, hey, you know, you 23 charged me three fees yesterday. I don't like 24 that. No, there's not a record kept. 25 Q. Where is the call center?	1 Q. Do you know turnover information in 2 terms of customer turnover, retention, how long 3 average the customer stays with the bank, things 4 like that? 5 A. Not right off the top of my head. I 6 mean, we -- we have that type of information. 7 We track how many accounts open a month, how 8 many accounts close a month, which products are 9 opening, which ones are closing. You know, from 10 a marketing perspective, we -- we would have 11 access to that information, but I don't know it 12 off the top of my head. 13 Q. Did you tell me earlier that you thought 14 you had about 400,000 active accounts, or 15 something -- 16 A. It's a little more than 400. 17 Q. And was that consumer or commercial or 18 both? 19 A. Both. 20 Q. That's both. And big state is 21 Mississippi -- biggest state, for numbers of 22 customers, or no? 23 A. For numbers of customers, yes. 24 Q. Any idea how many customers in 25 Mississippi?

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1 A. I couldn't tell you off the top of my 2 head. 3 MR. TAYLOR: If you visit the web site, 4 it has a map of locations. Which, I don't know 5 if that is a reasonable proxy, but it's heavily 6 Mississippi country from a branch perspective. 7 BY MR. OSTROW: 8 Q. It's green, right? 9 A. It's green. 10 Q. If the terms of the deposit agreement 11 and the account information statement, are those 12 negotiable terms between a customer and the 13 bank? 14 A. Not a retail customer. 15 MR. TAYLOR: Well, let me -- I guess I 16 will phrase it as an objection. You were 17 earlier talking about special allowances for 18 certain customers? 19 A. Right, right. Those are processing -- 20 what we consider processing allowances. They 21 would not change the terms and conditions of the 22 account, on a retail account. 23 BY MR. OSTROW: 24 Q. I asked you about the purpose of 25 implementing the posting change from buckets,	1 criteria, the risks that we were going to take 2 up to a certain nominal dollar amount. And then 3 after that, we would have a manual process to 4 review those. 5 So that was -- that was one of, or 6 well, several of the reasons why we implemented 7 that, you know, to be consistent in our 8 decisions, and to automate a significant portion 9 of those decisions. As part of the EPG revenue 10 enhancements, it also, through their history, 11 the automation of that increased revenue for the 12 branch. 13 Q. Overdraft revenue? 14 A. Overdraft revenue for the bank. 15 Q. You called it an overdraft limit, but 16 is there a, as you understand it, is there a 17 difference between an overdraft limit and a line 18 of credit? 19 A. Yes, there is. 20 Q. And there may be a regulatory reason 21 why you would want to stay away from them, but 22 what are, as you understand, the fundamental 23 differences between the two? 24 MR. TAYLOR: Are you asking from a -- 25 you are not asking the legal differences, you're
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1 high to low, to straight up high to low for all 2 transactions. I did not ask you the same as it 3 relates to putting together an overdraft limit 4 through a matrix. What was the purpose for the 5 bank implementing the overdraft limit with a 6 underlying matrix for a customer? 7 A. First and foremost, in efficiency 8 effort, we would -- you know, prior to that, our 9 payment decision process was that we provided 10 every account a nominal overdraft limit when the 11 account opened, I believe it was \$25. And it -- 12 which caused the exceptions from unposting to be 13 a large number of them. 14 And for our branches to make those 15 decisions, it became two factors go into that, 16 who's making the decision, and how well do they 17 know the customer, and the volume of decisions 18 they have to make. And so we implemented the 19 overdraft matrix as a payment decision 20 efficiency effort so that customers don't go 21 into branches anymore, as often, and some don't 22 go in the branch at all. 23 And so it was harder and harder to know 24 who your customer was. This gave us a 25 consistent way to identify, based upon certain	1 asking from a banker's point of view? 2 MR. OSTROW: Unless he knows the legal 3 difference, but... 4 MR. TAYLOR: I will object. 5 MR. OSTROW: You can object on the 6 legal analysis and give me the banker's reason 7 why it's called an overdraft limit as opposed to 8 really just a line of credit? 9 A. Right. From an overdraft limit is -- 10 is BancorpSouth, we have -- the systems are 11 designed to you can -- you know, set up account 12 criteria to pay all, pay none, pay to the limit, 13 those type things. So it is a processing 14 efficiency mechanism. Historically speaking, 15 most customers don't apply and obtain credit 16 overdraft protection. 17 That's just -- they don't. Many of 18 them, when they do apply, don't qualify for a 19 credit facility. And so you know, we consider 20 the credit decision of a credit card or a line 21 of credit, under our underwriting standards for 22 making a loan. And the overdraft limit criteria 23 is really a payment decision tool to, No. 1, 24 treat customers as consistently as possible 25 across the spectrum of customers, throughout all

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1 the different branches and all -- and where 2 they're located. And No. 2, be efficient in 3 doing that. And so it's different. 4 BY MR. OSTROW: 5 Q. Would you agree that the qualification 6 for the overdraft limit -- qualifications for an 7 overdraft limit are less than the qualifications 8 for being approved for a true line of credit? 9 MR. TAYLOR: Object to the form. 10 A. And I would -- I would not just 11 arbitrarily agree with that. The overdraft 12 limit criteria is completely different, based 13 upon a completely different set of factors than 14 a line of credit criteria. So it's -- they're 15 not -- they're not comparable. 16 BY MR. OSTROW: 17 Q. I don't want to go, really, you know, 18 off the script too much, but why don't you just 19 tell me, briefly, what are the criteria? 20 A. The overdraft limit primary criteria is 21 age of the account. And the age of account, as 22 the account matures, they get a larger value for 23 the account age. Historically speaking, you 24 know, the longer you have an account, the less 25 likely you are to have losses on it.	1 that was assigned at account opening time of \$25 2 prior to EPG. And it was \$25 on every -- 3 Q. Across the board? 4 A. Right. 5 Q. It was no analysis done into who was 6 what, you got \$25 for having an account? 7 A. Right. 8 Q. You ever considered, at any point in 9 time, switching the posting order, low to high, 10 or to low to high? 11 A. If we ever considered it, we discussed 12 it. And we've discussed other payment posting 13 orders. But there's not been any 14 recommendations made to change our posting 15 order. 16 Q. And when did these discussions take 17 place? 18 A. The FDIC came out with overdraft 19 guidance in November of 2010, I believe it was 20 Thanksgiving week. And as a result of their 21 guidance regarding overdrafts, they said, 22 they -- you know, while they didn't come out and 23 say that there was a specific posting order that 24 you should do, they referenced that the bank 25 should review and consider their posting order
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1 The second criteria is the 90-day 2 average balance in the account. You know, 3 historically speaking, the 90-day average 4 balance, the larger the balance, the less likely 5 you are to have losses on the account. The 6 third criteria is the frequency of overdrawing 7 the account, which is a negative. 8 You have a high frequency of 9 overdrawing your account, and you get points 10 taken away from your overdraft limit, which goes 11 into your overdraft score, which is converted 12 into a limit. So those are the three, you know, 13 primary criteria that we look at when -- and we 14 look at the account statement time, and derive 15 a score, which then, in turn, becomes a limit. 16 Q. And you aware of the criteria for 17 approval of a line of credit? 18 A. I am not. 19 Q. The implementation or the concept of 20 your bank offering the overdraft limit through 21 matrix, that was a recommendation of EPG as 22 well? 23 A. Yes. 24 Q. Yes hadn't done that before, correct? 25 A. We had an arbitrary overdraft limit	1 strategy as it relates to their overdraft 2 services that they provided their customers. 3 And so we did that according to the guidelines. 4 Q. Okay. We talked about your 5 disclosures, and that they seem to be limited to 6 deposit agreement and account information sheet? 7 A. Yes. 8 Q. In either of those documents, or in any 9 other -- at any other time, in any other form, 10 have you ever disclosed to your customers that 11 the bank will always post high to low? 12 MR. TAYLOR: Object to the form. And 13 it's the use of the word, will. But answer. 14 BY MR. OSTROW: 15 Q. Or let me correct that, and I'll remove 16 the word, will, and say other than those two 17 documents, have you -- well, including those two 18 documents as well as any other form of 19 communication, have you ever notified the 20 customer that the bank always posts high to low? 21 A. I do not recall any document that 22 specifically said, we will always post high to 23 low. I believe we reference, in some documents, 24 that we may post high to low, and that we may 25 post in any order we choose. But I am not aware

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1 of a document where we have said we pay high to 2 low. 3 Q. Before I go on to some of the 4 documents, I want to talk about Reg E. You want 5 to just give me a quick list of what changes the 6 bank implemented upon Reg E? 7 A. Right. Reg E had several required 8 changes, as well as we needed to make certain 9 changes in order to comply. First and foremost, 10 you know, Reg E had the opt-in opt-out regarding 11 the customer having to be notified there were 12 certain -- there were disclosure requirements to 13 the customer about how we may pay their 14 transactions, you know, and how we post our 15 transactions. 16 And there was a, I believe it was 17 either March or April of 2010, we sent a notice 18 our customers, notifying them of that, and 19 making them aware of the opt-in opt-out 20 decisions they had, or that they would be 21 forthcoming. We had set up our systems to 22 accommodate an opt-in opt-out for debit card 23 transactions. 24 We implemented changes to accommodate 25 for those customers who chose -- who did not	1 Q. Sounds like a lot of stuff. 2 A. It was a lot of work. 3 Q. What method do you use to have people 4 opt in or opt out? 5 A. They can come through multiple 6 channels. They can opt in or opt out at our 7 branch. They can opt in and opt out at our call 8 center 9 Q. So they can do it in person? 10 A. They can do it in person. 11 Q. Do they have to sign a form? 12 A. They do not have to sign a form. We 13 normally require it, if they do do it in person, 14 but they are not required to sign a form. But 15 what we do is we send a confirmation to them, 16 regardless of what channel they use, so that 17 they can have our records of what their decision 18 was. 19 Q. E-mail or in writing? 20 A. The confirmation? Most of our 21 customers prefer, still, to get their 22 communications in paper. We do have some 23 customers who prefer to get their communications 24 electronically. And they have a mechanism for 25 telling us that and authorizing us to
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1 choose to opt in, that, you know, that the 2 authorization process for debit and signature 3 PIN transactions would not include the -- any 4 amount of the overdraft limit. And then we had 5 to add a couple of transaction codes, because 6 there were certain transactions that may be 7 authorized and processed via debit card, that 8 were excluded from the opt-in and opt-out. 9 They had to do with recurring debit 10 card transactions where a customer may provide 11 their debit card number for a recurring bill 12 payment. And those were specifically excluded 13 from being ineligible for an overdraft fee. So 14 we needed to accommodate for those. Previously, 15 to that, we didn't, it was debit card 16 transaction. 17 We also implemented, you know, we also 18 had an effort to communicate with our customers, 19 you know, their opt-in opt-out decisions. We 20 had to implement language in our agreements, in 21 our documents. We had to implement back office 22 data bases that could retain the decision that a 23 customer made, as well as provide them multiple 24 access forms to change their decision; both 25 opt-in and opt-out at their discretion	1 communicate with them via e-mail. 2 Q. Can they do it online as well? 3 MR. TAYLOR: You're talk about opting 4 in? 5 BY MR. OSTROW: 6 Q. Opting in or opting out? 7 A. Through the Internet banking? I know 8 during the initial enrollment period, there was 9 a web site that we provided, a web page that we 10 provided for them to go in and make their opt-in 11 opt-out decisions. Quite frankly, I can't 12 remember if we kept that up or not. But I know 13 we had it during the enrollment period, if you 14 will. 15 Q. Okay. 16 A. And, of course, the main impetus of Reg 17 E was that certain debit card transactions that 18 the customer did not opt in, we would not assess 19 them an overdraft fee. 20 Q. I understand. Understood. Do you have 21 a company policy relating to reversals, which 22 you're calling refunds of overdraft fees or 23 NSF's? 24 A. We don't have company policies 25 regarding refunds. Refunds can be made at our

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1 branches, through branch requests. They can be 2 made at our call center. Each community or 3 region may have their own unique requirements 4 regarding refunds. You know, we do have 5 procedures that they, you know, should follow. 6 And we do, from a budgeting standpoint, you 7 know, we have a goal of how much of the revenue 8 we hope to actually collect versus refund or 9 charge-off. 10 Q. And when I say policies in terms of 11 like the bank, you know, the branch people 12 having the authority to refund a fee, is that 13 covered in the general operating procedures 14 manual? 15 MR. TAYLOR: Are you talking about the 16 decision to do that, or the method once you 17 decided to do it? 18 BY MR. OSTROW: 19 Q. The policy that the branch manager has 20 the authority to issue a refund? 21 A. I don't -- I don't know if that's -- I 22 don't know if that's written anywhere. It's our 23 practice. 24 Q. Again, I'm not trying to trick you. 25 A. Yea, it's our practice, and it's our --	1 correct? 2 A. That is correct. 3 Q. What about the call center, do they 4 have discretion to refund? 5 A. They do have discretion to refund. 6 They don't have the same level of discretion, 7 because the refund goes back to the branch that 8 the account resides in. And so, you know, 9 they -- I can't recall what their limit is. But 10 if a customer is adamant that they want more 11 than whatever the call center can do, the call 12 center will refer that customer back to the 13 branch, and say, if you talk with your loan 14 officer or if you talk with your account 15 officer, they might be able to do something for 16 you. You know, my limit is the call center 17 operator is this. 18 And, of course, they can say well, let 19 me talk to your boss. And there might be a 20 supervisor in the call center they talk to. But 21 they're -- if it gets into that type of 22 conversation, we're going to refer them to the 23 branch where their account is housed. 24 Q. Okay. Just rolling through these 25 additional topics. Take a look at No. 6. Number
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1 that's the way our infrastructure is set up, is 2 that they, they being the branch staff in the 3 community or branch that they're in. You know, 4 and they may have individual things. Hey, if 5 you're going to refund over X dollars, I want to 6 know about it. You know, up the chain. 7 You know, I don't -- if you're going to 8 refund a certain dollar amount, but there's not 9 a -- if it's above X, you've got to get this or 10 that. 11 Now, we have some accounting policies, 12 and it has nothing to do with OD refunds, it has 13 to do with the writing of general ledger 14 tickets. Said, if you're going to do, and I 15 believe it's a \$1,000 general ledger manual 16 ticket, it requires two signatures. 17 And that's just internal to the bank 18 to, you know, we don't want people just making 19 \$10,000 internal general ledger transactions 20 arbitrarily. 21 Q. Of course. But absent fraud or one of 22 those other things, there's no policy that says, 23 we're going to refund OD or NSF fees in the 24 following circumstance. That's more of a 25 discretionary thing left to the branch manager,	1 6, you take a look at that, if you would. 2 MR. TAYLOR: You've covered it. 3 BY MR. OSTROW: 4 Q. Right, I think we've discussed it. You 5 know, it's asking for all studies, professional 6 opinion, survey focus groups, regarding your 7 overdraft practices, revenue. I think you told 8 me there had been no studies -- no studies that 9 you all have done with respect to alternate 10 posting revenue posting order? 11 A. No. As it relate to the FDIC overdraft 12 guidance that came out in November of 2010, we 13 did, internally, as the guidance suggested, look 14 at our posting order and other posting order 15 strategies. We didn't make any changes to our 16 posting order, but we did review that. I 17 wouldn't call it a study, I would call it more 18 of a review. But we have not engaged any third 19 party, except EPG. And that was, as we -- I 20 think we already covered that, to make 21 recommendation. 22 Q. So you haven't engaged anyone other 23 than EPG regarding -- or I want you to look at A 24 through E, okay, to make sure that we cover all 25 of them. Other than EPG, possibly with respect

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1 to those, nobody else was retained by you all to 2 provide any studies, give opinions, do surveys, 3 focus groups, things of that nature? 4 A. No. We did not engage anyone. 5 Q. What about internally? Have you done, 6 you know, any of those things with respect to A 7 through E? 8 A. Yes. 9 Q. You want to tell me? 10 A. Sure. We have reviewed, again, this is 11 in relation to the FDIC OD guidance. It talked 12 about threshold amounts and it talked about 13 maximums per day, those type of things. We've 14 done different reviews of that. We've looked at 15 our, you know, what we can find out about what 16 our competitors do in those regards. 17 We've looked at, you know, internally, 18 whether we can support, you know, that, or what 19 it would take, programmatically, to accommodate 20 a threshold or a maximum per day. I believe 21 that -- yeah, determine the amount, which amount 22 may overdraw an account with any particular 23 transaction. I think that would be in D. And we 24 have, you know, we have reviewed and discussed 25 multiple posting scenarios, and whether we would	1 spoken with, or may have been involved in doing 2 some of these analyses or reviews to determine 3 those things? 4 A. Michael Lindsey, who we spoke of 5 earlier, would have been involve in that. A 6 gentleman that works for Michael by the name of 7 Derrick Caswell. Derrick works in our retail 8 banking group. And he is responsible for 9 deposit product management. And so he would -- 10 he would have been involved in those. And then 11 on my staff, it would have been our business 12 analyst, who specializes in the deposit 13 applications and transaction application. 14 Q. Who is that? 15 A. The group is managed by Diane Cox. And 16 she reports directly to me. And she has, you 17 know, a staff of technical experts that could 18 take a concept, and, you know, once you've 19 hashed out what the concept is, discuss with 20 programmers, you know, in a technical way, hey, 21 this is what the bank is looking at. 22 Q. What's it going to do? 23 A. Right. And get back to me, and say, 24 hey, this is -- this is what we've identified. 25 We can do this. We can't do this. Our
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1 or would not have the ability to technically 2 support those posting orders. 3 Q. And the internal reviews and, you know, 4 analyses, whatever you did with respect to 5 those, did you document them? 6 A. Some of them. 7 Q. In reports? 8 A. No, it's not like a -- 9 Q. E-mails? 10 A. There would be some e-mails. 11 Q. Notes from conversations? 12 A. I can't speak for the whole -- 13 everybody that might have been involved in it, 14 whether they made notes or not, but we would 15 have had, you know, meetings with -- with folks, 16 with different staff regarding the guidance, the 17 FDIC OD guidance. And what might take effect, 18 or what we might -- if we were to make a certain 19 decision, what changes would it require to be 20 made to our systems in order to support that 21 decision. So there should be -- I mean, I would 22 be the person who would have initiated those 23 conversations in our bank, you know. There's 24 going to be e-mails. 25 Q. Who else from the bank would you have	1 software, FIS is aware of this, and they're 2 working on it, you know. 3 Q. All right. How many employees at the 4 bank? 5 A. In the bank? 6 Q. With the bank. 7 A. Just going to be a little over 4,000. 8 Q. I'm just going to run through some 9 documents, and then we will get you out of 10 here. Want to take a final break for two 11 minutes. Vicky Allen? 12 A. Vicky Allen works for Lee McAlister. 13 And he would have been involved in -- Lee would 14 have been involved in the discussions. Lee 15 manages our centralized deposit operations 16 group, and our -- what we call bank 17 coordination. His staff is responsible -- 18 someone on his staff is responsible for putting 19 these manuals together and updating them and 20 keeping them current. And Vicky Allen is a 21 deposit subject matter expert that works for Lee 22 McAlister. 23 Q. All right. Some of these documents I 24 may have specific questions about, some I may 25 just ask you to tell me what are they. I'm

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1 going to show you what Bates 6649 through 6654. 2 MR. TAYLOR: Are we going to make these 3 exhibits, or not? 4 MR. OSTROW: Depends what he tells me. 5 A. All right. Yeah. These are our 6 documents that reflect related to the overdraft 7 matrix. And it would include which accounts 8 are -- are scored, which accounts are excluded. 9 It would include different parameters that would 10 go into making up the score that would then 11 derive an overdraft limit. 12 There are different retail, which the 13 pages -- two -- pages 6650 and 6651 have to do 14 with business account so they would really not 15 apply to this suit. And then sometime after we 16 implemented the overdraft matrix in 2002, you 17 know, EPG was making -- had other 18 recommendations that we were working on. And 19 their overdraft matrix was being run in a number 20 of banks. Y'all probably know that. But they 21 came back and made some recommendations to 22 modify their scoring model. And we implemented 23 those at their recommendation. So that's what 24 that would be. 25 BY MR. OSTROW:	1 to affect them and how they did their work on 2 payment decisions the following morning. 3 Q. Do you know whose notes those are? 4 A. I have no idea. 5 Q. There's some writing across the side 6 here. Can you read that? 7 A. The customer will not be told. We will 8 not market. This to help benefit bank due to 9 fee income, et cetera, also helps to service our 10 customers. 11 Q. When that person wrote a note saying 12 that they -- the customer will not be told, what 13 is that in reference to? 14 MR. TAYLOR: I'll object to the form 15 for a couple reasons. One, you didn't see the 16 document, and two, we don't know who wrote it. 17 MR. OSTROW: Right. 18 MR. TAYLOR: If you can interpret. 19 BY MR. OSTROW: 20 Q. If you can understand what that is 21 based upon your role as the guy who implemented 22 this plan, or supervised the plan and being 23 involved in these discussions, what are they 24 referring to? 25 A. During that time, there were number of
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1 Q. Thank you. I'm going to show you 2 what's marked as 011011. Do you know what -- 3 A. That's going to be a somebody's 4 meetings notes. That was subject to data 5 collection. That my -- I would -- based upon 6 the date of February 15th, 2002, they were 7 probably in a meeting in which we were 8 discussing the overdraft matrix. We were 9 obviously discussing the time line of 10 implementation and communications, and this is 11 going to be their notes. 12 Q. Does the content that's on that page, 13 does that refresh you as to that particular 14 meeting and when that time period that you were 15 discussing this with EPG? 16 A. I know we worked on this with EPG 17 throughout the first quarter of 2002. And we -- 18 there would have been -- my recollection is 19 weekly meetings of different types regarding 20 this. Because it not only, as we said before, 21 it not only helped our back office, which is 22 what this appears to be related to, so I would 23 assume it was a back office employee. But we 24 were also working with our front line staff 25 during this time as well, because it was going	1 entities out there that were trying to engage 2 BancorpSouth, or have BancorpSouth engage them, 3 related to the thought or the theory or the 4 intellectual property of -- for EPG, it was the 5 overdraft matrix. Some of those banks and some 6 of those programs marketed and encouraged 7 customers to use their overdraft limit and 8 increase their usage and increase revenue. 9 BancorpSouth, we did not engage those 10 companies. We did not, but it was -- some of 11 our competitors were putting it up on billboards 12 and putting it in their ads, you know, hey, 13 we're going to give you an overdraft limit, you 14 know, a courtesy overdraft limit, you know, use 15 it away. You know, it's going to charge you a 16 whatever fee. We used this and we viewed the 17 overdraft matrix as a payment decision 18 methodology. And it was not a marketing, and we 19 have, and to this day, we have not marketed the 20 overdraft limit to encourage our customers to 21 increase their usage of overdrafts -- overdraft 22 service. 23 Q. I want to be clear, are you suggesting 24 that your understanding of what those comments 25 are, it relates to marketing the product, as

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1 opposed to just not telling the customer about 2 the overdraft limit and the matrix? 3 A. We will not market. And I mean, that 4 was a conscious decision that we made at our 5 bank. That we -- and we conveyed that. Because 6 it was a common question at that time because 7 there were a number of programs, and some of our 8 competitors that were doing that. And we -- you 9 know, we said, no, we're not going to do that. 10 Q. Did you make a decision at that time when 11 you implemented the limit and the matrix that 12 you were not going to tell customers that they 13 had a limit and that there was an underlying 14 matrix that would define how much the limit 15 was? 16 A. We absolutely made the decision we 17 would not be marketing or disclosing or telling 18 the customer and encouraging the customer to use 19 their overdraft limit to increase, you know, our 20 bank's overdraft revenue. It was -- you know, 21 we -- that's not what we and why we engaged EPG, 22 you know. They had a recommendation. I mean, 23 they had a recommendation that we do that. We 24 did not. That's one of them we didn't do. 25 Q. When you say, I want to make sure it's	1 that, we could have increased our OD revenue X 2 amount. And we said, no, that's -- we're 3 not trying to get our customers, you know, 4 that's not what we're doing. 5 Q. And that was one of reasons -- one of 6 the reasons they recommended moving to the 7 matrix in the line was to increase revenue, 8 right? 9 A. No. That was the result of doing that 10 was that it would lead to increased revenue if 11 the bank were to implement this recommendation, 12 as well as, you know, several other things. But 13 a result of that was that we would increase 14 revenue. 15 Q. And it did, right? 16 A. And it did. Yes, it did. 17 Q. And whether you disclosed to them, like 18 some of banks that, i.e., Renasant, where you 19 didn't disclose to them the fact that they had a 20 line of credit, and there's a matrix determining 21 the amount, you know, we agree that the net 22 effect of it was that the bank got extra income 23 as a result of having it, right? 24 A. Our overdraft limit did -- one of the 25 effects of that was to increase the revenue of
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1 clear, then, you did not, meaning you did not 2 market that there was this line that a customer 3 could use to cover overdrafts? 4 A. That's right. We did not disclose that 5 we had -- we did not disclose our payment 6 decision methodology, which includes, even to 7 this day, the evaluation of an account and an 8 overdraft limit. 9 Q. Were you aware of banks that did 10 disclose the overdraft limits and the underlying 11 matrix to customers? 12 A. Yes. 13 Q. What banks did that? 14 A. Renasant Bank here in Tupelo did. So I 15 know they did. It was normally Community Banks 16 who engaged a consulting company called Strunk. 17 Q. S-T-R-U-N-K? 18 A. S-T-R-U-N-K. Strunk had a relationship 19 with a number of software providers, and they 20 marketed a product, and they had a marketing 21 plan that -- it was different than EPG's. But 22 it, in most cases, included marketing the 23 overdraft limit to increase revenue, you know, 24 overdraft revenue. And like I said, EPG made a 25 recommendation to us that if we would have done	1 the bank. The consultant groups who were out in 2 the marketplace with these products at that 3 time, all indicated that if you were to market 4 it, you would even get a much higher rate of 5 overdraft revenue than if you did not market 6 it. And our bank said, no, we're, you know, 7 that's revenue that we'll just forego. 8 Q. And so if I wanted to determine whose 9 notes this is, how would we go about doing 10 that? 11 MR. TAYLOR: That is a fair question. 12 I do not know the answer. 13 MR. OSTROW: I want to mark this as 3, 14 and I'll get this back to you, No. 11011. I 15 would like to know whose it is. Somebody had to 16 produce, I guess. 17 (WHEREUPON THE ABOVE-MENTIONED DOCUMENT 18 WAS MARKED AS EXHIBIT NO. 3 TO THE DEPOSITION, 19 AND IS ATTACHED HERETO.) 20 BY MR. OSTROW: 21 Q. Quick question about this OD matrix 22 document which was 6649. Were there some 23 consumer accounts that were excluded from an 24 overdraft limit? 25 A. Yes.

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1 Q. Which ones? 2 A. If I can refer to that, it will help 3 me. I know employee accounts were. 4 Q. Employee accounts? 5 A. Employee accounts. You know, that was 6 a common practice of our bank, back in this time 7 line, that we expected our employees to keep 8 their accounts in a positive balance at all 9 times, period. You could be terminated from 10 your job. 11 Q. Go get a credit card with us? 12 A. That's right. But we -- so employees 13 were excluded from the limit. Customers, as we 14 already said, customers who had their account 15 overdrawn eight consecutive days had their limit 16 removed, and could not be restored until they 17 brought their account back to good standing and 18 they had another statement. 19 Q. As you said earlier, the vast majority, 20 which 99 point something percent of the accounts 21 were not excluded, though, right? 22 A. I would say somewhere around 95 percent 23 were not excluded. I wouldn't put it at 99 24 because we, you know, we have 4,000. We had 25 several thousand back then. So they have --	1 a brand new concept, and we provided our -- our 2 CSR's and our call center staff with this 3 information. 4 MR. OSTROW: Mark this as 5. 5 (WHEREUPON THE ABOVE-MENTIONED DOCUMENT 6 WAS MARKED AS EXHIBIT NO. 5 TO THE DEPOSITION, 7 AND IS ATTACHED HERETO.) 8 BY MR. OSTROW: 9 Q. Let me show you Bates 7248 through 10 7251. Can you tell me what that document is, 11 Jeff? 12 A. Yes. This is the document that was 13 specifically done for our call center. The 14 other document went to the call center employees 15 and others. This document was done for our call 16 center employees, and what we call deposit 17 coordinators in our bank. 18 We have staff at our bank who are 19 support personnel. And they are the deposit 20 coordinators, or deposit related support 21 personnel, in which, if you have a question 22 about a deposit service product, or whatever, 23 you can filter those through a deposit 24 coordinator. And they're normally much more 25 seasoned, much more experienced. And so they
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1 many employees have more than one account as 2 many customers do. So I would say anywhere 3 above 95, 96 is probably an accurate number. 4 Q. Okay. Thanks. There's a number of 5 redacted, or portions of documents. 6 MR. TAYLOR: We can talk about that. I 7 think that the bulk of redactions did not have 8 to do with privilege, but there -- and there 9 aren't that many in the entire production. But 10 flat weren't asked for, so non-responsive, but 11 again, we can talk about that. 12 MR. OSTROW: We'll mark 6694 through 13 6654 as composite 4. 14 (WHEREUPON THE ABOVE-MENTIONED DOCUMENT 15 WAS MARKED AS EXHIBIT NO. 4 TO THE DEPOSITION, 16 AND IS ATTACHED HERETO.) 17 BY MR. OSTROW: 18 Q. I'm showing you 11012. Frequently 19 asked customer questions and overdraft matrix. 20 This document looks like a question and answer 21 type of script for -- is it for you call center 22 people and how to respond to specific questions 23 when asked by customers? 24 A. It was for our retail banking staff and 25 our call center staff. The overdraft matrix was	1 should be able to help you with your question. 2 And I'm talking about internal questions. 3 (WHEREUPON THE ABOVE-MENTIONED DOCUMENT 4 WAS MARKED AS EXHIBIT NO. 6 TO THE DEPOSITION, 5 AND IS ATTACHED HERETO.) 6 BY MR. OSTROW: 7 Q. Okay. Show you what's Bates 7394. 8 Again, it looks like someone's note. Can you 9 decipher the writing? 10 MR. TAYLOR: Are you asking whose 11 writing it is? 12 MR. OSTROW: If he knows. 13 A. No. And I'm trying to find something 14 on it that would tell me, you know, because, you 15 know, from a subject matter, it was obviously 16 somebody that was involved in the discussions 17 about what EPG called power pay, which was their 18 product where you marketed overdraft limits to 19 the customers, and that could increase your 20 revenue even more. 21 And I see that's mentioned in there. 22 So you know, that tells me it was probably 23 someone on our -- it narrows down who it could 24 be because that was -- those types of 25 conversation were held with a smaller group than

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1 with like programmers or something like that. 2 BY MR. OSTROW: 3 Q. Who could it be? 4 A. Who could it be? It could be Michael 5 Lindsay, unlikely to be Michael. It could be 6 Lee McAlister. It could be a gentleman that's 7 not with us anymore, probably not him. I'm 8 trying to remember if he -- even had any of this 9 stuff. David Herrington was involved in all of 10 this in 2002. It could be Clyde Hubbard. 11 It could be a gentleman, that's 12 unlikely, but it could be a gentleman by the 13 name of Harry Baxter. He's no longer with our 14 bank anymore. There were about -- it could be 15 Randy Burchfield. There were about six or eight 16 of us who would, while I was the engagement 17 leader for the bank, you know, I had a group of 18 six or eight people that worked with me from 19 across different lines, different groups, 20 different departments. And these looks like 21 notes from a meeting we would have had. 22 Q. Okay. 23 MR. OSTROW: Mark this as 7. 24 (WHEREUPON THE ABOVE-MENTIONED DOCUMENT 25 WAS MARKED AS EXHIBIT NO. 7 TO THE DEPOSITION,	1 MR. OSTROW: Okay. It was e-mailed and 2 printed some things -- 3 MR. TAYLOR: If it was in a folder 4 already printed, it -- it's a document. 5 BY MR. OSTROW: 6 Q. When you obviously mentioned in the 7 first part, that says the impact of Swift and/or 8 FDIC guidance, what could be the impact of Swift 9 on the 2011 numbers? 10 MR. TAYLOR: And that's to the extent 11 that has anything to do with legal issue. 12 MR. OSTROW: Well, you instruct him the 13 way you want. But naturally, unless -- 14 A. I want to be responsive. But can I ask 15 him a question off? 16 MR. OSTROW: No. On. 17 MR. TAYLOR: Well, he can ask me a 18 question about the content. 19 MR. OSTROW: I don't care. Go ahead. 20 You can go off the record. 21 (OFF-THE-RECORD DISCUSSION) 22 BY MR. OSTROW: 23 Q. What's going on here? What's the 24 impact of Swift what could be impact on -- from 25 the Swift case on the bank's --
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1 AND IS ATTACHED HERETO.) 2 BY MR. OSTROW: 3 Q. I'm going to show you, Jeff, what's 4 Bates 11038 and 11039. It appears to be an 5 e-mail from you to Aubrey Patterson, and cc a 6 bunch of people, including Michael Lindsay. It 7 looks like it came from his e-mail. And this 8 says, this e-mail is a high level summary of the 9 2011 gross NSF/OD numbers and potential impact 10 of swift case and/or FDIC guidance. And then it 11 apparently -- 12 A. That's a privileged document. Does 13 that got Pat Caldwell on there? 14 MR. TAYLOR: Yeah, this is, I don't 15 think -- well, we can talk about. I don't think 16 it's privileged. 17 A. Okay, now I know what you're saying. I 18 see. 19 BY MR. OSTROW: 20 Q. It indicates there's some spread sheets 21 attached, but I don't know if we got those or 22 not. 23 MR. TAYLOR: You haven't gotten any 24 electronic -- this was a print out of an 25 e-mail. So if it wasn't --	1 MR. TAYLOR: And, again, if the answer 2 to this question involves advice from counsel 3 you've gotten from lawyers, then you shouldn't 4 talk about that. 5 A. Okay. Well, the Swift case is a 6 lawsuit regarding charging overdraft. 7 BY MR. OSTROW: 8 Q. This lawsuit? 9 A. This lawsuit is regarding overdrafts. 10 There are numerous outcomes of this lawsuit. 11 Based upon those numerous outcomes, there are 12 multiple different impacts to the bank. And if, 13 you know, our legal counsel and I have had, you 14 know, conversations about that, the e-mail 15 itself, I just, as a reference point, I'm the 16 person in the bank who is responsible for 17 preparing the annual gross NSF/OD budget 18 numbers. 19 And this e-mail is late last year where 20 we were finalizing, or attempting to finalize, 21 our 2011 budget, and we were having to take into 22 consideration the already changes to NSF/OD 23 revenue as a result of Reg E. And there -- while 24 we were projecting revenue for 2011, we, at that 25 time, did not know the exact FDIC guidance that

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1 was coming out. 2 We knew they were publishing guidance. 3 At this time, we didn't -- did not know, you 4 know, throughout this year what the -- where 5 this case would lead to. So there were risk 6 factors in my budget numbers that I couldn't 7 control that could either make our revenue 8 higher or lower than what I was projecting for a 9 budget period. 10 Q. Well, 11 is almost over, so how did you 11 do? 12 A. Well -- 13 MR. TAYLOR: The short answer, this 14 e-mail really isn't about. 15 BY MR. OSTROW: 16 Q. It's nothing about the case, I get it. 17 I didn't think he was going to tell me, oh, 18 yeah, we're going have to pay these guys X 19 amount of money because the case is amazing. 20 The lawyers told me we are screwed. That 21 doesn't happen. Tell me how you did in the 12 22 months following Reg E. And, of course, that's 23 partial years, right, we just finished that. 24 Have you done an analysis? 25 A. We continually -- we certainly track	1 A. We -- we -- 2 Q. Other than doing what you -- the 3 regulators require you to do? 4 A. Right. No, we are not. 5 Q. I understand. You're not marketing, 6 you're only doing what the regulators require. 7 Thus 35 to 40 percent as opposed to? 8 A. Some banks have a higher percentage. 9 Q. Why is it you only have 35 to 40 10 percent of your consumer base opted in? You 11 want to finish the rest of the question. Are 12 you only down 15 percent, 15 to 20 percent? Is 13 that because the 35 to 40 percent of the 14 opt-in's are the bulk of over-drafters? 15 MR. TAYLOR: I'll object to the form of 16 the question. 17 BY MR. OSTROW: 18 Q. You answer the question. Why is it 19 that you've only got 35 to 40 percent opt-in, 20 but your revenue numbers are only down 15 to 25 21 percent? 22 MR. TAYLOR: And really, seriously 23 here, don't guess. If you know. 24 A. It's that a majority of the customers 25 didn't opt in, did not perceive that they needed
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1 NSF revenue on a monthly basis. Our NSF/OD 2 revenue is down. We expected NSF/OD revenue to 3 be down 9 million dollars net this year. 4 Q. Which equates to what, 15 percent? 5 A. Right. Yes. So about a little -- and 6 so far, our projections are in line with 7 actual. We are down about 15, 16 percent on an 8 annualized basis. Or you know, for the year to 9 date, NSF/OD revenue this year. Of course, you 10 know, Reg E took effect for existing accounts in 11 the middle of month of August last year, August 12 15th. 13 So you know, an August to August 14 comparison is a difficult one, because you had 15 partial month. So September was the first month 16 that there was -- Reg E was in effect in 17 September last year, and Reg E was in effect 18 September of this year. 19 Q. What's your opt-in percentage? 20 A. Opt-in percentage on consumer accounts, 21 we have that information. I don't recall 22 exactly what it is today, but it has been in the 23 range of 35 to 42 percent opt-in, 45 percent. 24 Q. You're not marketing at all, are you, 25 for that?	1 an overdraft service. They've never used 2 overdraft, and therefore, you know, they -- they 3 didn't consider it, you know, something of 4 interest. People who use overdraft, as a normal 5 service that a bank provides, they were 6 interested in continuing that service. And they 7 -- they place value in that, and therefore, they 8 opted in in a larger percentage than those who 9 don't overdraft. 10 BY MR. OSTROW: 11 Q. You started off earlier today telling 12 me that 15 percent, 20 percent, I don't remember 13 what the number is, of your total accounts are 14 business accounts, something like that. Do you 15 know what percent of OD/NSF revenue that the 15 16 to 20 percent actually accounts for? 17 MR. TAYLOR: So you're asking kind of 18 the flip side of the number, how much revenue do 19 commercial overdrafts account for? 20 MR. OSTROW: Or we could go the other 21 way. 22 MR. TAYLOR: But you're getting at a 23 dollar number? 24 BY MR. OSTROW: 25 Q. My question is exactly that, you got 15

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1 percent, it doesn't mean that that's 15 percent 2 of all accounts are business. It doesn't mean 3 15 percent of all NSF fees are from business. 4 Do you know what percentage the business 5 accounts for the total of OD/NSF's? 6 A. No. We do not -- we do not track OD 7 revenue by product type. So which a commercial 8 account product type is different from retail 9 bank -- a retail account product type. So we 10 don't track NSF/OD revenue by product type. So 11 I don't know. 12 Q. You said product type, you mean by? 13 A. Commercial versus consumer. 14 Q. Do you have any idea? 15 A. I would say based upon my experience, I 16 would expect that the number does not correlate 17 exactly, but I don't know what the number would 18 be. But I would make the observation that 19 commercial overdrafts are different, most of the 20 time, than individual. A commercial account 21 can -- they operate differently than consumer 22 accounts. 23 So it would -- it would be, based upon 24 my experience, that the commercial accounts 25 would be overdrawn less than the consumer	1 the other. E-L L-A-O-U-N-E. But -- but Paul 2 Love would have been part of engagement. They 3 had different specialties, and Fadel would have 4 been another. 5 Q. Who did the presentation to you of all 6 the pros and cons of all the proposed changes 7 for fee structures and things? 8 A. The initial presentation would have 9 included a gentleman by the name of John Haney, 10 who was like principle, I don't know if they 11 were called owners or whatever, but he was like, 12 I would call him in a sales role. He was out 13 selling. But once it was sold, you know, you 14 had the doers come in. 15 Q. He made the money, the other guys 16 actually put the systems in place? 17 A. But the actual engagement would have 18 included, and would have been led by a gentleman 19 by the name of Haney. And then once we engaged 20 them, there were three primary people that 21 worked with us; Paul Love, Mike Addy, who is 22 more of a technical person, I would call him a 23 technical resource, and Fadel El Laoune. 24 Q. Before Reg E, could a retail customer 25 opt out of overdraft limit?
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1 accounts 2 Q. So on a one-to-one ratio, there is -- 3 it would be less from business than a consumer? 4 A. That would be my -- based upon my 5 history, I would say yes. 6 Q. Another way of saying it, the average 7 consumer overdrafts five times a year. The 8 average business account is something less than 9 five? 10 A. Yes. And then the counter of that 11 would be those unusual commercial business 12 accounts who do overdraw. 13 Q. When they hit? 14 A. When they hit, they hit big. 15 MR. OSTROW: Let me take a two-minute 16 break. Let me see if my colleague has anything 17 for you, but I think I am done. 18 (SHORT BREAK) 19 BY MR. OSTROW: 20 Q. Ten minutes is my limit, so answer 21 fast. Who is the primary contact at EPG that 22 you dealt with? 23 A. Had more than one. Paul Love would 24 have been one of the on-site primary contacts. 25 And Fadel, F-A-D-E-L, El Laoune would have been	1 A. Yes. 2 Q. How would they do that? 3 A. They would ask their branch or the call 4 center to opt them out. There's a form document 5 that would be completed and sent to the back 6 office, and that maintenance would be done. 7 Q. And did that ever happen? 8 A. Yes. 9 Q. How often? 10 A. Infrequently. I don't know the exact 11 number. But it was, again, infrequently meaning 12 it -- I don't know, it would be a guess. It was 13 not a frequent -- 14 Q. Was there notice ever provided to 15 customers to tell them that they have an option 16 to opt out pre Reg E? 17 A. No. 18 Q. Was there any way -- did you ever 19 record or track the number of people that 20 actually opted out pre Reg E? 21 A. There was a flag on the system of 22 whether you were, you know, whether you were -- 23 if you -- because you could also happen to have 24 a customer that you wanted to give more than the 25 overdraft limit. Could be in the same form,

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1 maybe, you know, may say give this customer 2 \$10,000 in overdraft limit. 3 Q. That's a good customer, or bad 4 customer? 5 A. Yes. But so that form would be -- and 6 they would -- so therefore, there was a -- there 7 was a field on the system that would denote 8 whether the customer was scored and got an 9 overdraft limit through the overdraft matrix, 10 whether they had none, or whether they had a 11 manual overdraft limit. 12 Q. Pre Reg E, did you have in place a 13 system that when somebody swiped their card, if 14 they were going to overdraft land, as I call it, 15 that they got a notification at the time of 16 swipe that they were going to go negative, and 17 they were going to incur an overdraft if they 18 proceeded with the transaction? 19 A. No. 20 Q. Do I understand that you have that now 21 with respect to ATM? 22 A. ATM's only. 23 Q. All right. And with ATM's, you didn't 24 have that pre Reg E, correct? 25 A. You could not -- the overdraft limit	1 Q. But you were starting to say that there 2 was some sort of budget with respect to 3 something? 4 A. Yes. We budget all of the revenue 5 numbers and -- 6 Q. For budgeting purpose, but there was no 7 limit that the branch manager had in terms of 8 authority when refunding in the aggregate? 9 A. Unless that limit was imposed by their 10 boss, there was not a policy or a corporate wide 11 limit. But if -- if the Jackson, Tennessee 12 community told its branch managers, if you're 13 going to refund more than X, I want to know it, 14 or I want you to ask my permission. They had 15 the discretion to do that inside of their 16 communities, inside of their, you know, their 17 hierarchy. But there was not a bank limit that 18 said, you know, you've got to call Tupelo or you 19 can never refund, or you've got to call 20 somebody, you know. 21 Q. Got it. We talked about retention of 22 documents and your two systems; your previous 23 one and the existing one. And I asked you what 24 format the data and the information is kept, and 25 you said could be multiple types of formats?
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1 was not available for authorizations on an ATM 2 prior to Reg E, except for a small period of 3 time in either 2006 or 2004. 4 Q. Or if you tricked the system by going 5 at night, or something like that? 6 A. Right. 7 Q. Did branch managers have a maximum 8 amount of money that they could refund in the 9 aggregate on a given day? 10 A. No. 11 Q. Like A budget? 12 A. They had a -- they had a budget of -- 13 of their -- all of their non-interest income 14 categories on a daily basis. 15 Q. I shouldn't have limited it to daily, 16 but is there some sort of budget that they've 17 got to work within when issuing refunds? 18 MR. TAYLOR: Above which they couldn't 19 refund? 20 MR. OSTROW: Correct. 21 MR. TAYLOR: Did they have a pot of 22 money they could not go over? 23 THE WITNESS: No, they did not have a 24 pot of money. 25 BY MR. OSTROW:	1 A. Yes. 2 Q. Is that something that they're kept in 3 multiple, or you can retrieve them in multiple 4 formats? 5 A. You can actually archive them in more 6 than one format. 7 Q. Right. I think you said you actually 8 have to set it up that way, if you want to dump 9 something into Excel, you put it in Excel, and 10 that's how it gets archived? 11 A. That is -- you can do that, yes. 12 Q. Is there a default type of format that 13 if you don't select some other one, it goes into 14 automatically? 15 A. Yes. 16 Q. Which is called what? 17 A. I don't know. 18 Q. All right. And then, is there certain 19 data and information on what I call the 20 customer's transactional log that is not 21 retained when it goes into the retention system? 22 A. So are you saying, is there certain 23 information regarding the transaction that we 24 don't retain? 25 Q. Correct.

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1 A. Let me -- I'd have to think about 2 that. 3 MR. TAYLOR: Does the archive system 4 keep all of the information on the 5 transactions? 6 MR. OSTROW: Yes. 7 THE WITNESS: My initial response would 8 be no because there are certain transactions. 9 BY MR. OSTROW: 10 Q. Are you responding to my question or 11 his fixed question? 12 A. Let me -- good point. We do not -- 13 well, the initial -- 14 Q. If you said the opposite, it can't be? 15 A. I would say there are some transactions 16 that we don't have all of the transaction 17 information that the source of the transaction 18 would have. And I will use online banking as an 19 example. Intuit is our online banking service 20 provider. You have the ability to transfer 21 funds through your Internet banking, or to pay 22 bills through your Internet banking. When that 23 transaction posts, you know, our data base would 24 not include all of the information that Intuit 25 may have had at the time you made the decision.	1 don't exclude data purposely, or whatever. If 2 FDR produces it, and it's, their -- I mean, it's 3 literally their report that they electronically 4 send to us, that we archive of our history. 5 Same thing on the settlement 6 transaction, the transaction logs of the items 7 that will post tonight. You know, we aren't 8 excluding information out or excluding 9 information or purging information. We retain 10 it all. Overdraft would be the same. We retain 11 all those. We know every transaction that we 12 paid a fee on, every transaction. 13 Q. Are those codes maintained in the 14 retention storage as well? 15 A. I would have -- the specific individual 16 tran codes listing, I'm trying to think where it 17 would be. I mean, you know, we have -- I can't 18 say that there's a record that would -- that 19 would say, you know -- the accumulated data 20 would be there. You know, this is the account 21 number, this is the transaction code. This is 22 the transaction amount. This is the whatever. 23 I mean, I can say that there would be, 24 you know, you -- you can accumulate the data 25 from multiple sources, but there's not a report
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1 Q. Understood. But for all the 2 information that you all keep, those current 3 screen shots, whatever it is that we talked 4 about earlier, before it gets archived, is all 5 that information also retained in the other data 6 base, once it moves over? 7 A. Talking about transactions again. 8 Q. Transactional log data, sure. 9 A. I would answer that and say that we 10 keep what we consider to be, and our reports 11 reflect what we consider to be the pertinent 12 information. When we throw the word, all, in 13 there, I get a little concerned, you know, that 14 -- that there -- 15 Q. Let's bring it back. Specific to debit 16 and ATM transactions, date and time of when 17 those transactions occurred, if you have them, 18 with some of them, you do, or when it settles is 19 when you have others, and then lastly, OD and 20 NSF fees and refunds of those fees when they 21 occur? 22 A. Okay. On the debit cards, yes, we have 23 all the authorization information that would be 24 in our data base, and all the information that 25 that entails would be in that data base. We	1 that I recall right now that would give you the 2 tran code. It would just give you the 3 transaction information and the dollar amounts, 4 you know, of those transactions. But I -- I 5 don't recall. But Eric, I would be more than 6 happy to pull that report up, and if it's there, 7 I'll call you. 8 MR. TAYLOR: That's a question that can 9 be answered. Obviously, he's struggling with 10 the all. 11 MR. OSTROW: I'm fine with that. In 12 fact, you know, the better way may be just for 13 me to get my consultant to say hey, you know, 14 here's exactly what we're looking for. Do you 15 have it? And what reports, and if we need to 16 get on the phone, you know, so you guys can talk 17 another language, or you can get some other guys 18 to talk another language, whoever it is, you 19 know, that can work, too. 20 A. It's not that I don't want to give it 21 to you. 22 BY MR. OSTROW: 23 Q. No, I get it, I do. You've been 24 excellent. So I appreciate your time and, you 25 know, the detail. Couple last couple things.

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1 Online bankers, what branch, if they don't have 2 a branch, per se, but do you assign them a 3 branch so that a branch manager can look at 4 their OD activities in terms of refunding? 5 A. Yes. Every customer is assigned to a 6 what we call RC, a responsibility center, which 7 is the same thing as a branch. If you open your 8 account online, you know, you have the ability 9 to pick a branch. Or if I recall the logic 10 correctly, if you don't, we are going to assign 11 you to the closest -- 12 Q. Closest one. 13 A. Right. 14 Q. Okay. You went over the pre '03 high 15 to low buckets can. You just hit them for me 16 one more time. And when you do it, are you 17 going hit me in the -- are we going to 18 prioritize the buckets? 19 A. Okay. Bank initiated fees would be a 20 bucket, and they would post first. And the 21 customer initiated transactions, there would 22 have been either three or four buckets. I can't 23 remember exactly, but it would have fallen cash 24 related transaction, whether that would be over 25 the counter, ATM, et cetera, it would have	1 here, No. 6, admit that the online transaction 2 detail you make available to customers shows 3 transactions in order that is changed prior to 4 posting. And I'll show it to you so you can see 5 what it says. The request -- the question was 6 denied. The admission was denied 7 MR. TAYLOR: For the record, there were 8 several objections, then it was denied. 9 BY MR. OSTROW: 10 Q. Correct. Why do you deny that? 11 A. Because it's not always true. 12 Q. There are some -- after our 13 conversation today, we've learned that there are 14 some circumstances where you will put a memo 15 post, and then later, a memo debit -- I'm 16 fried. Memo what? 17 A. Memo post. 18 Q. Then later at night, it's going to 19 re-post, based upon its true position in the 20 high-to-low hierarchy, correct? 21 A. Yes. 22 Q. So would you agree that it may not 23 always be the case, but there are some 24 circumstances where, intraday, someone could 25 look at their online account, and what they see
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1 fallen. 2 Electronic transactions, debit cards, 3 PIN, signature, and then it would have been 4 checks. And if I recall correctly, I believe we 5 had two categories of checks in ACH. We had one 6 that was over the counter that we took, you 7 know, over the counter for us means like, you 8 know, you presented it in a branch. 9 Q. Right. 10 A. And then there is checks that we get 11 from other sources. And I believe there was -- 12 there were two buckets of checks we get from 13 other sources. If not, then all the checks were 14 together. But I believe there were two check 15 buckets. 16 Q. The bucket order, other than the bank 17 initiated fees. What -- 18 A. It would've been any -- what we 19 considered cash related. Then would have been 20 electronic. It then would have been the check, 21 ACH. And I don't recall -- I don't recall if 22 there was two buckets of checks or not. 23 Q. This might be the last question. We 24 sent you a request for admission to admit or 25 deny certain statements. There's a request	1 is different than what will happen in terms of 2 ordering at night? 3 A. Could there be a difference, yes. 4 Q. Okay. I just want to make sure that I 5 understand that. 6 A. Yeah, my recollection of this was it 7 was, you know, customer shows transaction order 8 that is changed prior to posting, and we deny 9 that because there, you know, we give numerous 10 examples of where it's exactly the same. 11 Q. And I got that. I mean, after 12 understanding it. There are three documents 13 which each were multiple pages which you 14 produced to us. And I just want to give you the 15 cover sheet for each one, and have you just tell 16 me what the document is. The first is Bates 17 7780 is the first page of that document. And it 18 says deposit documentation. Based upon what I'm 19 giving you here, do you know what this is? 20 A. This would be a manual that our bank 21 coordination department puts together that 22 would, if my recollection is correct, that would 23 include the deposit related documentation that a 24 customer may have. And that would -- deposit 25 documentation, if I had the manual, I could tell

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1 you everything that was in it, but it's just a 2 -- it's a deposit related, manual deposit, 3 meaning deposit account, not deposit into an 4 account. 5 Q. Got it. 6 A. But deposit account. 7 Q. Okay. 8451 deposit operation, the same 8 thing, cover sheet for a lengthy document. 9 A. This is going to be more specific into 10 how to perform certain operational functions 11 related to deposit accounts. And we have a 12 centralized deposit operations department that 13 is responsible for certain back office functions 14 related to accounts. And then there are -- and 15 it's going to provide those procedures and 16 processes and information related to that. 17 Q. A third document, 9335, Quest Financial 18 Solutions Deposit Platform Manual? 19 A. That is the manual that relates to the 20 platform software that resides in our branches 21 in which they load a new account. And so we 22 call it the platform manual because it's our -- 23 it's the software that we have designed to take 24 all the information from a customer at a branch, 25 load that information into our system, properly	1 Q. There's not an enter, this is the order 2 that you're going to see later? 3 A. Right. 4 Q. Are they able to determine, when they 5 look at the screens, though, that some of those 6 transactions are going to post in a different 7 order than what the customer sees when they look 8 at their account? 9 A. Make sure I understand your question. 10 The bank representatives viewing the screen that 11 they have access to, would they have the ability 12 to know that certain transactions are going to 13 post differently at night than the way they are 14 displayed on the screen when they look at it? 15 Q. That's right. 16 A. I would say some bank representatives 17 would, because of their knowledge base, you 18 know, but there would be others that -- that 19 probably would not. 20 Q. Do the call center people have any 21 other capabilities to see how things may post as 22 opposed to the people that are at the branch? 23 A. We have a call center software that is 24 specific to call center processes and 25 efficiencies, and all, you know, the customer
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1 give them all disclosures, based upon the 2 account they've opened. And then it will upload 3 that information into the IMPHCS system, so that 4 that account becomes an account of record at the 5 bank. 6 Q. Last question, Admission Request 13, 7 admit that bank representatives have access to 8 research screens or other similar records 9 regarding customers' accounts, have the ability 10 recreate how transactions are posted to 11 customers' accounts on given day. This was 12 denied as well. 13 MR. TAYLOR: There were a series of 14 objections. And from my perspective, among 15 them, there's no time constraint. But go 16 ahead. 17 A. Right. My recollection regarding our 18 review of this is from an operational 19 perspective were two things; ability to 20 recreate, they do not have. You know, they -- 21 they can't manipulate or recreate, bank 22 representatives can't, through inquiry to a 23 screen. What they -- so there is -- there's not 24 a recreate. 25 BY MR. OSTROW:	1 keys in their account number, and it -- does a 2 screen pop, you know, so that they don't -- you 3 know, it's all in design to help the call center 4 be ready when the customer speaks, to know who 5 they're talking to. 6 And they also have -- that software has 7 its own interfaces built into the different 8 applications that you might get a call on, 9 because you don't know what the -- necessarily 10 what the customer is calling about. So they 11 can -- they get presented information in a more 12 global manner about a relationship than a branch 13 person would. Normally, a person is in the 14 branch on a -- you know, it's a more personal 15 service. 16 Q. Understood. 17 A. So there are -- there is a different 18 system that the call center has. And it is 19 designed to support and make them more effective 20 and efficient. And they have access in the call 21 center, more immediate access in the call center 22 to information that our branches would not. And 23 again, it's all in an effort to have as much 24 information as possible, you know, point and 25 click away.

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1 Q. Last question, I promise. Has the 2 bank, at any point in time, re-sequenced 3 transactions in a chronological fashion to 4 determine what the revenue change would be for a 5 particular period of time? 6 A. Chronological is a difficult 7 proposition. I mean, you know, we're just 8 trying to give y'all everything possible. So 9 chronological, you have to define, how do you 10 chronologically define a check? How do you 11 chronologically define a different type -- 12 Q. For my question, just assume that I'm 13 asking you in a manner that is close to 14 chronological as possible. I understand, you 15 know, we can debate about whether it's 16 authorization versus when it posts, whether it's 17 the time someone wrote the check, or the time 18 that you actually, you know, the check was 19 presented for payment. 20 A. Right. 21 Q. But to closely mimic, you know, 22 chronological as possible? 23 A. We have certainly tried to evaluate 24 what capabilities we have to look at alternative 25 posting orders. And chronological posting was	1 very much again for your time and for answering 2 all the questions to best of your ability. And 3 I think you did good a job. There are some 4 topics that we did not cover that we reserve the 5 right to come back to Tupelo and have another 6 good hamburger next door. But we probably can 7 just dispense with a number of those if we can 8 just have like an open exchange of information 9 with your lawyer and with you, and maybe our 10 guys, so we can, you know, just get what's 11 important to us. Thank you. 12 (AND FURTHER DEPONENT SAITH NOT.) 13 14 15 16 17 18 19 20 21 22 23 24 25
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1 one of those that we attempted to evaluate. And 2 it got -- when you do that, and you get down 3 into the discussions and the debates about all 4 the different types of transactions and all of 5 the different sources that they come from, 6 that's what makes it much more complicated than 7 it sounds. You know, it just sounds so simple. 8 So we have had conversations about 9 that. We have not modeled that because it is a 10 -- we haven't figured out how to define 11 chronological. The regulators don't define what 12 chronological means. You know, that would be 13 helpful if somebody said, here's the 14 chronological standard. There's not a 15 chronological standard. 16 And so you've got so many different 17 decision points. When we went down that path of 18 asking the questions internally, what would it 19 take, how you define this, what is 20 chronological, who gets in what bucket, it just 21 creates about a hundred more questions. So we 22 did not model it to determine what the outcome 23 would be. We just tried to figure out how do 24 you do it. 25 MR. OSTROW: Well, I want to thank you	1 2 3 ERRATA SHEET 4 5 6 Case: In Re: Checking Account Overdraft Litigation 7 Witness: Jeff Jaggers 8 9 10 Page _____ Line _____ Reason for change: 11 _____ 12 _____ 13 14 Page _____ Line _____ Reason for change: 15 _____ 16 _____ 17 18 Page _____ Line _____ Reason for change: 19 _____ 20 _____ 21 22 Page _____ Line _____ Reason for change: 23 _____ 24 _____ 25

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1 Page _____ Line _____ Reason for change:	1 agency and any unauthorized reproduction and/or
2	2 transfer of it will be in violation of Tennessee
3	3 Code Annotated 39-14-104, Theft of Services.
4 Signature of the Witness	4
5	5
6	6 Andrea C. Myers, LCR 458
7	7 Expiration Date 9-10-12
8 *****	8 236 Adams Avenue
9 STATE OF _____	9 Memphis, Tennessee 38103
10	10
11 COUNTY OF _____	11
12 Subscribed and sworn to before me this _____ day of _____, 2011	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20 _____	20
21 Notary Public	21
22	22
23	23
24	24
25 My Commission Expires: _____	25

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3 C E R T I F I C A T E	
4 S T A T E O F T E N N E S S E E)	
5)	
6 C O U N T Y O F S H E L B Y)	
7	
8 I, Andrea C. LCR #458, CSR, RPR,	
9 Licensed Court Reporter, in and for the State of	
10 Tennessee, do hereby certify that the above	
11 deposition was reported by me, and the	
12 transcript is a true and accurate record to the	
13 best of my knowledge, skills, and ability.	
14 I further certify that I am not related	
15 to nor an employee of counsel or any of the	
16 parties to the action, nor am I in any way	
17 financially interested in the outcome of this	
18 case.	
19 I further certify that I am duly	
20 licensed by the Tennessee Board of Court	
21 Reporting as a Licensed Court Reporter as	
22 evidenced by the LCR number and expiration date	
23 following my name below.	
24 I further certify that this transcript	
25 is the work product of this court reporting	

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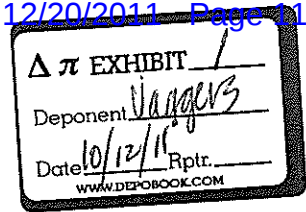
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223:6,17 234:10	25		127:14	80
2003	192:12,16,18,25	4	51	154:23
146:9 185:7	240:20	4	159:22	83
2004	265	4:13 86:16 87:8	52	154:13
247:3	5:2	231:13,15	159:22	8451
2005	275	4,000		258:7
77:8	14:11 103:6	221:7 230:24	6	85
2006	285	4:00	6	18:12,14,22 154:23
29:8 112:11 159:21	3:12	100:25	4:16 83:10 183:24	193:14 194:2,3
175:3 177:1,1	2910	40	216:25 217:1	
186:11 247:3	22:7 24:6	169:10 199:9 240:7	233:4 256:1	9
2007		240:9,13,19	60	9
29:8	3	400	75:18 131:5 159:22	78:17 83:13 239:3
2008	3	201:16	169:10	9-10-12
32:15 82:13 187:22	4:12 229:13,18	400,000	6649	268:7
187:24 188:1	30	18:20,21,23 201:14	222:1 229:22	9:00
2009	55:12 75:19 131:4	42	6650	2:5
148:10,20 150:22	164:12	239:23	222:13	90's
150:23	30-day	420,000	6651	73:10
2010	74:11	18:21	222:13	90-day
134:19 175:13	30303	45	6654	207:1,3
186:11 198:21	3:12	194:18 239:23	222:1 231:13	9335
208:19 210:17	32	458	6694	258:17
217:12	112:10 163:9	268:6	231:12	95
2011	33	46	6694-6654	230:22 231:3
1:11 2:2 159:6	193:13	194:21	4:14	96
235:9 236:9	33301	47		231:3
237:21,24 266:12	3:7	194:21	7	99
205	35	489	7	125:13 230:20,23
196:11	112:10 163:8 168:7	4:11	4:8,17 122:16,18	99.8
229	168:7,9,12 170:15		234:23,25	125:13
4:12	193:14 194:1	5	7248	
231	239:23 240:7,9,13	5	232:9	
4:13	240:19	4:4,15 87:9 232:4,6	7248-7251	
232	36	5,000	4:16	
		47:19	7251	



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

CASE NO. 1:09-MD-02036-JLK

IN RE: CHECKING ACCOUNT
OVERDRAFT LITIGATION

MDL No. 2036

THIS DOCUMENT RELATES TO:

Swift v. BancorpSouth, Inc.
N.D. FL Case No. 1:10-cv-00090-SPM
S.D. FL Case No. 1:10-cv-23872-JLK

**PLAINTIFF'S SECOND AMENDED NOTICE OF DEPOSITION OF
DEFENDANT BANCORPSOUTH PURSUANT TO FED. R. CIV. P. 30(b)(6)**
(Changes topics of deposition only)

PLEASE TAKE NOTICE that the deposition of Defendant, Bancorpsouth, will be taken in this action on October 12, 2011, at 9:00 a.m., before a certified court reporter at Hilton Garden Inn, 363 East Main St., Tupelo, MS 38801, Tel: (662) 718-5500. Pursuant to Federal Rule of Civil Procedure 30(b)(6), Bancorpsouth shall designate one or more officers, directors, managing agents, or other persons to testify on its behalf on topics 1, 2, 3, 6 and 8 listed below. As used in this notice, "Bancorpsouth" or "Bank" includes Bancorpsouth and its officers, directors, employees, and other representatives. The person or persons so designated shall testify as to all information known or reasonably available to Bancorpsouth on topics 1, 2, 3, 6, and 8 listed below. Testimony as to all remaining topics shall be taken on another day.

Definitions

In addition to the terms specifically defined in Plaintiff's First Set of Interrogatories and Request for Production, the following definitions apply for purposes of this notice:

“Authorized” (or “Authorization”) refers to the Bank’s communication indicating that the initiated transaction has been approved thereby giving a vendor reason to conclude that the Bank will pay the amount of the transaction.

“Account” refers to any bank account you have held for any customer, from which the customer could make withdrawals using an electronic debit card.

“Posting” refers to the Bank’s act of crediting or debiting items to or from an account such as that the item is reflected in the account’s actual balance.

Topics

1. All electronic databases or programs used by Bancorpsouth during the proposed class period that record or store:

a. Plaintiff’s online history, including time and date account information was accessed and web pages viewed, including the existence, location, retention, and use of and any material changes to all such databases or programs with respect to the recording, storage, and continued accessibility of that information;

b. Data during the class period as specified below:

(1) All transactions posted on any date which resulted in an overdraft, and were the subject of an overdraft fee.

(2) All overdraft or NSF fees assessed resulting from an overdraft.

(3) Reversals of overdraft fees within 30 days of an assessed overdraft fee.

(4) All write offs or uncollectible entries in the account following the assessment of an overdraft fee.

(5) Group priority posting positions at the time of the overdraft fee assessment.

(6) Sort order priority positions at the time of the overdraft fee assessment.

(7) Transaction codes or descriptions, sufficient to be able to ascertain to which group each transaction belongs.

(8) For transactions posted on any date which resulted in an overdraft, and were the subject of an overdraft fee, the electronic information/fields, including but not limited to the following information for each unique transaction on the date transactions were paid into overdraft:

- (a) hard post date;
- (b) payee;
- (c) narrative description of the transaction;
- (d) unique identification number or code of the transaction;
- (e) authorization date and time;
- (f) posting order for all the transactions on that date;
- (g) transaction amount;
- (h) transaction amount authorized;
- (i) transaction code identifying the group type of transaction;
- (j) the day's beginning ledger balance;
- (k) the day's beginning collected ledger balance;
- (l) the day's ending ledger balance (or beginning balance the following day)
- (m) the day's ending collected ledger balance (or beginning balance the following day);
- (n) any available balance or running balance associated with each transaction;

(o) any identification or code indicating that the available balance was negative at the time of authorizations; and

(9) For all overdraft fee transactions resulting from overdrafts, the electronic information/fields for the resulting overdraft fees including but not limited to:

(a) the number and/or amount of overdraft fees assessed; and

(b) any identification information tying the overdraft fees to specific transactions.

(10) For the next 30 days after overdraft fees were assessed:

(a) any reversal transaction of overdraft fees;

(b) the amount of reversal; and

(c) any identification information tying the reversal to any specific transactions or overdraft fees.

(11) For any time after the overdraft was assessed:

(a) any write off or uncollectible entry closing the account with a negative balance.

2. Bancorpsouth's policies, practices, and procedures from 2000 to the present with respect to all posting orders utilized in posting transactions to its customers accounts.

3. Bancorpsouth's policies, practices, and procedures in effect from 2000 to the present with respect to the circumstances under which it assesses overdraft fees, including but not limited to its company-wide policies, practices, or procedures relating to "reversals" (i.e., the waiver or forgiveness of overdraft fees), discretion afforded branch managers or officers to exercise reversals and related dollar limits, if any, overdraft protection programs (e.g. use and extent of linked accounts), courtesy threshold amounts (i.e., a minimum amount accounts must be overdrawn prior to the imposition of an overdraft fee), circumstances where no overdraft fee

is assessed despite accounts being overdrawn, maximum overdraft fee assessments permitted per day, the formula and criteria for determining the negative balance upon which an overdraft fee may be assessed (e.g. whether the balance used is calculated at the end of the day of the transaction or at authorization of debit card transaction).

4. The facts and circumstances surrounding any and all overdraft charges placed on accounts held by each named Plaintiff.

5. From 2000 to the present, any addenda, revisions, or modifications to Bancorpsouth's Customer Account Agreements. The reasons and process for making such changes, the persons responsible for considering and for implementing such changes, documents describing and referencing the consideration or implementation of such changes, as such changes relate to the following practices:

- a. posting order of transactions, including how transactions are grouped for posting, and the sequencing of transactions within a group;
- b. authorization of electronic transactions;
- c. assessment of overdraft or NSF fees on electronic transactions;
- d. reversal of overdraft or NSF fees for electronic transactions; and
- e. obligation of a customer to pay assessed overdraft or NSF fees;

6. All studies, professional opinions, surveys, or focus group results, whether conducted by Defendant or commissioned from third parties, performed from 2000 to the present regarding Defendants' overdraft practices or overdraft fee revenue, including without limitation, the impact of the following factors, circumstances or effect on overdraft fee revenue:

- a. alternative posting orders;
- b. allowing debit card and ATM withdrawal transactions to be paid into overdraft status;

c. the commingling or batching of different types of transactions (such as checks ordered together with debit card transactions);

d. the determination of the amount which a customer may overdraw an account with any particular transaction; and

e. actual or likely customer reaction to posting items in a particular order.

7. All efforts:

a. to track overdraft revenue by region, state, branch, or individual employee, including without limitation, the efforts to track overdraft revenue derived from overdraft fees assessed upon customers who were charged more than one overdraft fee on any given day; and

b. to enhance overdraft revenue, including without limitation, the efforts to enhance overdraft revenue derived from overdraft fees assessed upon customers who were charged more than one overdraft fee on any given day.

8. The reasons and motivation for adopting each posting order utilized from 2000 to the present.

9. Bancorpsouth's policies, practices, and procedures in effect from 2000 to the present with respect to its non-customer specific communications (e.g. standardized letters, bill notices, or public disclosures) regarding its overdraft policies and each posting order utilized from 2000 to the present, including without limitation, the origin and genesis of such communications, the period during which such communication were in effect or applicable, the channels through which such communications were made, the circumstances that prompted or reason for such communications, and the process and person involved in the determination of what to include and not include in the content of such communications.

10. Bancorpsouth's policies, practices, and procedures in effect from 2000 to the present with respect to its standardized forms, letters, form customer complaint responses, employee scripts, talking points, Q&A's, memoranda, and internal documents relating to communications between Bancorpsouth and its customers regarding the assessment, waiver or forgiveness of overdraft fees on consumer accounts.

11. Bancorpsouth's policies, practices, and procedures in effect from 2000 to the present with respect to recording, reviewing, and responding to customer complaints relating to overdraft fees, including its policies, practices, and procedures relating to the storage and retention of the information and documents, including the form or method of such storage (i.e., hard copy, electronic, etc.).

This deposition pursuant to Federal Rule of Civil Procedure 30(b)(6) is subject to continuance or rescheduling from time to time or place to place until completed.

Dated: October 11th, 2011

**KOPELOWITZ OSTROW
FERGUSON WEISELBERG KEECHL**
200 S.W. First Avenue, 12th Floor
Fort Lauderdale, FL 33301
Telephone: (954) 525-4100
Facsimile: (954) 525-4300
Counsel for Plaintiffs and the Proposed Class

By: _____

Jeffrey M. Ostrow
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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

CASE NO. 1:09-MD-02036-JLK

IN RE: CHECKING ACCOUNT
OVERDRAFT LITIGATION

MDL No. 2036

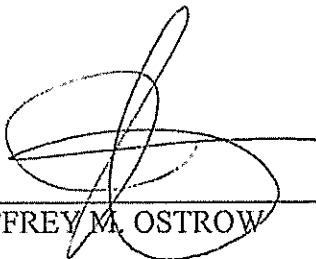
THIS DOCUMENT RELATES TO:

Swift v. BancorpSouth, Inc.
N.D. FL Case No. 1:10-cv-00090-SPM
S.D. FL Case No. 1:10-cv-23872-JLK

CERTIFICATE OF SERVICE

I hereby certify that on October 11th, 2011, I served the Second Amended Notice of Deposition of Defendant BancorpSouth pursuant to Fed. R. Civ. P. 36(b)(6), by electronic mail on the following:

Eric Jon Taylor, Esq.
Darren E. Gaynor, Esq.
PARKER, HUDSON, ET AL.
1500 Marquis Two Tower
285 Peachtree Center Avenue, N.E.
Atlanta, GA 30303
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E-mail: etaylor@phrd.com
E-mail: deg@phrd.com


JEFFREY M. OSTROW

BancorpSouth

General Operating Procedures

Products

TRANSACTION CODES

IMPACS

Credit	USER TRAN	POST PRIORITY
Interest Adj Credit		20
EXC Credit		20
ACH EXC Credit	REDACTED	20
ATM EXC Credit		20
ACH Credit		20
ATM Credit		20
ATM POS Credit		20
OD Protection Credit		20
Interbank Transfer Credit		20
QUEST Transfer Credit		20
QUEST Cash Deposit		20
Infoline Transfer Credit	REDACTED	20
OD Account Closed Credit		20
MasterMoney Credit		20
Wirenext Credit		20
Inview Home Banking Credit		20
Inview Transfer Credit		20
TaxTel Credit		20
Dividend Income		20
ZBA Transfer Credit		20
Garnishment/Levy Credit		20
ACH Credit Online		20
CSC Transfer Credit		20
Return Deposit Rev/STP Rev/Closing Adj Rev		20
Deluxe Credit		20
Cash Rewards		20
Surcharge Rfd		20
POS PIN Credit	REDACTED	20
RT Web Transfer		20
Interest Transfer Credit		20
Deposit		25
Loan Proceeds Deposit		25
Vector 4 Credit Adj		25
Deposit Correction Credit		25
No Bounce Deposit		25
Lock Box Credit		25
Deposit On-Line (On-line entry unposted credit)		25
HSA Deposit		25
HSA Distribution Reversal		25



BancorpSouth
General Operating Procedures

Products

IMPACS Transaction Codes, Continued

Vector 4 Credit Adj	REDACTED	25
SC Refund		25
Express Deposit		25
HSA Prev Yr Normal Cont		25

* - Used by the Exceptions System ^ - Transactions not included in Service Charge count

Debit transactions post from highest to lowest dollar amount

BancorpSouth
General Operating Procedures

Products

	USER TRAN	POST PRIORITY
Debit		
Interest Adj Debit		30
IOD/MMDA Closing	REDACTED	30
Returned Dep Item (FP)		30
Exception Dr (FP)		30
Exception Dr (FP)		30
ACH Exception Dr (FP)		30
Wire Exception Dr (FP)		30
Vector 4 Debit Adj (FP)		30
Deposit Correction Dr		30
HSA Closing		30
Vector 4 Debit Adj (FP)	REDACTED	30
Inactive Close		30
Dormant Close		30
Escheat Close (FP)		30
ACH Settlement		30
AD UNKN Close		30
Safe Deposit Box Chg (FP)		31
Wirenext Debit (FP)		32
CSC Transfer Dr (FP)		32
Misc Fee (FP)	REDACTED	33
ATM Fee (FP)		33
Returned Dep Item Fee (FP)		33
Stop/Hold Charge (FP)		33
OD Charge (FP)		33
NSF Charge (FP)		33
ATM Card Fee (FP)		33
Wirenext Fee (FP)	REDACTED	33
Redeposit Item Fee (FP)		33
TaxTel Fee (FP)		33
WireNet Fee- AA		33
Analysis Fee (FP)		33
Personal Internet Banking Fee (FP)		33
Special Handling Fee		33
NSF Charge	REDACTED	33
Quest Transfer Fee		33
Transfer Fee (FP)		33
OD Transfer Fee (FP)		33
Lost Card Fee		33
Debit Card Program Fee		33
Cash Rewards		33
Inactive SC (FP)	REDACTED	33
Dormant SC (FP)		33
Address Unknown Fee		33

BancorpSouth

General Operating Procedures

Products

IMPACS Transaction Codes, Continued

	USER TRAN	POST PRIORITY
Cross Border Fee	REDACTED	33
HSA Contribution Reversal		33
ACF Stop Payment Charge		33
Force Pay 1		35
Force Pay 2		36

* - Used by the Exceptions System ^ - Transactions not included in Service Charge count
Debit transactions post from highest to lowest dollar amount.

BancorpSouth
General Operating Procedures

Products

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BancorpSouth
General Operating Procedures

Products

IMPACS Transaction Codes, Continued

	USER TRAN	POST PRIORITY
Interbank Transfer Debit	REDACTED	40
Auto Loan Pay (FP)		40
ZBA Transfer Debit		40
Interest Transfer Debit		40
ACH Debit		50
ATM Debit (FP)		50
ATM POS Debit	REDACTED	50
Cash Check (FP)		50
Over Counter Check		50
Transit Check		50
Checking Withdrawal		50
QUEST Transfer Debit		50
Infoline Transfer Debit	REDACTED	50
MasterMoney Debit (FP)		50
Inview Home Banking Debit		50
Inview Transfer Debit (FP)		50
TaxTel Payment		50
Image Check Endpoint Exchange		50
Deluxe Chg (FP)		50
Inview Transfer Debit (FP)	REDACTED	50
Fed Image Check		50
Online Debit		50
HSA Debit		50
Garnishment/Levy Dr (FP)		50
Reclamation Debit		50
Forfeiture/Seizure (FP)		50
Legal Fees (FP)	REDACTED	50
TREA D&E/REC DR		50
RT Web Transfer		50
POS Sign Recur		50
POS Pin		50
POS Pin Recur		50
EDeposit Check		50
NBC Starkville Check		50
ViewPointe Check	REDACTED	50
Renasant Bank Check		50
Hancock Bank Check		50
Great Southern Bank Check		50
Trustmark Bank Check		50

BancorpSouth
General Operating Procedures

Products

IMPACS Transaction Codes, Continued

	USER TRAN	POST PRIORITY
Debit		
Continuous OD Charge	REDACTED	
Paper Stmt Fee		
Paper Image Stmt Fee		
Excessive WD Fee		
Credit Line OD Transfer Fee		
QUEST Memo Post Deposit		
- Does not have a posting priority because it drops off the system before processing.		

* - Used by the Exceptions System ^ - Transactions not included in Service Charge count

Debit transactions post from highest to lowest dollar amount

BancorpSouth

General Operating Procedures

Products

Transaction Codes

Savings/Time

SAVINGS TIME

CREDIT CODES

RT Web Transfer
OD Acct Close
CSC Transfer Credit
Inactive Close
SC Refund
Dormant Close
Inactive Refund
Dormant Refund
Surcharge RFD
Vector4 Cr Adjustment
Wirenext Credit
Interest Transfer Credit
IRA Distribution Credit
Loan Proceeds Credit
Inview Transfer Credit
Infoline Transfer Credit
Quest Memo Deposit
Deposit
Quest Cash Deposit
ATM Deposit
ACH Deposit
Auto Transfer Credit
POS Deposit
Transfer Credit Cust
Deposit Online

REDACTED

REDACTED

REDACTED

DEBIT CODES

TREA D&E REC DR
ACH Withdrawal
Transfer Fee (Quest)
Transfer Fee (CSC)
Transfer Fee
Inactive Closing Debit
Inactive Service Charge (FP)
Dormant Close
Dormant Charge
Cross Border Fee

REDACTED

REDACTED

**User Tran
Club**

210
018
178
181
183
185
187
188
190
260
262
264
265
566
267
268
269
271
272
273
274
275
276
278
371

31
88
90
92
182
186
189

BancorpSouth

General Operating Procedures

Products

Transaction Codes Savings Time, Continued

	<u>User Tran Savings</u>	<u>User Tran Club</u>
DEBIT CODES , Continued		
CSC Transfer Debit	REDACTED	191
Escheat Close		200
Garn /Levy Debit (FP)		202
Reclamation DB (FP)		203
Forfeit / Seiz (FP)		204
Legal Fees (FP)		205
Iolta (FP)		206
RT Web Transfer		230
Service Charge	REDACTED	
Vector4 Debit Adjustment		261
Closing Withdrawal		279
Force Pay		281
ATM Fee		283
Withdrawal		284
ATM Withdrawal		285
ACH Withdrawal		286
Auto Transfer		287
POS Withdrawal	REDACTED	288
Auto Loan Payment (FP)		290
Quest Transfer Debit		291
Infoline Transfer Debit		292
Wirenext Debit		293
Wirenext Fee		295
Inview Transfer Debit	REDACTED	296
Return Dep. Item		297
Return Dep. Fee		298
ATM Card Fee (FP)		300
Excess Activity	REDACTED	
Close CC Online		379
Close Sav Online		
Force Pay Withdrawal		381
Elect Exc W/D (FP)		382
Sav WD Online		384
ACH W/D Online		386
ACH Withdrawal (FP)(Online TR)	REDACTED	387
Federal Withholding Debit		476
Accrued Interest Debit Adjustment		495
Paid Interest Debit Adjustment		496

* = Transactions included in the Excessive Fee Charge count, effective 07-2010.

BancorpSouth

General Operating Procedures

Products

Transaction Codes, Continued

TIME DEPOSIT CERTIFICATES

CREDIT CODES

Code

Description

REDACTED

Withdrawal Reversal
Penalty Reversal
Deposit
Federal Withholding Adjustment
Accrued Interest Adjustment
Interest Paid Adjustment

REDACTED

(Note: This transaction increases the principal, increases YTD interest, and decreases accrued interest - No entry is required.)

DEBIT CODES

Code

Description

REDACTED

Withdrawal with penalty
Withdrawal without penalty
Closing Withdrawal with penalty
Closing Withdrawal without penalty
Federal Withholding Adjustment
Accrued Interest Adjustment
Interest Paid Adjustment

REDACTED

(Note: This transaction decreases the principal, decreases YTD interest, and increases accrued interest - No entry is required.)

BancorpSouth
General Operating Procedures

Products

Transaction Codes, Continued

IRA

IRA CREDIT CODES

Code

Description

REDACTED

Withdrawal reversal
(Note: If the correct IRA code is used, the system will adjust the balance and distribution bucket)

Penalty reversal

REDACTED

Federal tax reversal
(Note: If the correct IRA code is used, the system will adjust the balance, distribution bucket, and tax withholding bucket. No entry is required.)

Previous year's contribution

REDACTED

Prior year force deposit - used when the customer is 70 ½ this year and is making a prior year contribution prior to April 15.

Re-characterization deposit

REDACTED

IRA Force Contribution Current Year - used only for forced contributions to account in non-contribution status:
Rollover (Type 4) RA type, and the first contribution has been made.
Disabled

Current year contribution

REDACTED

Federal withholding adjustment
(Note: If the correct IRA code is used, the system will adjust the distribution bucket and withholding as well as the account balance. No entry is required.)

Accrued interest adjustment

REDACTED

Interest paid adjustment
(Note: This transaction increases the principal, increases YTD interest, and decreases accrued interest - No entry is required.)

BancorpSouth

General Operating Procedures

Products

Transaction Codes

IRA, Continued

IRA DEBIT CODES

Code

Description

REDACTED

Partial withdrawal with penalty

Partial withdrawal without penalty

REDACTED

First-time home buyer - premature distribution

Education expense - Premature distribution

Re-characterized IRA contribution - current tax year

REDACTED

Closing withdrawal (Will be able to waive penalty, if applicable, on ST80.)

Prior year excess contribution withdrawal

REDACTED

Recharacterization of contribution - prior tax year

Federal withholding adjustment (No entry is required.)

Accrued interest adjustment

REDACTED

Interest paid adjustment

(Note: This transaction decreases the principal, decreases YTD interest, and increases accrued interest - no entry is required.)

BancorpSouth

General Operating Procedures

Products

TRANSACTION POSTING SEQUENCE- SAVINGS/TIME

- = New Account
- = Account Type Change
- = General Ledger Code Change
- = Interest Type/Parameter Change : Before FM and Posting
- = TDOA Information Add
- = Affiliate Account Add/Delete : Before FM and Posting
- = Other Information Add/Delete : Before FM and Posting
- = Alternate Name/Address Trailer Maintenance
- = Decedent Trailer Add/Delete
- = Data Center Trailer Add/Delete : Before Posting
- = File Maintenance : Before Posting
- = Name/Address Maintenance
- = Affiliate Account Maintenance
- = Account Status Change : Before Posting
- = Passbook Update Maintenance
- = TDOA Information Maintenance
- = Club Type Maintenance
- = IRA Distribution Schedule Maintenance
- = Statement Returned
- = IRA Contribution/Distribution Maintenance
- = Stop/Hold Delete
- = Add Special Instruction
- = Add Stop Range
- = Add Stop Pay
- = Add Hold
- = Add Pledge
- = Expiration Date Maintenance
- = Items Deposited
- = Float Entry
- = Float Adjustment - Plus
- = Float Adjustment - Minus
- = Miscellaneous Costs Adjustment - Plus
- = Miscellaneous Costs Adjustment - Minus
- = Fee Adjustment
- = Fee Payment/Reversal
- = Interest Adjustment - Plus
- = Interest Adjustment - Minus
- = Projected Check Reversal
- = CD/Club Renewal and CD Rollover : Before Posting

BancorpSouth

General Operating Procedures

Products

Transaction Posting Sequence, Continued

REDACTED

- = History Card Request
- = IMPACS Statement Confirmation
- = Statement Request
- = Master Print Request

REDACTED

- = Affiliate Account Add/Delete : After FM
- = Other Information Add/Delete : After FM
- = Data Center Trailer Add/Delete : After FM
- = Debit/Credit
- = Non-printing Reversal

REDACTED

- = ATM Transaction
- = Descriptive Transaction
- = Passbook Update Transaction
- = ACH Transaction
- = TDOA Transaction by Trailer
- = TDOA Non-printing Reversal
- = ACH Transaction with Addenda
- = CD/Club Renewal and CD Rollover : After Posting
- = Account Status Change : After Posting
- = File Maintenance : After Posting
- = Interest Type/Parameter Change : After FM and Posting
- = Interbranch Transfer
- = Delete Account

REDACTED

Deponent 11/10/15
Date 10/12/11 Rptr. 11/10/15
WWW.DEPOBOOK.COM

(Retail and
mainly)

They will save Comm & Sun Bros.
in some manner - may not happen
much!

Each acct gets new od limit / Each month ~~od limit~~
new limit - score.
System will use new
score each month.

any ball

of ASF ~~over~~ last 12 months

May 1050⁰⁰

Mar 25th

Majant 500⁰⁰

62% will be

paid automatically

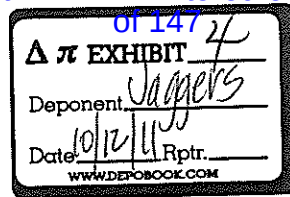
Materials sent out next week - Intro form, Q & A
Wednesday
Feb 20

March 8 - all acts that were requested to be waived will be set up pursuant
New b/c for pygmt decision waive - if waive have to enter
b/c credit to inst. acct.

If OD limit of $\text{€}1000$ is set up, this will not change. All others will be secured unless told otherwise
(100 - 1000)

Mid Apical¹² - authorize ARM + Debt and overage up to limit
(Electronic authorization)

Emp are not part of matrix - if they have an limit, it will continue



1-19-07

OD Matrix**Exclusions:**

Accounts not in normal status

Accounts that go to account analysis Service Charge Types: O, Q, X, Y, or V

Accounts with system types of:

3* Public Funds

4* Due to Banks

5* Employees

6* Trust

7* Bank - Official Items

Accounts with Charge Card = 1

Accounts with Loan Trailer

Accounts with OD Limits over OD Matrix Limits or OD Limit = 0

Accounts with Locator Number (Bankruptcy Accounts)

Accounts with product type of 025 - Checkless Checking 015

Accounts with product type of 300 - Health Savings Accounts

Accounts coming across from bank conversion for first 90-120 days

Accounts with product type 051 or 071 or system type 01* will use the Commercial Matrix, else the accounts go through the Retail Matrix

Overdraft Parameter Matrix (Retail)

Matrix Score	Age in Days	90 Day Average Balance	12 Month Times NSF
-500	<90		
-100		<=\$100	
-50		>-\$100 and <=\$50	>=10
-25			>=5 and <10
0		>-\$50 and <=\$100	>=3 and <5
50		>\$100 and <=\$250	>=0 and <3
100	>90 and <=180	>\$250 and <+\$1000	
150	>180 and <=270	>\$1000 and <\$1500	
200	>270 and <=360	>\$1500 and <\$2000	
250	>360 and <=450	>\$2000 and <\$2500	
300	>450 and <=2189	>\$2500 and <\$3000	
350	>2190 and <=2554	>\$3000 and <\$3500	
400	>2554 and <=2919	>\$3500 and <\$4000	
450	>2919 and <=3284	>\$4000 and <\$4500	
500	>3284	>\$4500	

Request 10-53841 - 07-17-07 - Service system type 025
FROM MATRIX

Overdraft Parameter Matrix (Business, Non-Analyzed)

Matrix Score	Age in Days	90 Day Average Balance	12 Month Times NSF
-2000	<90		
-1000		<=-\$100	
-500		>-\$100 and <=-\$50	>=10
-100			>=5 and <10
0		>-\$50 and <=\$100	>=3 and <5
100		>\$100 and <=\$250	>=0 and <3
200		>\$250 and <+\$1000	
400	>90 and <=180	>\$1000 and <\$1500	
600	>180 and <=270	>\$1500 and <\$2000	
800	>270 and <=360	>\$2000 and <\$2500	
1000	>360 and <=450	>\$2500 and <\$3000	
1200	>450 and <=2189		
1400	>2189 and <=2554	>\$3000 and <\$3500	
1600	>2554 and <=2919	>\$3500 and <\$4000	
1800	>2919 and <=3284	>\$4000 and <\$4500	
2000	>3284	>\$4500	

Overdraft Parameter Matrix (Business, Non-Analyzed)

Matrix Score	Age in Days	90 Day Average Balance	12 Month Times NSF
-2000	<90		
-1000		<=\$100	
-500		>-\$100 and <=\$50	>=10
-100			>=5 and <10
0		>-\$50 and <=\$100	>=3 and <5
100		>\$100 and <=\$250	>=0 and <3
200		>\$250 and <+\$1000	
400	>90 and <=180	>\$1000 and <\$1500	
600	>180 and <=270	>\$1500 and <\$2000	
800	>270 and <=360	>\$2000 and <\$2500	
1000	>360 and <=450	>\$2500 and <\$3000	
1200	>450 and <=2189		
1400	>2189 and <=2554	>\$3000 and <\$3500	
1600	>2554 and <=2919	>\$3500 and <\$4000	
1800	>2919 and <=3284	>\$4000 and <\$4500	
2000	>3284	>\$4500	

Recommendation to Enhance the Overdraft Matrix

The current matrix has been in production since March 2002. The matrix is utilized to automate much of the overdraft management process. Based on the automation results of the original project the following enhancement is recommended for consideration:

Modify the Age of Account Score

Current Table

Score	Age in Days
-500	<31
-100	>31 and <=121
-50	>121 and <=212
0	>212 and <=303
50	>303 and <=396
100	>396 and <=761
150	>761 and <=1126
200	>1126 and <=1491
250	>1491 and <=1856
300	>1856 and <=2221
350	>2221 and <=2586
400	>2586 and <=2951
450	>2951 and <=3316
500	>3316

New Table

Personal

Score	Age in Days
-500	<90
100	>90 and <=180
150	>180 and <=270
200	>270 and <=360
250	>360 and <=450
300	>450 and <=2189
350	>2190 and <=2554
400	>2554 and <=2919
450	>2919 and <=3284
500	>3284

Business

Score	Age in Days
-2000	<90
400	>90 and <=180
600	>180 and <=270
800	>270 and <=360
1000	>360 and <=450
1200	>450 and <=2189
1400	>2190 and <=2554
1600	>2554 and <=2919
1800	>2919 and <=3284
2000	>3284

The recommended change will provide greater consistency in managing the Overdraft process across more accounts.

Overdraft Parameter Matrix Implementation

DRAFT

OVERDRAFT PARAMETER MATRIX (BUSINESS, NON-ANALYZED)

Matrix Score	Age in Days	90 Day Average Account Balance	12-Month Times NSF	90 Day Average Relationship Balance	Relationship Profitability or Value Tiers
- 2,000	< 31				
- 1,000	> 31 and <= 91	<= -\$100			
- 500		> -\$100 and <= -\$50	>= 10		
- 100	> 91 and <= 211		>= 5 and < 10		
0	> 211 and <= 301	> -\$50 and <= \$100	>= 3 and < 5		
100	> 301 and <= 365	> \$100 and <= \$250	>= 0 and < 3	>= \$1,000 and < \$2,000	1 (Lowest)
200	> 365 and <= 730	> \$250 and <= \$1,000		>= \$2,000 and < \$3,000	2
400	> 730 and <= 1,095	> \$1,000 and <= \$1,500		>= \$3,000 and < \$4,000	3
600	> 1,095 and <= 1,460	> \$1,500 and <= \$2,000		>= \$4,000 and < \$5,000	4
800	> 1,460 and <= 1,825	> \$2,000 and <= \$2,500		>= \$5,000 and < \$6,000	5
1,000	> 1,825 and <= 2,190	> \$2,500 and <= \$3,000		>= \$6,000 and < \$7,000	6
1,400	> 2,190 and <= 2,555	> \$3,000 and <= \$3,500		>= \$7,000 and < \$8,000	7
1,600	> 2,555 and <= 2,920	> \$3,500 and <= \$4,000		>= \$8,000 and < \$9,000	8
1,800	> 2,920 and <= 3,285	> \$4,000 and <= \$4,500		>= \$9,000 and < \$10,000	9 (Highest)
2,000	> 3,285	> \$4,500		>= \$10,000	

Earnings Performance Group

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Page 3

BXS Swift H-006653

OD Matrix

Exclusions:

Accounts not in normal status

Accounts that go to account analysis Service Charge Types: O, Q, X, Y, or V

Accounts with system types of:

3* Public Funds

4* Due to Banks

5* Employees

6* Trust

7* Bank -- Official Items

Accounts with Charge Card = 1

Accounts with Loan Trailer

Accounts with OD Limits over OD Matrix Limits or OD Limit = 0

Accounts with Locator Number (Bankruptcy Accounts)

Accounts with product type of 025 -- Checkless Checking

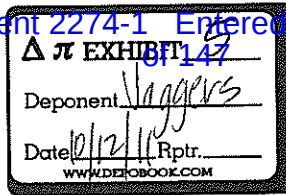
~~Accounts in branches 161 or 162 and open date before 02/24/05~~

300 HEALTH SAVINGS ACCT

Accounts with product type 051 or 071 or system type 01* will use the Commercial Matrix, else the accounts go through the Retail Matrix

Overdraft Parameter Matrix (Retail)

Matrix Score	Age in Days	90 Day Average Balance	12 Month Times NSF
-500	<90		
-100		<=\$100	
-50		>-\$100 and <=\$50	>=10
-25			>=5 and <10
0		>-\$50 and <=\$100	>=3 and <5
50		>\$100 and <=\$250	>=0 and <3
100	>90 and <=180	>\$250 and <+\$1000	
150	>180 and <=270	>\$1000 and <\$1500	
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350	>2190 and <=2554	>\$3000 and <\$3500	
400	>2554 and <=2919	>\$3500 and <\$4000	
450	>2919 and <=3284	>\$4000 and <\$4500	
500	>3284	>\$4500	



Frequently asked Customer questions on Overdraft Matrix:

You never paid me into the overdraft before, why have you now?

Based on the age of your account, the average balance and the prior activity of your account, a decision was made to pay your account into overdraft.

Why did you pay my largest checks and not my smaller checks? I had enough funds to cover the smaller amounts. The bank is just making more fees.

We feel in most cases you would want your larger checks such as your house payments and rent payments paid before paying other smaller checks since typically they are your more important payments.

I have two accounts and you paid my checks on one of my accounts and not the other? Can you tell me why? I have been a customer for many years.

The decision to pay is based on each individual account. We base our decision on the age of your account, the average balance of your account and the prior activity of your account.

I received a notice stating my check was paid and I was charged a fee, but also see a deposit in my account for \$25.00. Can you explain?

At the time your check was presented for payment, your account did not have sufficient funds to pay the check. The decision was made to pay the item into overdraft resulting in the \$25.00 fee. Your local branch then decided to refund the fee. A receipt should be in the mail to you.

I received a collection letter on my account and I now live out of town, can I mail a deposit to you?

Yes, you can. (Upon receipt, deposit will be made to account. No need to contact branch where account is housed.)

Can I make a deposit to cover my overdraft at any of your banking locations?

Yes, you can. (Teller takes deposit, no need to contact branch where account is housed.)

I received a notice on my savings account that I was being charged an overdraft fee? What is this?

If there is an item that processes on your savings account and causes it to overdraw, your account will be charged a \$25.00 fee.



Overdraft Matrix Program Questions/Answers

It's a Friday afternoon at the Jackson Street call center in Tupelo when BXS call center agent Katie Smith receives a less than happy call from BancorpSouth customer Sid Gilbert in Hattiesburg. It seems that Sid, having forgotten about writing two checks days earlier on his BXS Crown Services checking account, has caused his account to be overdrawn by \$150, including \$50 in bank overdraft charges. Apparently Sid experienced a memory lapse and did not record the checks in his register. And, of course, the checks were eventually presented for payment on Sid's account at BXS. Unfortunately, one of the checks was to a friend for some computer consulting work and the other check was to Wal-Mart. So now as Sid reviews his BXS overdraft notice he is not a happy camper! In addition to having \$100 less than he thought, he realizes he owes the Bank \$50 in overdraft charges. He's even more upset at the notion of having to pay Wal-Mart another \$30 in returned check charges. And, worst of all, there's the embarrassment of his best friend, the consultant, having Sid's check returned for insufficient funds.

NOW, Katie our call center "agent hero" gets to deliver the news. Yes in fact, per bank policy, Sid does owe BXS the \$50 in overdraft charges and they aren't being refunded, as he probably would like. However, it gets better - much better! Katie gets to tell Sid that he will not owe another \$30 to Wal-Mart for returned check charges and best of all, he will not suffer the embarrassment of having his check returned for insufficient funds to his best friend the consultant. Why? Because at BancorpSouth's discretion and via our new automated Overdraft Matrix decision-making process the items were paid in the overdraft and not returned. While Katie did have to communicate the fact that Sid owes the \$50, she was able to end her explanation on a happy note with the news of the checks not being returned. Bottom line.....Sid saves face with his friend and \$30 bucks to boot!

Seldom do we have the opportunity to present our customers with such outstanding financial and customer service benefits while at the same time providing improved branch and back office productivity together with a fair and consistent decision-making process and improved risk control. As you will see in reviewing the following questions and answers regarding BancorpSouth's new automated pay / return check decision process, our new Overdraft Matrix is a win - win for our customers as well as BXS.

BancorpSouth is joining a number of other banking systems already providing some form of a check / ATM / POS, pay / return system. Regional competitors such as AmSouth, Compass, Union Planters and Trustmark offer a similar automated system while smaller local competitors also offer their customers some form of overdraft arrangements. Our new soon-to-be partner in Little Rock, Pinnacle Bank, also currently offers such an arrangement.

Please review the following information at your earliest convenience. Our new pay / return matrix goes into effect beginning March 1 so you need to be familiar with this process. Should you have questions and or need additional information, please consult with your immediate supervisor. Deposit Operations Coordinators will address any questions that branch management may have. As always, thank you for your assistance.

Frequently Asked Questions on Overdraft Parameter Matrix (“Matrix”)

What is changing with the implementation of the Matrix?

The Matrix is designed to automate the decision-making process and aid in the paying of items for customers. Certain account criteria such as the age of the account, account balances and NSF history are important factors. The goal is to make decisions to pay as many items as possible on each customer's account without undue risk to the bank. By paying more items the customer is sent a message that the relationship is important and the bank is trying to maintain the relationship by paying the items. Effective Friday, March 1st, a majority of the checking accounts will be assigned a new OD limit. This new limit will be based on account criteria such as age of account, average deposit balance and NSF/OD history. Internal accounts, trust accounts, employee accounts, public fund accounts and those accounts already covered by Overdraft Protection Products will not get a new OD limit. The minimum OD limit will be \$25. If an account has a current OD limit of greater than \$1,000, the limit greater than \$1,000 will stay the same. Each account will be analyzed monthly to provide an updated OD limit. Also, if an account is overdrawn for 8 consecutive days the OD limit will automatically change to zero.

Calendar

What happens to my accounts?

About 60% of the items reviewed by the Matrix will be paid into overdraft. The remaining items will be referred for your review as they are today. You will still be making decisions on which of the referred items to pay or return. Because of the factors mentioned above, new accounts will require your attention. It will be critical to carefully consider whether to return an item because the message to the customer is we do not consider their account and relationship important enough to pay an item into overdraft. This decision must be weighed against the potential loss due to fraudulent activity.

Does every account get the same overdraft limit?

No. Each account is scored based on the factors mentioned above. Since it is unlikely two accounts were opened on the same day and have the same balance characteristics, the score will be different for each account.

How often does an account get assigned a new OD limit?

Each account is assigned a new OD limit monthly, this occurs when the account statement drops.

Can I discuss the overdraft limit with the customer?

The Matrix Overdraft Limit itself should not be disclosed to the customer. Because the limit will fluctuate with account age and activity, disclosure may cause confusion. This is an internal process and should be transparent to the customer.

Will the Matrix apply to more than checks? And, if so, what do we apply it to?

Yes, the Matrix will apply to more than checks. The bank has decided to apply the same logic to electronic (ATM and POS) transactions. We want the customer to be encouraged to use these electronic channels, and so, we wish to extend to them the same courtesies electronically that we do for the paper items. In this way we believe we will enhance customer service levels. The electronic authorization using up to \$500 of a customers OD limit will begin mid to late April.

The messages we want to send the customer is that their business is important to us; we want to encourage use of electronic channels; and, we want to treat them equally well regardless of the channel used.

How does this enhance customer service levels for electronic transactions?

Our old approach was to require good funds in the account before authorizing an electronic transaction. Yet, that balance depending on many circumstances may not reflect recent account activity, and may not accommodate timing differences for some transactions.

The old approach would decline the ATM withdrawal or force the POS customer to use an alternate form of payment, either another card (credit or debit) or write a check (which we may honor after all).

How do I handle the customer who objects to us paying their item into overdraft?

The bank has long charged for both items which overdrew the account and items returned NSF. We are providing an additional service by trying to pay and honor as many of these transactions as we can.

If the customer objects to their items being paid, you can, with authorization, turn off Matrix decision making for their account. Then you, or your branch, will once again have to review each exception item as it occurs and manually return the items to prevent any overdrafts. Procedures remove an account from the Matrix and to permanently assign another OD limit are available in the Deposit Operations Manual.

But previously, neither a declined ATM nor POS transaction could result in a returned item or overdraft fee!

Yes, this is true and that policy continues. What we will be doing is extending a reasonable service (i.e. paying or honoring a transaction request). There will not be a fee for the authorization of the transaction. A fee may be assessed, as it is today, if that transaction creates an overdraft. We expect that customers would overwhelmingly prefer the bank to pay their items if possible, rather than reject them.

What if our customers ask "How did the transaction get authorized if I did not have funds in my account to cover it?"

We expect that customers would overwhelmingly prefer the bank to authorize, rather than reject their transaction request.

How do we reply to customers who ask how much of an overdraft the bank will honor?

In deciding whether to allow your account to overdraw, the bank considers factors such as how long the account has been open and the balances you have maintained.

Can the bank continue to permanently waive NSF/OD Fees on an account?

Yes, all accounts will be coded normal status on March 8, 2002. A request form can be completed and with authorization of the Regional President an account can be maintained to permanently waive NSF/OD fees.

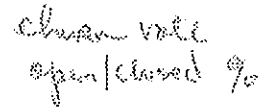
Can the bank continue to waive fees each day when making a pay/return decision?

Yes, the procedure to waive fees is changing so that the branch will write a GL ticket to waive these fees. New Procedures are being distributed by Bank Coordination. The new pay/return waive procedures will take effect March 8, 2002.

Will the branch continue to collect Overdrawn Accounts?

Yes, each branch will continue to collect OD accounts. The bank is also implementing the following new collection procedures:

1. OD Collection letters will be sent to customers after an account has been OD for 8 consecutive days and 17 consecutive days.
2. A new report is being created that will list OD accounts that meet the following criteria:
 - a. Each Account that is OD for more than \$1,000
 - b. Each Account that is OD for more than 12 consecutive days
 - c. Each Account that is OD for more than 22 consecutive days and the OD balance is greater than \$25.



Prinde senza quider

Boiling priority changes for high low access bid

Chase Nat Co Power Bay

Power Ray - Communicating to enforce the OD limit.

Always, mystery to customer on why find center interest why not others.
Still going to offer some limit regularly whether declare a not.

Probably issue guidelines on for disclosure.

Am. South.

How, what & how positive disclosure

Woman - both hand and
paw cd/MSB.

Crabapple, Potomac, 1890.

down side - Use limit like the one above.

Get behind. shadow account.

Design what already doing - disclosure current practice

Questa mattina obliquo

4 1/2 cups of white DDA - Info sent w/amen / less vial

Tissue printing OD (NSF) - Positive. reason kindly

(way round with the same or higher frequency of occurrence)

Keep on for her

Kann für ein weiteres meist 15% dem

There is ~~no~~ ¹ ~~no~~ ^{no} threshold

Terry Brown

Free Chalky

Sm Buisson

7-1100 as before.

7000 on bond 4000 do do

- On her 44 year - born 1-1-1904
from 1904 - 1946.

What can we do to further differentiation - see figure - open them on binding

(over)

BXS Swift H-007394

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 2

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

Case No. 1:09-MD-02036-JLK

IN RE: CHECKING ACCOUNT)
OVERDRAFT LITIGATION)

MDL No. 2036)
Fourth Tranche)

THIS DOCUMENT RELATES TO:)

Shane Swift v. BancorpSouth, Inc.,)
S.D. Fla. Case No. 1:10-cv-23872-JLK)

**DEFENDANT BANCORPSOUTH BANK'S RESPONSES TO PLAINTIFF'S
FIRST SET OF INTERROGATORIES**

Pursuant to Rules 26 and 33 of the Federal Rules of Civil Procedure, defendant BancorpSouth Bank ("BancorpSouth")¹ hereby submits its answers and objections to Plaintiff's First Set of Interrogatories ("Interrogatories").

GENERAL ANSWERS AND OBJECTIONS

BancorpSouth hereby incorporates each of these general answers and objections into its specific answers and objections to each of Plaintiff's Interrogatories, whether or not BancorpSouth

¹ In the definitions section of his interrogatories, Plaintiff defines "You" to refer to, "the above-named Defendant." The only defendant named in the interrogatories, however, is "BancorpSouth, Inc.," which is listed in the case style at the top of Plaintiff's Interrogatories. BancorpSouth, Inc., is not a proper defendant in this matter. Counsel for Plaintiff and Defendant discussed the proper BancorpSouth entity to name in this matter in 2010, and Plaintiff properly identified the defendant herein as BancorpSouth Bank in his Second Amended Complaint (DE # 994). BancorpSouth Bank, as the only defendant in this matter, is the entity responding to Plaintiff's interrogatories, and BancorpSouth Bank interprets any references to "Defendant" in Plaintiff's interrogatories to refer to BancorpSouth Bank.

refers to such general answers or objection in its specific answer to a specific Interrogatory.

1. BancorpSouth objects to the Interrogatories to the extent that they purport to seek information protected from disclosure by the attorney-client privilege, the work product doctrine, the joint defense or common interest privilege, or any other privilege, immunity, or exemption from disclosure.

2. BancorpSouth objects to the Interrogatories to the extent they call for the disclosure of information prohibited or otherwise protected from disclosure by any laws or regulations of any State or the United States.

3. BancorpSouth objects to the Interrogatories to the extent that they seek information outside of BancorpSouth's possession, custody, or control, and/or information that is also within Plaintiff's possession, custody or control. Nevertheless, as described in BancorpSouth's Responses to Plaintiff's First Request For Production, BancorpSouth will produce Swift's monthly statements and other documents related to Swift's BancorpSouth account that BancorpSouth regularly distributes to Plaintiff, to the extent that BancorpSouth has such documents within its possession, custody, or control.

4. BancorpSouth objects to the Interrogatories to the extent that they purport to impose upon BancorpSouth any duty or obligation that is in excess of those obligations that are imposed by the Federal Rules of Civil Procedure, the Local Rules, the Court's orders, or any other applicable law or rule. In particular, BancorpSouth objects to the Interrogatories to the extent that they purport to call for information neither relevant to the claims or defenses of the parties nor reasonably calculated to lead to the discovery of admissible evidence, and/or purport to impose a duty on BancorpSouth beyond undertaking a reasonably diligent search for requested information.

5. BancorpSouth objects to the timeframe of the Interrogatories as set forth in paragraph nine

(9) of the Interrogatories on the grounds that it is overly broad, unduly burdensome, and seeks information that is neither relevant to the claims or defenses in this action nor reasonably calculated to lead to the discovery of admissible evidence. BancorpSouth further objects to the timeframe of the Interrogatories to the extent that the timeframe includes claims or damages that are barred by statutes of limitations, statutes of repose, or laches. The longest limitations period applicable to Plaintiff Swift's claims in his lawsuit is the five-year limitations period on his contract and ADTPA claims under Arkansas law. Plaintiff filed his original complaint in this matter on May 18, 2010. Therefore, any claims seeking compensation for overdraft fees assessed before May 18, 2005 are time-barred. Thus, for purposes of these answers, unless otherwise stated, BancorpSouth shall respond only for the period of January, 2005, to present (i.e., the date of these Interrogatories) in response to any requests regarding transactions which Plaintiff contends triggered compensable overdraft fees.

This limitation on BancorpSouth's responses shall not apply to responses related to information concerning the decisions regarding the order for posting electronic debit card transactions or other policies which were in effect during the alleged class period related to the posting of electronic debit card transactions. For responses related to policies or procedures related to posting order or paying debit card transactions into overdraft, or the decisions to adopt such policies, BancorpSouth shall produce documents only for the period of January, 2002 until the present (i.e., the date of these Interrogatories). The basis for this limitation is that BancorpSouth first adopted a policy of posting all transactions from highest dollar amount to lowest dollar amount in 2003, as first applied its "overdraft payment service" (as described in BancorpSouth's Responses to Plaintiff's First Set of Interrogatories) to debit card transactions in 2003.

6. BancorpSouth objects to the definition of " 'you,' 'your' and/or 'defendant' " to the extent it

purports to encompass "any affiliated entities" of BancorpSouth. BancorpSouth responds with respect to the entity named as defendant herein, BancorpSouth Bank.

7. BancorpSouth objects to the Interrogatories' definition of the term "Complaint" to the extent it purports to define that term to include any complaint pending in MDL 2036 other than the operative complaint *Swift v. BancorpSouth, Inc.*, S.D. Fla. Case No. 1:10-cv-23872-JLK.

8. BancorpSouth objects to the Interrogatories' definition of the term "Deposit Agreement" on the grounds that its reference to "all related documents which incorporate the Deposit Agreement" is vague and ambiguous. For purposes of these answers, BancorpSouth interprets the term "Deposit Agreement" to mean the "Deposit Account Terms and Conditions" attached as Exhibit A to Plaintiff's Second Amended Complaint and the "Account Information Statement" attached as part of Exhibit B to Plaintiff's Second Amended Complaint, and any earlier versions of these documents that applied to Swift's BancorpSouth account.

9. BancorpSouth objects to the Interrogatories' definition of the term "Item" on the grounds that its reference to "any debit or transaction processed through an account" is vague and ambiguous. BancorpSouth defines the term "Transaction" in the Account Information Statement. When BancorpSouth uses the term "Transaction" in these answers, BancorpSouth interprets and uses the term as it is defined in the Account Information Statement.

10. BancorpSouth objects to the Interrogatories' definition of the term "Account" to the extent that it purports to include accounts that cannot be accessed by an electronic debit card and/or on which overdraft fees cannot be incurred.

11. BancorpSouth further objects to the definition of the term "Account" on the grounds that the phrase "your institution" is vague and ambiguous. BancorpSouth responds with respect to the entity named as a defendant herein, BancorpSouth Bank.

12. BancorpSouth further objects to use of the phrase "other members of the proposed Class(es)" in the definition of the term "Account" on the grounds that no motion to certify any proposed class has been filed, that no Class has been or properly can be certified, and that members of the proposed Class(es) cannot readily be ascertained.

13. BancorpSouth objects to the Interrogatories' definition of the term "authorized" on the grounds that it is vague and ambiguous, and to the extent that it relies on the definition of "item" in the interrogatories (*see* objection number 9, above). With respect to use of the term "authorized" in connection with items initiated by use of an electronic debit card, BancorpSouth objects to any definition different from the process of authorization as specified by the rules and regulations of Visa, MasterCard, and similar networks with respect to debit cards accepted on their networks. For purposes of these answers, BancorpSouth will interpret the term "authorized" in this manner.

14. BancorpSouth objects to the Interrogatories' definition of the term "received" on the grounds that it is vague and ambiguous, and it is based on the definition of the term "authorized" (*see* objections number 13, above). BancorpSouth further objects to the definition of the term "received" to the extent that it depends on the formulation of "the date and time ... a dollar amount for the item is made available to you" because that formulation is vague and ambiguous. BancorpSouth further objects to the definition because it is inconsistent with banking practice and the operation of electronic debit card networks, and improperly conflates authorization of an electronic debit card transaction with receipt of an electronic debit card debit item for settlement of a definitive dollar amount.

15. BancorpSouth objects to the Interrogatories' definition of "overdraft fees" which includes a reference to the undefined phrase "sustained overdraft fees." BancorpSouth further objects to this definition because it does not make any distinction between charges assessed but not paid and

charges assessed and paid. For purposes of these Responses, BancorpSouth interprets the term "overdraft fees" to mean only overdraft fees incurred on consumer deposit accounts, which charges are both assessed and paid.

16. BancorpSouth objects to the Interrogatories to the extent they call for information related to any individual other than Swift, the only Plaintiff specifically named in the operative case *Shane Swift v. BancorpSouth, Inc.*, S.D. Fla. Case No. 1:10-cv-23872-JLK. BancorpSouth also objects to the definition of "Plaintiffs' account" to refer to "any bank account opened and maintained at your institution by any of the named Plaintiffs" to the extent it seeks to reach any account information related to any customer other than Swift.

17. Certain of the information sought in these Interrogatories can only be obtained and produced, as a practical matter by searching electronically stored information ("ESI") in the possession, custody, or control of BancorpSouth. A manual search for and production of such information would be unduly burdensome and oppressive, and requiring BancorpSouth manually to search for and produce the information sought in these Interrogatories would exceed the scope of its obligations under the Federal Rules of Civil Procedure. BancorpSouth is prepared to meet and confer with Plaintiff to discuss and agree upon appropriate protocols for searching and production of ESI, as specifically contemplated and required under the Federal Rules of Civil Procedure. BancorpSouth anticipates that the agreed-upon protocols will include, at a minimum, identification of custodians whose electronic records will be searched and agreed upon search terms that are reasonably designed to obtain ESI that is relevant to the parties' claims and defenses in this action. BancorpSouth provides its written responses to these Interrogatories with the understanding that it may need to supplement its responses to these Interrogatories after ESI protocols are agreed upon and the information is obtained from the ESI within BancorpSouth.

18. BancorpSouth has answered certain Interrogatories pursuant to Rule 33(d) of the Federal Rules of Civil Procedure, referring Plaintiff to documents that BancorpSouth will produce that contain information responsive to one or more of the Interrogatories. BancorpSouth states that certain of these documents may only be obtained through the ESI protocol described above, in paragraph 17 of these General Responses and Objections.

19. Certain information called for in these Interrogatories is confidential and proprietary. BancorpSouth will produce such information only pursuant to an appropriate protective order entered by the Court. BancorpSouth is prepared to meet and confer with Plaintiff to discuss and agree upon an appropriate protective order. Further, to the extent any Interrogatory seeks customer-identifying information related to customers other than the named Plaintiff, or other customer confidential information that BancorpSouth is under an obligation to keep confidential, BancorpSouth will not produce that information.

20. BancorpSouth is continuing to compile information and documents responsive to the non-objectionable portion of the Interrogatories. All objections and answers are based on information presently known to BancorpSouth after reasonable inquiry performed to date. BancorpSouth's objections and answers as set forth herein are made without prejudice to BancorpSouth's right to assert additional or supplemental objections or responses. Accordingly, BancorpSouth reserves the right to supplement these answers and objections, and will do so as responsive, non-privileged information is located and compiled, pursuant to Fed. R. Civ. P. 26.

21. BancorpSouth objects to the general instruction in paragraph number five (5) of the Interrogatories which refers to documents that are "generated ... after the date of your answers" to the extent it is intended to reach documents that are prepared in anticipation of litigation in accordance with Fed. R. Civ. P. 26(b)(3).

22. BancorpSouth objects to the general instruction in paragraph number six (6) of the Interrogatories as there has been no agreement as to the production or format of a privilege log. Subject to this objection, with regard to the identification and protection of privileged documents and information, BancorpSouth will comply with the Fed. R. Civ. P. 26(b)(5).

23. BancorpSouth has made reasonable efforts to answer the Interrogatories, subject to its general and specific objections, as BancorpSouth understands and interprets each Interrogatory. If Plaintiff subsequently asserts any interpretation of any Interrogatory that differs from BancorpSouth's interpretation of the Interrogatory, BancorpSouth reserves the right to supplement and amend its objections and answers.

24. Nothing contained herein is an admission of the relevance or admissibility of any answer.

25. BancorpSouth is prepared to meet and confer with Plaintiff in an effort to resolve any questions or concerns regarding its general and specific objections.

RESPONSES TO FIRST SET OF INTERROGATORIES

INTERROGATORY NO. 1: Identify all persons who have knowledge of the facts or circumstances regarding the subject matter of this lawsuit and, for each such person, describe the facts known to that person and identify all documents relating to those facts. Such persons should include but not be limited to all persons who have knowledge of facts you will use in opposing a motion for class certification; who have knowledge of the policies, practices and procedures you employed regarding the manner or sequence in which your customers' transactions are posted to their accounts; and who were employed and/or retained by you in connection with the development, operation, revision and/or maintenance of software used to determine overdrafts and overdraft fees.

ANSWER TO INTERROGATORY NO. 1: BancorpSouth objects to Interrogatory No. 1 on the grounds that it is premature, overly broad, and unduly burdensome. As phrased, Interrogatory No. 1, particularly the request for disclosure of all persons "who have knowledge of the policies, practices and procedures you employed regarding the manner or sequence in which your customers' transactions are posted to their accounts," would require disclosure of every current or former

BancorpSouth employee (since 2003) in Bank operations or at a BancorpSouth branch. BancorpSouth further objects to Interrogatory No. 1 on the grounds that it is vague and ambiguous, especially as it relates to the undefined terms and phrases "subject matter of this lawsuit" and "employed regarding the manner or sequence in which your customers' transactions are posted to their accounts." Subject to its general and specific objections, and using its best efforts to comprehend Plaintiff's vague terms, BancorpSouth states that the following individuals have substantial knowledge of facts or circumstances relevant to BancorpSouth's policies and procedures related to the assessment, collection, and refunding of overdraft fees: Michael Lindsey and Jeff Jagers. Subject to and without waiving the foregoing general and specific objections, BancorpSouth states that it continues to investigate in good faith the subjects identified in this Interrogatory.

INTERROGATORY NO. 2: Identify each overdraft fee you assessed against an account held by each Plaintiff named in the Complaint(s) and, for each such fee, identify each item that was the basis for the overdraft fee and state all facts that show the basis on which the account was deemed to have been subject to an overdraft fee.

ANSWER TO INTERROGATORY NO. 2: BancorpSouth objects to Interrogatory No. 2 on the grounds that it is vague and ambiguous, especially as it relates to the undefined terms and phrases "basis for the overdraft fee" and "basis on which the account was deemed to have been subject to an overdraft fee." BancorpSouth also objects to the use of the term "assessed" with regard to overdraft fees, because Plaintiff does not clarify whether this Interrogatory requests information regarding fees triggered by a transaction, fees actually charged, or fees collected, and does not clarify whether fees that were later refunded should be included. Subject to and without waiving the foregoing general and specific objections, BancorpSouth refers Plaintiff to reasonably available documents that it agrees to produce, pursuant to Fed. R. Civ. P. 33(d), related to Swift's accounts with BancorpSouth, which reflect reasonably available information concerning the transactional history of such accounts, for the time period of January, 2005, through the date of the

Interrogatories. *See also* BancorpSouth's Responses to RFP Nos. 7 and 8. BancorpSouth generally states that, with regard to debit card transactions before the effective date of Reg E in 2010, it charged an overdraft fee against a customer's account when a customer authorized a transaction that his account did not have sufficient funds to cover, as determined when the debit card transaction posted to the account. BancorpSouth also states that, even if a BancorpSouth customer authorizes a transaction at a time when, to the best BancorpSouth can determine, insufficient funds are in the account to cover the transaction, the transaction may not cause an overdraft (and an attendant overdraft fee) if the customer makes a deposit that posts the same banking day and which would cover the debit card transaction, because BancorpSouth posts all deposits for a given banking day before posting any debits. BancorpSouth further agrees to produce, pursuant to Fed. R. Civ. P. 33(d), responsive, reasonably available, and non-privileged documents further detailing this information, and to meet and confer with Plaintiff after Plaintiff reviews such documents regarding whether a further narrative response is required and/or whether deposition testimony is appropriate on these topics.

INTERROGATORY NO. 3: For each item identified in response to Interrogatory No. 2 as the basis for an overdraft fee, state: (a) the date and time you authorized the item; (b) the date and time you received the item; and (c) the date and time the item was debited from the account.

ANSWER TO INTERROGATORY NO. 3: BancorpSouth objects to this Interrogatory on the grounds that it is vague and ambiguous including the phrase "the basis for an overdraft fee." Subject to and without waiving the foregoing general and specific objections, BancorpSouth refers Plaintiff to reasonably available documents or ESI that it agrees to produce related to Swift's accounts with BancorpSouth (subject to agreed-upon appropriate protocols for searching and production of ESI, as discussed in General Objection No. 17 herein), which reflect reasonably available information concerning the transactional history of such accounts, for the time period of

January, 2005, through the date of the Interrogatories. *See also* BancorpSouth's Response to RFP No.

7. BancorpSouth further agrees to meet and confer with Plaintiff concerning whether a further narrative response is required after review of such documents.

INTERROGATORY NO. 4: For the period 1998 to the present, describe with particularity all policies, practices and procedures you used to determine the sequence in which items are posted to customers' accounts, including the dates any policies, practices or procedures were changed and the reason for such changes, and identify all persons with knowledge of the creation, implementation, modification, of such policies, practices and procedures.

ANSWER TO INTERROGATORY NO. 4: BancorpSouth objects to the timeframe of Interrogatory No. 4 on the grounds that it is overly broad, unduly burdensome, and requests information that is neither relevant to any claim or defense in this action nor reasonably calculated to lead to the discovery of admissible evidence. BancorpSouth further objects to Interrogatory No. 4 because it seeks information which falls outside of the applicable statutes of limitations. Subject to and without waiving the foregoing objections, BancorpSouth refers Plaintiff to reasonably available documents that it agrees to produce, subject to the entry of an appropriate protective order, concerning the posting of electronic debit card transactions to customer accounts. *See also* BancorpSouth's Responses to RFP Nos. 9-11, 13, 22, 24, 38-41, 49-51, 53-54. BancorpSouth further states that, beginning in 2003, it posted the debits on checking accounts for a given day from highest dollar amount to lowest dollar amount. No debits for a given day are posted, however, until after all deposits for that day are posted to the customer's account. Prior to 2003, BancorpSouth's posted transactions in an order dictated by the type of transaction, and to post high-to-low within each type of transaction if there was more than one transaction of a particular type. Earnings Performance Group ("EPG") and other consulting firms approached BancorpSouth in the early 2000s offering consulting services that they represented would increase BancorpSouth's revenue. BancorpSouth engaged EPG in 2002. EPG proposed numerous policies for increasing bank profitability, including

adopting a high-to-low posting order for debits. BancorpSouth did not adopt all of EPG's recommendations, but BancorpSouth did adopt a high-to-low posting order. BancorpSouth adopted the high-to-low posting order for debits to, among other reasons, increase non-interest revenue and streamline the posting process by eliminating the distinctions between types of transactions.

INTERROGATORY NO. 5: Describe with particularity how the policies, practices and procedures identified in Interrogatory No. 4 varied or vary from state to state, if at all.

ANSWER TO INTERROGATORY NO. 5: BancorpSouth incorporates by reference its objections to Interrogatory No. 4. Subject to and without waiving the foregoing general and specific objections, BancorpSouth refers Plaintiff to reasonably available documents that it agrees to produce, subject to the entry of an appropriate protective order, concerning the order of posting of electronic debit card transactions to customer accounts. *See also* BancorpSouth's Responses to RFP Nos. 9-11, 13, 22, 24, 38-41, 49-51, 53-54. BancorpSouth further states that practices described in BancorpSouth's response to Interrogatory 4 do not vary from state to state. BancorpSouth further states that when it acquired a bank that used a different posting order, the acquired bank's posting order was used for its account holders until the acquired bank and its account holders could be converted to BancorpSouth's systems. For the time period relevant to this lawsuit, BancorpSouth states that it acquired American State Bank in 2005. Between November 30, 2005 and April 21, 2006, the account posting order for former account holders at American State Bank differed from the posting order on preexisting BancorpSouth accounts.

INTERROGATORY NO. 6: If the policies, practices and procedures regarding overdraft fees you have followed during the 180 days immediately preceding the date on which you answer these interrogatories are materially different than the policies, practices and procedures relating to overdraft fees you followed from 1998 to present, describe in detail all ways in which your current policies, practices and procedures differ, explain when, how and why they changed, and identify all documents that describe, refer or relate to the differences or changes.

ANSWER TO INTERROGATORY NO. 6: BancorpSouth objects to Interrogatory No. 6

on the ground that it potentially reaches BancorpSouth's policies, practices, and procedures for setting the amount of an individual overdraft fee, and the Interrogatory is, therefore, overly broad, unduly burdensome, and seeks information that is neither relevant to any claim or defense in this action nor reasonably calculated to lead to the discovery of admissible evidence. BancorpSouth also objects to the vague term "policies and procedures regarding overdraft fees." BancorpSouth further objects to the timeframe of this Interrogatory in that the request for information dating to 1998 is overly broad, unduly burdensome, and seeks information that is neither relevant to any claim or defense in this action nor reasonably calculated to lead to the discovery of admissible evidence, and because it falls outside of applicable statutes of limitations. Subject to and without waiving the foregoing general and specific objections, BancorpSouth states that in anticipation of the effective date of "Reg E," and in order to comply with Reg E, BancorpSouth changed its policies in 2010 with regard to enrollment of customers in its overdraft payments service (as described in response to Interrogatory No. 12 herein). BancorpSouth now requires all customers to affirmatively opt in to the overdraft payment service in connection with transactions governed by Reg E. For more information regarding BancorpSouth's overdraft payment service, see response to Interrogatory No. 12 herein. BancorpSouth further agrees to produce, pursuant to Fed. R. Civ. P. 33(d), responsive, reasonably available, and non-privileged documents further detailing this information, and to meet and confer with Plaintiff after Plaintiff reviews such documents regarding whether a further narrative response is required and/or whether deposition testimony is appropriate on these topics.

INTERROGATORY NO. 7: Describe with particularity all actions you have taken to inform your customers of your policies, practices and procedures of posting items in the order of highest to lowest dollar amount, including when, how and by whom each such action was taken.

ANSWER TO INTERROGATORY NO. 7: BancorpSouth objects to Interrogatory No. 7 on the grounds that it is overly broad, unduly burdensome, and to the extent that it purports to

require BancorpSouth to identify each and every separate document, oral conversation, communication, or other responsive item concerning the posting of certain items to customer accounts in highest to lowest order. Subject to and without waiving the foregoing general and specific objections, BancorpSouth refers Plaintiffs to reasonably available documents that it agrees to produce, subject to the entry of an appropriate protective order, concerning information provided to customers concerning the posting of debit card transactions in order of highest to lowest dollar amount, for the time period of 2003 through the date of these Interrogatories. *See also* BancorpSouth's Response to RFP Nos. 1-6, 11, 17, 26, 48 and 55.

BancorpSouth further states that it has fully and regularly disclosed its policy of posting debit card transactions in order of highest to lowest dollar amount since it began following this policy in 2003. These disclosures were made, among other methods of disclosing BancorpSouth's posting policies, in the Deposit Account Terms and Conditions and Account Information Statements, revised from time to time, which have governed BancorpSouth accounts during all periods since 2003. BancorpSouth also refers Plaintiff to the Deposit Account Terms and Conditions, attached as Exhibit A to Swift's Second Amended Complaint, which states, in part:

ORDER OF PAYMENT - Unless otherwise provided in the Account Information Statement (see OTHER TERMS section below), if more than one item or order is presented for payment against the account on the same day and the available balance of the account is insufficient to pay them all, we may pay any of them in any order we choose, even if the order we choose results in greater insufficient funds fees than if we had chosen to pay them in some other order. Our payment of any item or order in overdraft does not create any obligation for us to pay any other item or order in overdraft in the future, and you agree that no course of dealing regarding the payment of items or orders in overdraft will be created between us . . .

and refers Plaintiff to the Account Information Statement, attached as Exhibit B to Swift's Second Amended Complaint. BancorpSouth further agrees to produce, pursuant to Fed. R. Civ. P. 33(d), responsive, reasonably available, and non-privileged documents further detailing this information,

and to meet and confer with Plaintiff after Plaintiff reviews such documents regarding whether a further narrative response is required and/or whether deposition testimony is appropriate on these topics.

INTERROGATORY NO. 8: State the manner in which you have defined or otherwise described the term "overdraft" to your customers.

ANSWER TO INTERROGATORY NO. 8: Subject to and without waiving the foregoing general objections, BancorpSouth refers Plaintiff to reasonably available documents that it agrees to produce, pursuant to Fed. R. Civ. P. 33(d) and subject to the entry of an appropriate protective order, concerning the actions it has taken to inform customers of BancorpSouth's policies, practices and procedures regarding the posting of electronic debit card transactions, for the time period of 2003 through the date of the Interrogatories, including exemplars of its Deposit Account Terms and Conditions and Account Information. *See also* BancorpSouth's Responses to RFP Nos. 1-6, 11, 17, 26 and 55. BancorpSouth further agrees to meet and confer with Plaintiff after Plaintiff reviews such documents regarding whether a further narrative response is required and/or whether deposition testimony is appropriate on these topics.

In addition, BancorpSouth refers Plaintiff to the Deposit Account Terms and Conditions attached as Exhibit A to Swift's Second Amended Complaint, which states, among other things, as follows:

LIABILITY: ... Each of you also agrees to be jointly and severally (solitarily) liable for any account deficit resulting from charges or overdrafts, whether caused by you or another authorized to withdraw from the account, and the costs we incur to collect the deficit including our reasonable attorneys.

* * *

ORDER OF PAYMENT - Unless otherwise provided in the Account Information Statement (*see* OTHER TERMS section below), if more than one item or order is presented for payment against the account on the same day and the available balance of the account is insufficient to pay them all, we may pay any of them in any order

we choose, even if the order we choose results in greater insufficient funds fees than if we had chosen to pay them in some other order. Our payment of any item or order in overdraft does not create any obligation for us to pay any other item or order in overdraft in the future, and you agree that no course of dealing regarding the payment of items or orders in overdraft will be created between us.

BancorpSouth also refers Plaintiff to the "About Overdrafts" section of the Account Information Statement, attached as Exhibit B to Swift's Second Amended Complaint, which states in part:

An "overdraft" occurs any time a check, ACH, ATM, debit card, bank fee (including overdraft-related fee) or any other transaction (collectively, a "Transaction") is presented for payment against an account and the available balance of the account is insufficient to pay the Transaction. When an overdraft occurs, we may, at our discretion, refuse the Transaction, or alternatively, we may choose to pay the Transaction, in which case a negative account balance will result.

INTERROGATORY NO. 9: Describe with particularity each step, including each form of communication, involved in an electronic debit transaction, beginning with the initiation of the transaction, continuing through your receipt of notice of the dollar amount of the transaction and authorization of the transaction, and ending with your posting of the transaction to the customer's account and your assessment of overdraft fee, if any, based on the transaction.

ANSWER TO INTERROGATORY NO. 9: BancorpSouth objects to Interrogatory No. 9 on the grounds that it is vague and ambiguous, especially as to its use of the undefined terms and phrases "electronic debit transaction," "initiation," "receipt," and "notice." BancorpSouth further objects on the grounds that this Interrogatory is overly broad and unduly burdensome (e.g., the steps entailed may differ depending on the type of transaction), and to the extent that it calls for information that is not within the knowledge, custody, or control of BancorpSouth. BancorpSouth further objects on the ground that Interrogatory No. 9 is inaccurate to the extent it states that BancorpSouth is presented with information reflecting the final amount of a transaction prior to or at the time of initiation or authorization of the transaction.

Subject to and without waiving the foregoing general and specific objections, BancorpSouth

refers Plaintiff to reasonably available documents that it agrees to produce, pursuant to Fed. R. Civ. P. 33(d) and subject to the entry of an appropriate protective order, concerning the steps involved in posting of transactions to customer accounts, for the period of 2003 through the date of the Interrogatories. BancorpSouth also refers Plaintiff to the Omnibus Motion to Dismiss and/or for Judgment on the Pleadings and Incorporated Memorandum of Law [DE # 217] at 8-12 (discussing the authorization and settlement process for electronic debit card transactions), and to BancorpSouth's Motion to Dismiss Plaintiff's Second Amended Complaint [DE# 1068] in this matter. *See also* BancorpSouth's Responses to RFPs 34-36, 41, 69-70. BancorpSouth further states as follows:

BancorpSouth's processing of debit card transaction (whether a "PIN" or a "signature" transaction) begins when BancorpSouth's systems receive an inquiry from a credit card processor. For a signature transaction, the transaction is routed to BancorpSouth via a third-party card processing vendor ("FDR"). The FDR system determines whether the transaction is or is not authorized. Authorization is based on whether the requested transaction exceeds the total of what the FDR system calculates the customer's account balance to be. FDR initiates a balance inquiry to BancorpSouth's Stratus system, and subtracts any signature transactions authorized from up to three prior days that have not "settled." If the requested transaction exceeds the total of the account balance (as calculated by FDR), the transaction will not be authorized. A signature transaction does not post to a customer's account, and does not reduce the customer's balance, until the merchant clears the transaction, which can be several days later. A signature transaction posts to the customer's account only after that the merchant clears the transaction. Signature transactions post at the end of the day when all other transactions for that day post, in order from highest dollar amount to lowest dollar amount. The posting of the transaction occurs on BancorpSouth's account demand deposit

account system ("DDA" or "mainframe"). If the transaction at issue causes the customer's account to be overdrawn or causes an overdrawn account to be further overdrawn, an overdraft fee will be assessed against the customer's account. The overdraft fee will be charged against the customer's account on the day following the transaction that triggered the fee.

For debit card "PIN" transactions, the process is similar, but not identical. PIN transactions are authorized or denied by BancorpSouth's "Stratus" system. Authorization is based on whether the requested transaction exceeds the total of what the Stratus system calculates the customer's account balance to be. The Stratus system will include the overdraft limit for that customer if the customer is enrolled in the overdraft payment service. The Stratus system's balance information is regularly updated by communication with BancorpSouth's DDA system. If the requested transaction exceeds the total of the account balance (as calculated by Stratus) the transaction will not be authorized. A PIN transaction posts to the customer's account, on the DDA, at the end of the day when all other transactions for that day post, in order from highest dollar amount to lowest dollar amount. If the transaction at issue causes the customer's account to be overdrawn or causes an overdrawn account to be further overdrawn, an overdraft fee will be assessed against the customer's account. The overdraft fee will be charged against the customer's account on the day following the transaction that triggered the fee.

BancorpSouth further agrees to produce, pursuant to Fed. R. Civ. P. 33(d), responsive, reasonably available, and non-privileged documents further detailing this information, and to meet and confer with Plaintiff after Plaintiff reviews such documents regarding whether a further narrative response is required and/or whether deposition testimony is appropriate on these topics.

INTERROGATORY NO. 10: For each step in the process described in your answer to Interrogatory No. 9, identify each computer system or database used to transmit and/or store information and for each such database or system, identify its task and function and describe in detail where and how you retain the information associated with each step and the process

by which such records or information can be accessed.

ANSWER TO INTERROGATORY NO. 10: In Response to Interrogatory No. 10, BancorpSouth incorporates by reference its specific objections to Interrogatory No. 9. BancorpSouth further objects to Interrogatory No. 10 on the grounds that it is overly broad, unduly burdensome, and seeks information that is neither relevant to any claim or defense in this action nor reasonably calculated to lead to the discovery of admissible evidence.

Subject to and without waiving the foregoing objections, BancorpSouth refers Plaintiff to reasonably available documents that it agrees to produce, pursuant to Fed. R. Civ. P. 33(d) and subject to the entry of an appropriate protective order, concerning computer systems and databases concerning electronic debit card transactions, for the time period of 2003 through the date of the Interrogatories. *See also* BancorpSouth's Responses to RFP Nos. 32-33, 41 and 69-70. BancorpSouth further states that this Interrogatory overlaps with Interrogatory No. 9 to a substantial extent; therefore, BancorpSouth refers Plaintiff to the portions of BancorpSouth's response to Interrogatory No. 9 that are responsive to this Interrogatory.

BancorpSouth further agrees to produce, pursuant to Fed. R. Civ. P. 33(d), responsive, reasonably available, and non-privileged documents further detailing this information, and to meet and confer with Plaintiff after Plaintiff reviews such documents regarding whether a further narrative response is required and/or whether deposition testimony is appropriate on these topics.

INTERROGATORY NO. 11: On an annual basis for each year since 2002 and for each State in which you maintain customer accounts, state (a) the aggregate total dollar amount of overdraft fees based on debit card and/or ATM transactions you assessed against your customers' accounts; (b) the aggregate total dollar amount of overdraft fees based on debit card and/or ATM transactions assessed against customers accounts that you have forgiven, waived, reversed or otherwise not collected; and (c) the number of your customers' accounts that have been assessed more than one overdraft fee based on debit card and/or ATM transactions on a single day.

ANSWER TO INTERROGATORY NO. 11: BancorpSouth objects to Interrogatory No.

11 on the grounds that it is overly broad, unduly burdensome, seeks information that is neither relevant to any claim or defense in this action nor reasonably calculated to lead to the discovery of admissible evidence, and falls outside of applicable statutes of limitations. BancorpSouth also objects to the use of the vague and undefined phrase "overdraft fees based on debit card and/or ATM transactions." Subject to and without waiving the foregoing general and specific objections, BancorpSouth refers Plaintiff to reasonably available documents and/or data that it agrees to produce, pursuant to Fed. R. Civ. P. 33(d) and subject to the entry of an appropriate protective order, concerning the aggregate amounts and number of customer accounts requested, for the time period of 2003 through the date of the Interrogatories. *See also* BancorpSouth's Responses to RFP Nos. 27 and 28. BancorpSouth further agrees to meet and confer with Plaintiff after Plaintiff reviews such documents regarding whether a further narrative response is required and/or whether deposition testimony is appropriate on these topics.

INTERROGATORY NO. 12: Describe in detail how you determine whether to authorize a debit transaction made on a customer's account. In the event an automated algorithm is used, describe in detail each factor considered by the algorithm and the weight ascribed to each such factor.

ANSWER TO INTERROGATORY NO. 12: BancorpSouth objects to Interrogatory No. 12 on the grounds that it is vague and ambiguous, especially as it relates to the phrase "authorize a debit transaction made on a customer's account." BancorpSouth further objects to this Interrogatory on the grounds that it is overly broad, unduly burdensome, and seeks information that is neither relevant to any claim or defense in this action nor reasonably calculated to lead to the discovery of admissible evidence.

Subject to and without waiving the foregoing general and specific objections, BancorpSouth refers Plaintiff to reasonably available documents that it agrees to produce, subject to the entry of an appropriate protective order, concerning the method by which BancorpSouth determines whether or

not to authorize an electronic debit card transaction, for the time period of 2003 through the date of the Interrogatories. *See also* BancorpSouth's Response to RFP Nos. 34-36. BancorpSouth further states that, since 2003, BancorpSouth has provided an "overdraft payment service" with a varying overdraft limit. A customer can both have an overdraft protection product (such as a linked savings account, credit card, or line of credit to cover transactions that would overdraw the customer's checking account) and be enrolled in the overdraft payment service. Under the overdraft payment service, BancorpSouth provides an amount over and above the customer's available balance for which BancorpSouth will authorize payment of debit card transactions initiated by the customer. Under the overdraft payment service, each enrolled account holder has an overdraft limit. The bank may also, at its discretion, pay an item into overdraft above the overdraft limit. The amount of the overdraft limit may vary for each customer, and may vary for an individual customer, from statement period to statement period. The amount of the overdraft limit is affected by such factors as the length of time the customer's account has been open, the average balance in the account over the previous 90 days, and the number of times the customer has overdrawn his account in the previous 12 months. For an account enrolled in the overdraft payment service, whether a particular debit card transaction is authorized or not is determined by comparing the amount of the requested debit card transaction with the amount in the customer's account (as best BancorpSouth can determine in light of the uncertainties of what other transactions will be requested or will arrive before all of the transactions post at the end of the banking day) plus the amount of the customer's currently effective overdraft limit for the account. If the apparently available balance plus the overdraft limit exceeds the amount of the requested debit card transaction, the debit card transaction will be authorized; if the amount of the requested debit card transaction exceeds the apparently available balance plus the overdraft limit, the transaction will not be authorized.

Since its inception, the existence of the overdraft payment service has been disclosed to customers in BancorpSouth's Account Information Statement, among other methods of disclosure. At all times, a BancorpSouth customer has had the option to remove the overdraft payment service from his account on request. Although the default rule from 2003 until the effective date of Reg E in 2010 was for an account holder to be enrolled in the overdraft payment service unless he opted out, BancorpSouth changed its policies in 2010 to comply with Reg E. BancorpSouth now requires all customers to affirmatively opt in to the overdraft payment service for debit card and ATM card transactions in order to use the service for those transactions.

BancorpSouth further agrees to produce, pursuant to Fed. R. Civ. P. 33(d), responsive, reasonably available, and non-privileged documents further detailing this information, and to meet and confer with Plaintiff after Plaintiff reviews such documents regarding whether a further narrative response is required and/or whether deposition testimony is appropriate on these topics.

INTERROGATORY NO. 13: Describe in detail the manner in which your Hogan or RDS (or equivalent) system operates with regard to the processing of items.

ANSWER TO INTERROGATORY NO. 13: BancorpSouth objects to Interrogatory No. 13 on the grounds that it is vague and ambiguous, especially as it relates to the undefined terms "equivalent" and "processing." BancorpSouth also objects to the use of the undefined and vague term "Hogan or RDS (or equivalent) system." Subject to and without waiving the foregoing general and specific objections, BancorpSouth refers Plaintiff to reasonably available documents that it agrees to produce, pursuant to Fed. R. Civ. P. 33(d) and subject to the entry of an appropriate protective order, concerning the system(s) it employs, for the time period of 2003 through the date of the Interrogatories. *See also* BancorpSouth's Responses to RFP Nos. 41, 69 and 70. BancorpSouth further states that this Interrogatory overlaps with Interrogatory No. 9 to a substantial extent; therefore, BancorpSouth refers Plaintiff to the portions of BancorpSouth's

response to Interrogatory No. 9 that are responsive to this Interrogatory.

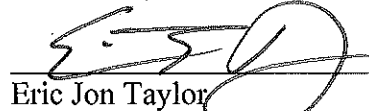
BancorpSouth further agrees to produce, pursuant to Fed. R. Civ. P. 33(d), responsive, reasonably available, and non-privileged documents further detailing this information, and to meet and confer with Plaintiff after Plaintiff reviews such documents regarding whether a further narrative response is required and/or whether deposition testimony is appropriate on these topics.

INTERROGATORY NO. 14: Identify all third parties, other than legal counsel or federal agencies, who have provided any documents, advice, assistance, proposals, reports, studies or services of any kind to you in connection with your policies, practices and procedures relating to the determination or assessment of overdraft fees, or the revenue projected to be derived from such fees.

ANSWER TO INTERROGATORY NO. 14: BancorpSouth objects to Interrogatory No. 14 on the grounds that it is overly broad, unduly burdensome and seeks information that is not relevant to any claim or defense in this action and/or not reasonably calculated to lead to the discovery of admissible evidence. BancorpSouth further objects to Interrogatory No. 14 because it potentially reaches BancorpSouth's policies, practices, and procedures for, among other things, setting the amount of an overdraft fee. Subject to and without waiving the foregoing general and specific objections, BancorpSouth agrees to conduct a reasonable inquiry and identify the requested third parties.

Respectfully submitted this 27th day of June, 2011.

PARKER, HUDSON, RAINER & DOBBS LLP



Eric Jon Taylor
Georgia Bar No. 699966
William J. Holley, II
Georgia Bar No. 362310
David B. Darden
Georgia Bar No. 250341
Darren E. Gaynor
Georgia Bar No. 288210

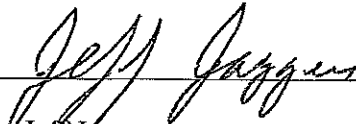
1500 Marquis Two Tower
285 Peachtree Center Avenue N.E.
Atlanta, Georgia 30303
Telephone: (404) 523-5000
Facsimile: (404) 522-8409

Counsel for Defendant BancorpSouth Bank

VERIFICATION

I, Jeff Jaggers, being duly sworn, depose and say that I am Senior Vice President for BancorpSouth Bank ("BancorpSouth"). I have reviewed the foregoing Defendant BancorpSouth's Responses to Plaintiff's First Set of Interrogatories, which I understand have been compiled from a number of sources within BancorpSouth with the assistance of BancorpSouth's counsel. To the best of my knowledge, information, and belief, the factual information contained in Defendant BancorpSouth's Objections and Responses to Plaintiff's First Set of Interrogatories is true and accurate.

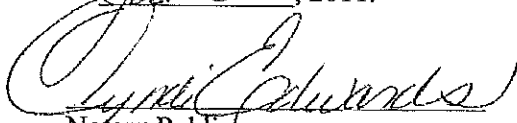
This 27th day of June, 2011.


Name: Jeff Jaggers

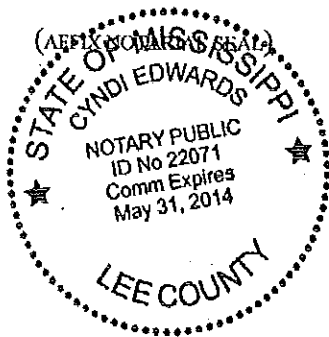
Position: Senior Vice President

Sworn to and subscribed

before me this 27 day
of June, 2011.


Notary Public

My Commission Expires:



CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the within and foregoing **DEFENDANT BANCORPSOUTH BANK'S RESPONSES TO PLAINTIFF'S FIRST INTERROGATORIES** upon all parties to this matter by depositing a true copy of same in the U.S. Mail, proper postage prepaid, addressed as follows:

Robert C. Gilbert, Esq.
Alters Law Firm, P.A.
4141 N.E. 2nd Avenue, Suite 201
Miami, Florida 33137

Jeffrey M. Ostrow, Esq.
Jonathan Streisfeld, Esq.
Kopelowitz Ostrow Ferguson Weiselberg Keechl
200 S.W. First Avenue, 12th Floor
Fort Lauderdale, Florida 33301

Darren T. Kaplan, Esq.
Chitwood Harley Harnes, LLP
2300 Promenade II
1230 Peachtree Street, NE
Atlanta, Georgia 30309

This 27th day of June, 2011.


Eric Jon Taylor

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 3

EXECUTIVE SUMMARY – CUMULATIVE

POTENTIAL ANNUAL BENEFIT: \$12.9 TO \$13.3 MILLION

RECOMMENDATION	CURRENT CONDITION	EPG SOLUTION	BENEFIT
AF 01 – Telephone Transfers	Despite the availability of a variety of automated channels in which <i>account-to-account</i> transfers can be made, each month bank personnel assist customers in effecting 12,000 transfers via the telephone.	Introduce a \$3 fee for any <i>people-assisted</i> telephone transfers.	\$216,000
AF 02 – Overdraft Protection	Each month, over 16,000 transfers are made under the bank's Overdraft Protection program. This service is viewed by customers as insurance against overdraft and as such has a high-perceived value.	Introduce a \$5 fee for each transfer executed under the ODP program.	\$960,000
BB 01 – Return Deposit Items	The bank offers value-added services to commercial customers for deposited items that are returned. These services are provided at <i>price points</i> that are inconsistent with its costs to handle them.	Introduce <i>premium</i> pricing for special services and instructions.	\$366,000 to \$529,000

EXECUTIVE SUMMARY – CUMULATIVE

POTENTIAL ANNUAL BENEFIT: \$12.9 TO \$13.3 MILLION

RECOMMENDATION	CURRENT CONDITION	EPG SOLUTION	BENEFIT
AF 09 - Foreign ATM Charges	Bank customers who use the ATM machines owned by other financial institutions generate a direct expense. Like other banks, BancorpSouth assesses a fee for the service.	Raise the surcharge associated with bank customer usage of non-bank ATMs by 50¢ to \$1.50.	\$600,000
BB 03 – Hard Code Waivers: NSF & OD Charges for Analyzed Accounts	At present, over 700 Commercial Analyzed checking accounts have been systematically marked as exempt from the charges associated with Insufficient and Overdraft funds.	Review and validate all existing hard code waivers, reactivating those that are unjustified.	\$450,000
BB 04 – Hard Code Waivers: Small Business Service Charge	Currently, almost 2,000 Small Business checking accounts have been systematically marked as exempt from service charge.	Review and validate all existing hard code waivers, reactivating those that are unjustified.	\$153,000

EXECUTIVE SUMMARY – CUMULATIVE

POTENTIAL ANNUAL BENEFIT: \$12.9 TO \$13.3 MILLION

RECOMMENDATION	CURRENT CONDITION	EPG SOLUTION	BENEFIT
AF 12 – Escheatment Pricing & Practices	Over the course of a typical year, several dozen accounts will reach the point of abandonment as prescribed by statute. At that stage, any remaining account balance must be relinquished to the state in which the account is domiciled. Provisions have by made by most states to allow the institution to recover a handling charge. Today, the bank assesses such a charge but its application is both informal and un published.	Standardize and enforce, where permitted, escheatment fees for accounts that meet the dormant test. Likewise, establish a policy and practice for escheatment of abandoned cashier's check balances.	Not Material
OP 01 – Posting Sequence	Currently, the bank posts debits to an account from the Highest-to-Lowest amount within four buckets. The transaction migration that has occurred means that certain types of transactions are not being treated uniformly.	Reduce the total number of buckets from 4 to 2.	\$3,500,000
BB 06 – FDIC Expense for Analyzed Accounts	Currently, the bank discloses the fee for FDIC expense, however, that fee is not being assessed.	Activate the fee assessment routine under the H&S application.	\$250,000

P26.PML.0103

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page XSUM.7

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 4

YOUR DEPOSIT ACCOUNT TERMS AND CONDITIONS AGREEMENT

AGREEMENT - These terms govern the operation of this account unless varied or supplemented in writing by amendment as provided herein. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so that the singular includes the plural and the plural includes the singular. As used in this agreement, the words "we," "our," or "us" mean BancorpSouth Bank and the words "you" or "your" mean the account owner(s). This account may not be transferred, pledged or assigned without our written consent, and we reserve the right to withhold such consent for any reason.

Much of our relationship with our deposit customers is regulated by state and federal law, especially the law relating to negotiable instruments, the law regulating the methods of transferring property upon death and the rights of surviving spouses and dependents, the law pertaining to estate and other succession taxes, the law regarding electronic funds transfer, and the law regarding the availability of deposited funds. This body of law is too large and complex to be reproduced here.

The purpose of this form is to:

- (1) summarize the rules applicable to the more common transactions;
- (2) establish rules to govern transactions or circumstances which the law does not regulate; and
- (3) establish rules for certain events or transactions which the law already regulates but permits variation by agreement.

LIABILITY - Each of you agrees, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges that may be imposed. You authorize us to deduct these charges as accrued directly from the account balance. You also agree to pay additional reasonable charges we may impose for services you request which are not contemplated by this agreement. Each of you also agrees to be jointly and severally (solidarily) liable for any account deficit resulting from charges or overdrafts, whether caused by you or another authorized to withdraw from this account, and the costs we incur to collect the deficit including our reasonable attorneys' fees.

DEPOSITS - Any items, other than cash, accepted for deposit (including items drawn "on us") will be given provisional credit only until collection is final (and actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars). Applicable law may require us to make your deposits available for withdrawal before payment becomes final or before the expiration of other banks' deadlines to return your deposited items to us for refund. You agree that our making all or any part of a deposit available to you for withdrawal is not a waiver of our right to charge back to this account any deposited item which is returned to us unpaid or for refund; instead, we may charge back to this account, and you will be responsible for, all such items. Subject to any other limitations, interest will be paid only on collected funds, unless otherwise provided by law. We are not responsible for transactions initiated by mail or outside depository until we actually record them. All transactions received after our daily cut-off time on a business day we are open (a "banking day"), or received on a day in which we are not open for business, will be treated and recorded as if initiated on the next following banking day. Our daily cut-off time varies from location to location and is posted at each of our locations.

WITHDRAWALS - Any one of you who signs this form, including authorized signers, may withdraw or transfer all or any part of the account balance at any time on forms approved by us. However, we reserve the right to limit the amount of any withdrawal in cash where, for example, currency in the amount of the withdrawal is not available at our branch or your withdrawal exceeds the amount we allow via automatic teller machine or if the cash supply of the automatic teller machine is depleted. Each of you authorizes each other person signing this form to endorse any item payable to you or your order for deposit to this account or any other transaction with us. You agree that our right to charge a check against this account does not depend on the date of the check. Therefore, we may charge a check against this account before the date of the check or at any time thereafter, provided, however, that we may, but are not required to, refuse to pay a check which appears on its face to be more than six months old. In any event, we will not be liable to you for charging against this account a check before its date or after it is more than six months old. The fact that we may honor withdrawal requests which overdraw the finally collected account balance does not obligate us to do so. Withdrawals will first be made from

collected funds, and we may, unless prohibited by law, refuse any withdrawal request against uncollected funds, even if our general practice is to the contrary. We reserve the right to refuse any withdrawal or transfer request which is attempted by any method not specifically permitted, which is for an amount less than any minimum withdrawal requirement, or which exceeds any frequency limitation. Even if we honor a nonconforming request, we may close the account in the event of repeated abuse of the stated limitations. We will use the date a transaction is completed by us (as opposed to the day you initiate it) to apply the frequency limitations. On interest bearing accounts other than time deposits, we reserve the right to require at least seven days' written notice before any withdrawal or transfer.

ACH, WIRE AND FUNDS TRANSFERS - We may decline to process any wire or funds transfer which is not subject to Regulation E or the Electronic Funds Transfer Act until you enter into a separate Funds Transfer Agreement with us. If we process any wire or funds transfer for you before you enter into a separate Funds Transfer Agreement, with respect to each such transfer you will be bound by the terms of this section. You agree to be bound by all rules and regulations governing any system through which any transfer occurs, including, but not limited to, any ACH rules, NACHA rules and the rules and regulations pertaining to Fedwire, the electronic transfer system of the Federal Reserve Banks. We may make wire or funds transfers by any means available to us, including, but not limited to, through our correspondent banks or by internal book entry. We have no obligation to notify you of incoming wire or funds transfers. Any credit for incoming wire or funds transfers is provisional until we have received final payment. If we do not receive final payment, we may reverse the credit. We may permit any of you or any authorized signer to order wire or other funds transfers from this account by telephone, in person, by written instruction, or by any other means acceptable to us, subject to any time deadlines or other conditions or procedures which we may establish. Wire and funds transfers are made only through the use of identifying numbers for the recipient bank and account, without regard to any names which may be furnished for any recipient bank or account. You must furnish the correct identifying numbers to us in connection with each wire or funds transfer. Funds will be wired or transferred in accordance with the identifying numbers you furnish us (or the identifying numbers which you use, if you are originating an ACH transaction, even if an identifying number is incorrect or is inconsistent with any name you may use or furnish us. In such event, we will not be responsible for your error, the transfer will not be considered an unauthorized transaction, and any loss will be entirely yours. Any instructions you may give us in connection with a wire or funds transfer will not be binding on us unless we have agreed to such instructions in writing. You must strictly observe all deadlines we impose for the processing of wire and funds transfers. We will not be responsible for any delay or other consequences which result from your failure to comply with any of these deadlines. You have no right to cancel or change any wire or funds transfer after you submit it to us. Any attempt by us to cancel or change or any wire or funds transfer at your request will not constitute the assumption of any duty by us. You assume all risk associated with international wire or funds transfers. We will not be liable to you in any way in connection with an international wire or funds transfer, whether for failure of delivery, delayed delivery, fluctuations in exchange rates or for any other reason. If any incoming wire or funds transfer is denominated in a foreign currency, you authorize us to convert such to U. S. Dollars according to such exchange rate which we may select at our discretion. You acknowledge and agree that such exchange rate may not be the most favorable rate of exchange published and that you will be bound by our choice of exchange rate. If you provide your account number or any other account identifying information to any third party and such third party originates any funds transfer transaction on this account, you agree that we may treat such transaction as a transaction authorized by you.

OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION - You intend these rules to apply to this account depending on the form of ownership and beneficiary designation, if any, specified on page 1. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds. **Single Party Account** - is owned by one person. **Multiple Party Account** - is owned by two or more persons jointly with right of survivorship and not as tenants in common, regardless of the conjunction ("or", "and") used

(page 2 of 5)

between the depositors' names. Each of you expressly agrees that the account is not owned as a tenancy by the entireties. Each of you intends that upon your death the balance in the account (subject to any previous pledge to which we have consented) will vest in and belong to the survivor(s) as the separate property and estate of such survivor(s). If two or more of you survive, you will own the balance in the account as joint tenants with survivorship and not as tenants in common. Transactions on Multiple Party Accounts do not require the signatures of all account owners to transact on the account. Instead, any account owner may transact on the account to the exclusion of the other(s), and each of you authorize each other of you to do so without further consent. If this Agreement is governed by the laws of the state of Louisiana, the owners of a Multiple Party Account are co-owners of the account, and all or any part of any deposit may be paid to any one of you, whether any other of you is living or not, and any such payment to any of you shall constitute receipt and acquittance and shall fully release and discharge us from the claims of any person to funds of the deceased depositor for the payment made. **Pay On Death Account** - Pay-On-Death beneficiaries acquire the right to withdraw only if: (1) all persons creating the account die, (2) the beneficiary is then living, and (3) we are not otherwise required by law to make payment to some other person. If two or more beneficiaries are named and survive the death of all persons creating the account, such beneficiaries will own this account and may transact on it according to the Multiple Party Account rules stated above unless otherwise provided by law. The person(s) creating a Pay-On-Death Account reserves the right to: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the deposit at any time. If two or more of you create such a Pay-On-Death Account, you own the account according to the Multiple Party Account rules stated above until the last of you dies. **Fiduciary Account** - A Fiduciary Account, whether for a consumer or a commercial purpose, is one in which the person controlling the account does so for the benefit of another. Examples of fiduciaries are trustees, executors, conservators, custodians for minors, representative payees and court-appointed guardians. For purposes of this agreement, guardians such as parents or other relatives who have not been court-appointed or persons who have not complied with necessary provisions of any applicable transfer to minors laws are not fiduciaries. We are not a fiduciary in connection with this account. For fiduciary accounts, we will usually require, in the case of trustees, a trust resolution according to our form, and in all other cases documents evidencing the fiduciary's authority. We have no duty to inspect any will or trust document, and you agree that we will not be bound by any limitations imposed in a will or trust document. You agree that a Fiduciary Account is a general deposit and not a special deposit. **Corporate, Partnership, LLC, Government and other Organizational Accounts** - We will usually require a separate resolution in a form acceptable to us designating the person permitted and conditions required for withdrawal from any account in the name of a legal entity such as a partnership, corporation, LLC, governmental entity or other organization.

STOP PAYMENTS - A stop payment order must be given in the manner required by law and must be received in time to give us a reasonable opportunity to act on it before our stop payment cut off time. Our stop payment cut off time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop payment are provided by law. A stop payment order must precisely identify the number, date and amount of the item, and the payee. We will honor a stop payment request by the person who signed the particular item, and, by any other person, even though such other person did not sign the item, if such other person has an equal or greater right to withdraw from this account than the person who signed the item in question. A release of the stop payment request may be made only by the person who initiated the stop payment.

AMENDMENTS AND TERMINATION - We may change any term of this agreement or any of the disclosures indicated on the first page of this agreement. Rules governing changes in interest rates have been provided separately. For other changes we will give you reasonable notice in writing or by any other method permitted by law. We may also close this account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Notice from us to any one of you is notice to all of you unless otherwise provided by law.

STATEMENTS - You must examine your statement of account with reasonable promptness. If you discover (or reasonably should have discovered) any forgeries, unauthorized payments, alterations or disputed transactions, you must promptly notify us of the relevant facts. Even if you do promptly notify us, you still may have to either share the loss with us or bear the loss entirely yourself (depending on whether you exercised ordinary care or substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items forged or altered by the same wrongdoer. You agree that the time you have to examine your statement and report to us will not, in any circumstance, exceed a total of 60 days from when the statement is first made available to you.

You further agree that if you fail to report any unauthorized signatures, alterations, forgeries, unauthorized activity or any other errors or disputed transactions in this account within 60 days of when we make the statement available, you cannot assert a claim against us on any items in that statement, and the loss will be entirely yours.

You also agree to examine your statement with the same reasonable promptness to discover whether any deposit is missing or has been incorrectly credited. If your statement of account contains any error pertaining to any deposit, and if you fail to report such error to us within 60 days of when we make the statement available, you cannot assert a claim against us for such error, and any loss will be entirely yours.

The 60 day limitations set forth in this section are without regard to whether we exercised ordinary care.

If this account is a commercial purpose account, you additionally agree to take advantage of products and services we offer for the detection and prevention of fraud and unauthorized transactions, such as "Positive Pay" cash management products. If you fail to utilize any such product or service, you agree that you will be precluded from asserting any claim against us for any unauthorized transaction which could have been prevented by the proper use of such product or service.

We may require any report of errors on your statement to be put in writing by you and we may additionally require you to furnish us with an affidavit concerning the error on forms acceptable to us. If this account is a commercial purpose account, you agree to exhaust all rights against any insurance coverage you may have before making any claim against us. Our liability to you, if any, will be reduced by the amount of any insurance you are entitled to receive. You agree, upon request by us, to assign to us all insurance rights you may have in connection with any loss on your commercial purpose account.

DIRECT DEPOSITS - If, in connection with a direct deposit plan, we deposit any amount in this account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from this account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

TEMPORARY ACCOUNTS - If you intend for this account to be a Multiple Party Account, but all of you are not present at the time the account is opened, we may permit as many of you as are present to open the account either as a Single Party Account or a Multiple Party Account only in the name(s) of those who are present (the "Temporary Account"). At the same time we may permit as many of you as are present to also sign account documentation listing the names of all those intended to be owners of the Multiple Party Account, including those who are not present (the "Permanent Account"). However, we are not required to give effect to the Permanent Account documentation until all owners listed on such documentation have signed it and we have processed it, at which point the Permanent Account documentation shall supersede and replace the Temporary Account documentation. Notwithstanding the foregoing sentence, we may give the Permanent Account documentation retroactive effect to the date on which the Temporary Account was opened. We are not required to give any of you notice that the Permanent Account documentation has taken effect, nor are we required to give any intended owner notice that such intended owner's signature is needed on the Permanent Account documentation. If the Permanent Account documentation is not signed by all intended owners within 30 days following the opening of the Temporary Account, we may discard the Permanent Account documentation and will have no liability for doing so. A Temporary Account is subject to all of the terms and provisions of this agreement.

SET OFF - You each agree that we may without prior notice to you set off the funds in this account against any due and payable debt owed to us now or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including any balance the due date for which we properly accelerate under the note. This right of set-off applies regardless of the source of the deposit, and you consent that we may exercise this right of set-off against deposits which consist in whole or in part of government payments, including, but not limited to, Social Security and Veterans Administration payments. This right of set off does not apply to this account if: (a) it is an Individual Retirement Account or other tax deferred retirement account, or (b) the debtor's right of withdrawal arises only in a representative capacity. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of set off.

FACSIMILE SIGNATURES - You authorize us, at any time, to charge you for all checks, drafts, or other orders or transactions, for the payment of money, that are drawn on us by facsimile signature, regardless of by whom or by what means the facsimile signature(s) may have been affixed.

AUTHORIZED SIGNERS - An authorized signer is someone you designate to conduct transactions on your behalf, but does not have any ownership or rights in the account unless the authorized signer is also named as a Pay on Death beneficiary, in which case the Pay-On-Death Account rules apply. Otherwise, the rights of an authorized signer cease upon your death but not upon your disability or incapacity; however, you agree that we will not be liable for honoring any transaction by an authorized signer after your death. We reserve the right to limit the number of authorized signers and to decline to permit authorized signers on certain types of accounts.

ACCOUNTS OWNED BY MINORS - If this is a Multiple Party Account and one or more of the account owners is a minor, all adult owners of the account jointly and severally agree that all transactions made on the account by any such minor shall be deemed to have been made by such adult owners, regardless of whether any such transaction may be void or voidable. EACH SUCH ADULT OWNER AGREES TO INDEMNIFY US AND HOLD US HARMLESS FROM ANY LOSS WE INCUR IN CONNECTION WITH ANY TRANSACTION MADE BY ANY SUCH MINOR.

REFUSAL OF DEPOSITS - We may refuse to accept any item, wire or electronic funds transfer for deposit or to send any item for collection, and we will have no liability to you or to any other person for such refusal.

ORDER OF PAYMENT - If more than one item or order is presented for payment against this account on the same day and the available balance of this account is insufficient to pay them all, we may pay any of them in any order we choose, even if the order we choose results in greater insufficient funds fees than if we had chosen to pay them in some other order. Our payment of any item or order in overdraft does not create any obligation for us to pay any other item or order in overdraft in the future, and you agree that no course of dealing regarding the payment of items or orders in overdraft will be created between us.

ERRORS - If there occurs any error on this account in your favor, such as crediting this account for any amount to which you are not entitled, charging this account for an amount less than the amount of an item or other order, or receipt of any direct deposit to which you are not entitled, you agree that we may adjust this account to correct the error and that, if there are insufficient funds in this account for such adjustment, you will immediately pay us the amount necessary to correct the error. You agree to pay our reasonable attorneys' fees and expenses in the event we sue you to recover the amount necessary to correct the error.

DEPOSITS NOT MADE IN PERSON - We are not responsible for transactions initiated by mail, outside depository or left with us for subsequent processing until we actually record them, and you accept and assume all risks inherent in initiating such transactions. For deposits so initiated, our determination of the amount of the deposit will be conclusive, and you waive any right to contest our determination.

RESTRICTIVE LEGENDS - For your own purposes you may print or write on checks or other items restrictive legends specifying the number of signatures required, the maximum amount for which the check or item is payable, the number of days the check or item is valid and similar restrictions. However, you agree that such restrictions shall not be binding on us, that we may disregard such restrictions and that we will have no liability to you or to any other person for paying any check or other item inconsistently with any restrictive legend that is printed or written thereon.

CHECK CHARACTERISTICS - If you use checks from sources other than vendors approved by us, or if you use check stock, security features or ink color which cause data to disappear or to become obscured when the check is converted into an image, you agree to bear any loss which results. We will not be liable for failing to honor a stop-payment order for an item issued on a check form from sources other than vendors approved by us.

SECURITY INTEREST - In addition to the rights of set-off which we have under this Agreement, you hereby grant to us a security interest in this account to secure payment of any obligation which you now owe us or which you may owe us at any time in the future, including your obligation to pay our attorneys' fees and expenses and your obligation to indemnify us as provided elsewhere in this Agreement. When any such obligation is due and payable to us, we may pay such obligation, or any part thereof, from this account without prior notice to you, and we will not be liable for the dishonor of any item or order which results from such exercise of our security interest. If this account has any pay-on-death beneficiary, the interests of such beneficiary shall be junior to our security interest and shall be subject to our right of set-off, even if we do not exercise our security interest or right of set-off until after your death.

PAYMENT TO BENEFICIARIES - Payment to pay-on-death beneficiaries shall be as provided by law. Notwithstanding anything in the Pay-on-Death Account rules stated above, we may require any pay-on-death beneficiary wishing to continue transactions with us to close this account and open a new account under such beneficiary's signature.

INDEMNIFICATION BY FIDUCIARY - IF THIS ACCOUNT IS A FIDUCIARY ACCOUNT (INCLUDING, BUT NOT LIMITED TO, AN ACCOUNT USED AS A CUSTODIAL ACCOUNT OR AS A REPRESENTATIVE PAYEE ACCOUNT TO RECEIVE PAYMENTS FROM THE SOCIAL SECURITY ADMINISTRATION OR ANY OTHER GOVERNMENTAL PAYOR), YOU, THE FIDUCIARY, AGREE IN YOUR INDIVIDUAL CAPACITY TO INDEMNIFY US AND HOLD US HARMLESS FROM ANY LOSS WE INCUR IN CONNECTION WITH THIS ACCOUNT, WHETHER RESULTING FROM OVERDRAFT, ERROR IN YOUR FAVOR, RECLAMATION BY ANY GOVERNMENTAL PAYOR, ANY DISPUTE WITHIN THE SCOPE OF THE "ACCOUNT DISPUTE; INDEMNITY; LIMITATION ON LIABILITY" SECTION BELOW OR ANY OTHER REASON. IN THE EVENT OF ANY SUCH LOSS, WE MAY ENFORCE THE FOREGOING INDEMNITY BY SETTING OFF THE AMOUNT OF SUCH LOSS AGAINST (OR BY EXERCISING ANY SECURITY INTEREST WE MAY HAVE IN) ANY OTHER ACCOUNT WITH US IN WHICH YOU, THE FIDUCIARY, HAVE AN INTEREST (UNLESS YOUR INTEREST IN SUCH ACCOUNT IS ONLY AS A FIDUCIARY), AND WE WILL NOT BE LIABLE TO YOU OR TO ANYONE ELSE FOR THE DISHONOR OF ANY ITEM OR ORDER ON SUCH OTHER ACCOUNT WHICH RESULTS FROM SUCH SET-OFF OR EXERCISE OF OUR SECURITY INTEREST.

SIGNATURE BY MARK - If any signature which appears on page 1 of this Agreement is by mark (such as an "X"), then you agree that we will have no liability whatsoever on claims by you or any other person based on forgery, unauthorized signature, alteration or the like.

ACCOUNT DISPUTE; INDEMNITY; LIMITATION ON LIABILITY - IN THE EVENT OF ANY DISPUTE REGARDING THIS ACCOUNT, INCLUDING ANY DISPUTE OVER OWNERSHIP OF OR ENTITLEMENT TO THIS ACCOUNT OR THE CAPACITY OR AUTHORITY OF ANY PERSON TO TRANSACT ON THIS ACCOUNT, YOU AGREE TO PAY OUR REASONABLE ATTORNEYS' FEES AND EXPENSES IN THE EVENT THAT WE BECOME INVOLVED IN ANY PROCEEDING TO RESOLVE SUCH DISPUTE. IN THE EVENT OF SUCH DISPUTE WE MAY PAY THE AVAILABLE BALANCE OF THIS ACCOUNT INTO COURT, AND IN THAT EVENT YOU AGREE NOT TO MAKE ANY CLAIM AGAINST US. ADDITIONALLY, TO THE EXTENT PERMITTED BY LAW, YOU AGREE TO INDEMNIFY US, OUR DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS ARISING FROM OR IN ANY WAY RELATING TO ANY SUCH DISPUTE. YOU ALSO AGREE THAT WE SHALL BE ENTITLED TO RECOVER OUR REASONABLE ATTORNEY'S FEES AND EXPENSES IN CONNECTION WITH SUCH PAYMENT INTO COURT AND THAT WE MAY RECOVER SUCH FEES AND EXPENSES FROM THE BALANCE PAID INTO COURT.

IN THE EVENT OF ANY KIND OF CLAIM BY YOU AGAINST US IN CONNECTION WITH THIS ACCOUNT, YOU AGREE THAT WE WILL NOT BE LIABLE TO YOU FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES.

GOVERNING LAW; PROCESS; REPRESENTATIVES - This Agreement is governed by the laws of the state of the location of our branch identified on the first page of this form and by federal law and regulation. Notwithstanding this, we may honor any levy, attachment, garnishment, execution, subpoena, court order, administrative order (including child support order) or other legal process which names you or which encompasses you, this account or any tax identification number associated with this account, regardless of whether we are subject to the jurisdiction of the issuer of such, regardless of in which state such is served on us and regardless of how such is served on us. We are not required to raise any defense in your behalf. We may also comply with the directions of any executor, administrator, conservator, guardian, receiver, bankruptcy trustee, attorney-in-fact or any other such representative purporting to have authority over this account who furnishes us with apparently authentic copies of documents which confer such authority. We may refuse to deal with any such representative in our sole discretion, and we will not be liable to you for such refusal. You agree that we may place temporary or permanent holds on the balance of this account related to or otherwise in response to any such process or authority and that we shall be fully protected in doing so, even if we later determine that such process or authority is inapplicable to this account. YOU AGREE THAT WE WILL NOT BE LIABLE TO YOU OR TO ANY OTHER PERSON FOR ACTING OR NOT ACTING ON ANY SUCH PROCESS OR FOR ACTING OR NOT ACTING ON THE DIRECTIONS OF ANY SUCH REPRESENTATIVE OR FOR PLACING OR NOT PLACING TEMPORARY OR PERMANENT HOLDS, AND YOU AGREE TO INDEMNIFY US, OUR DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS ARISING FROM OR IN ANY WAY RELATING TO SUCH ACTION OR INACTION.

EFFECT OF TERMINATION OR AMENDMENT - Termination of this account, whether by us or by you, does not relieve you of any obligation you may then owe us. We may accept deposits to this account after it has been closed in order to collect any deficit balance, and such acceptance will not constitute reinstatement of the account. Your use of this account after we give you notice of any amendment to this agreement constitutes your acceptance of such amendment. No amendment of this agreement is enforceable against us unless it is in writing and we have authorized the writing or have signed it through an employee having authority to do so, such as a regional president. No practice or course of dealing in connection with this account which is at variance with this agreement shall constitute a modification or amendment of this agreement.

OTHER TERMS - This account is additionally governed by our Account Information Statement. You acknowledge receipt of a copy of the Account Information Statement and you agree to be bound by its terms, as amended by us from time to time, and to be responsible for all fees and charges set forth therein which apply to this account. You understand that the Account Information Statement does not necessarily set forth all possible fees and charges which apply to this account.

SEVERABILITY - In the event that any part of this agreement is determined to be unenforceable, such will not affect the other parts of this agreement, all of which shall remain fully enforceable.

ARBITRATION - IF THIS ACCOUNT IS A COMMERCIAL PURPOSE ACCOUNT, THEN YOU AGREE THAT ANY CLAIM, DISPUTE OR CONTROVERSY ("CLAIM") BY EITHER YOU OR US AGAINST THE OTHER, OR AGAINST THE EMPLOYEES, AGENTS OR ASSIGNS OF THE OTHER, ARISING FROM OR RELATING IN ANY WAY TO THIS AGREEMENT, THIS ACCOUNT OR ANY TRANSACTION, INCLUDING CLAIMS REGARDING THE APPLICABILITY OF THIS ARBITRATION CLAUSE OR THE VALIDITY OF ALL OR ANY PART OF THIS AGREEMENT, SHALL BE RESOLVED BY BINDING ARBITRATION BY THE NATIONAL ARBITRATION FORUM, UNDER THE CODE OF PROCEDURE IN EFFECT AT THE TIME THE CLAIM IS MADE OR FILED. RULES AND FORMS OF THE NATIONAL ARBITRATION FORUM MAY BE OBTAINED AND CLAIMS MAY BE FILED AT ANY NATIONAL ARBITRATION FORUM OFFICE, WWW.ARBITRATION-FORUM.COM OR POST OFFICE BOX 50191, MINNEAPOLIS, MINNESOTA 55405, TELEPHONE 1-800-474-2371. ANY ARBITRATION HEARING AT WHICH YOU APPEAR WILL TAKE PLACE IN THE CITY WHICH IS THE LOCATION OF OUR BRANCH AT WHICH THIS ACCOUNT WAS OPENED. THIS ARBITRATION AGREEMENT IS MADE PURSUANT TO A TRANSACTION INVOLVING INTERSTATE COMMERCE AND SHALL BE GOVERNED BY THE FEDERAL ARBITRATION ACT, 9 U.S.C. SECTIONS 1-16. JUDGMENT UPON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. IN THE ABSENCE OF THIS ARBITRATION AGREEMENT YOU AND WE MAY OTHERWISE HAVE HAD A RIGHT OR OPPORTUNITY TO LITIGATE CLAIMS THROUGH A COURT AND/OR TO PARTICIPATE OR BE REPRESENTED IN LITIGATION FILED IN COURT BY OTHERS, BUT EXCEPT AS OTHERWISE PROVIDED ABOVE, ALL CLAIMS MUST NOW BE RESOLVED THROUGH ARBITRATION.

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 5

YOUR DEPOSIT ACCOUNT TERMS AND CONDITIONS AGREEMENT

AGREEMENT - These terms govern the operation of this account unless varied or supplemented in writing by amendment as provided herein. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so that the singular includes the plural and the plural includes the singular. As used in this agreement, the words "we," "our," or "us" mean BancorpSouth Bank and the words "you" or "your" mean the account owner(s). This account may not be transferred, pledged or assigned without our written consent, and we reserve the right to withhold such consent for any reason.

Much of our relationship with our deposit customers is regulated by state and federal law, especially the law relating to negotiable instruments, the law regulating the methods of transferring property upon death and the rights of surviving spouses and dependents, the law pertaining to estate and other succession taxes, the law regarding electronic funds transfer, and the law regarding the availability of deposited funds. This body of law is too large and complex to be reproduced here.

The purpose of this form is to:

- (1) summarize the rules applicable to the more common transactions;
- (2) establish rules to govern transactions or circumstances which the law does not regulate; and
- (3) establish rules for certain events or transactions which the law already regulates but permits variation by agreement.

LIABILITY - Each of you agrees, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges that may be imposed. You authorize us to deduct these charges as accrued directly from the account balance. You also agree to pay additional reasonable charges we may impose for services you request which are not contemplated by this agreement. Each of you also agrees to be jointly and severally (solidarily) liable for any account deficit resulting from charges or overdrafts, whether caused by you or another authorized to withdraw from this account, and the costs we incur to collect the deficit including our reasonable attorneys' fees.

DEPOSITS - Any items, other than cash, accepted for deposit (including items drawn "on us") will be given provisional credit only until collection is final (and actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars). Applicable law may require us to make your deposits available for withdrawal before payment becomes final or before the expiration of other banks' deadlines to return your deposited items to us for refund. You agree that our making all or any part of a deposit available to you for withdrawal is not a waiver of our right to charge back to this account any deposited item which is returned to us unpaid or for refund; instead, we may charge back to this account, and you will be responsible for, all such items. Subject to any other limitations, interest will be paid only on collected funds, unless otherwise provided by law. We are not responsible for transactions initiated by mail or outside depository until we actually record them. All transactions received after our daily cut-off time on a business day we are open (a "banking day"), or received on a day in which we are not open for business, will be treated and recorded as if initiated on the next following banking day. Our daily cut-off time varies from location to location and is posted at each of our locations.

WITHDRAWALS - Any one of you who signs this form, including authorized signers, may withdraw or transfer all or any part of the account balance at any time on forms approved by us. However, we reserve the right to limit the amount of any withdrawal in cash where, for example, currency in the amount of the withdrawal is not available at our branch or your withdrawal exceeds the amount we allow via automatic teller machine or if the cash supply of the automatic teller machine is depleted. Each of you authorizes each other person signing this form to endorse any item payable to you or your order for deposit to this account or any other transaction with us. You agree that our right to charge a check against this account does not depend on the date of the check. Therefore, we may charge a check against this account before the date of the check or at any time thereafter, provided, however, that we may, but are not required to, refuse to pay a check which appears on its face to be more than six months old. In any event, we will not be liable to you for charging against this account a check before its date or after it is more than six months old. The fact that we may honor withdrawal requests which overdraw the finally collected account balance does not obligate us to do so. Withdrawals will first be made from

collected funds, and we may, unless prohibited by law, refuse any withdrawal request against uncollected funds, even if our general practice is to the contrary. We reserve the right to refuse any withdrawal or transfer request which is attempted by any method not specifically permitted, which is for an amount less than any minimum withdrawal requirement, or which exceeds any frequency limitation. Even if we honor a nonconforming request, we may close the account in the event of repeated abuse of the stated limitations. We will use the date a transaction is completed by us (as opposed to the day you initiate it) to apply the frequency limitations. On interest bearing accounts other than time deposits, we reserve the right to require at least seven days' written notice before any withdrawal or transfer.

ACH, WIRE AND FUNDS TRANSFERS - We may decline to process any wire or funds transfer which is not subject to Regulation E or the Electronic Funds Transfer Act until you enter into a separate Funds Transfer Agreement with us. If we process any wire or funds transfer for you before you enter into a separate Funds Transfer Agreement, with respect to each such transfer you will be bound by the terms of this section. You agree to be bound by all rules and regulations governing any system through which any transfer occurs, including, but not limited to, any ACH rules, NACHA rules and the rules and regulations pertaining to Fedwire, the electronic transfer system of the Federal Reserve Banks. We may make wire or funds transfers by any means available to us, including, but not limited to, through our correspondent banks or by internal book entry. We have no obligation to notify you of incoming wire or funds transfers. Any credit for incoming wire or funds transfers is provisional until we have received final payment. If we do not receive final payment, we may reverse the credit. We may permit any of you or any authorized signer to order wire or other funds transfers from this account by telephone, in person, by written instruction, or by any other means acceptable to us, subject to any time deadlines or other conditions or procedures which we may establish. Wire and funds transfers are made only through the use of identifying numbers for the recipient bank and account, without regard to any names which may be furnished for any recipient bank or account. You must furnish the correct identifying numbers to us in connection with each wire or funds transfer. Funds will be wired or transferred in accordance with the identifying numbers you furnish us (or the identifying numbers which you use, if you are originating an ACH transaction, even if an identifying number is incorrect or is inconsistent with any name you may use or furnish us. In such event, we will not be responsible for your error, the transfer will not be considered an unauthorized transaction, and any loss will be entirely yours. Any instructions you may give us in connection with a wire or funds transfer will not be binding on us unless we have agreed to such instructions in writing. You must strictly observe all deadlines we impose for the processing of wire and funds transfers. We will not be responsible for any delay or other consequences which result from your failure to comply with any of these deadlines. You have no right to cancel or change any wire or funds transfer after you submit it to us. Any attempt by us to cancel or change or any wire or funds transfer at your request will not constitute the assumption of any duty by us. You assume all risk associated with international wire or funds transfers. We will not be liable to you in any way in connection with an international wire or funds transfer, whether for failure of delivery, delayed delivery, fluctuations in exchange rates or for any other reason. If any incoming wire or funds transfer is denominated in a foreign currency, you authorize us to convert such to U. S. Dollars according to such exchange rate which we may select at our discretion. You acknowledge and agree that such exchange rate may not be the most favorable rate of exchange published and that you will be bound by our choice of exchange rate. If you provide your account number or any other account identifying information to any third party and such third party originates any funds transfer transaction on this account, you agree that we may treat such transaction as a transaction authorized by you.

OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION - You intend these rules to apply to this account depending on the form of ownership and beneficiary designation, if any, specified on page 1. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds. **Single Party Account** - is owned by one person. **Multiple Party Account** - is owned by two or more persons jointly with right of survivorship and not as tenants in common, regardless of the conjunction ("or", "and") used

(page 2 of 5)

between the depositors' names. Each of you expressly agrees that the account is not owned as a tenancy by the entireties. Each of you intends that upon your death the balance in the account (subject to any previous pledge to which we have consented) will vest in and belong to the survivor(s) as the separate property and estate of such survivor(s). If two or more of you survive, you will own the balance in the account as joint tenants with survivorship and not as tenants in common. Transactions on Multiple Party Accounts do not require the signatures of all account owners to transact on the account. Instead, any account owner may transact on the account to the exclusion of the other(s), and each of you authorize each other of you to do so without further consent. If this Agreement is governed by the laws of the state of Louisiana, the owners of a Multiple Party Account are co-owners of the account, and all or any part of any deposit may be paid to any one of you, whether any other of you is living or not, and any such payment to any of you shall constitute receipt and acquittance and shall fully release and discharge us from the claims of any person to funds of the deceased depositor for the payment made.

Pay On Death Account - Pay-On-Death beneficiaries acquire the right to withdraw only if: (1) all persons creating the account die, (2) the beneficiary is then living, and (3) we are not otherwise required by law to make payment to some other person. If two or more beneficiaries are named and survive the death of all persons creating the account, such beneficiaries will own this account and may transact on it according to the Multiple Party Account rules stated above unless otherwise provided by law. The person(s) creating a Pay-On-Death Account reserves the right to: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the deposit at any time. If two or more of you create such a Pay-On-Death Account, you own the account according to the Multiple Party Account rules stated above until the last of you dies.

Fiduciary Account - A Fiduciary Account, whether for a consumer or a commercial purpose, is one in which the person controlling the account does so for the benefit of another. Examples of fiduciaries are trustees, executors, conservators, custodians for minors, representative payees and court-appointed guardians. For purposes of this agreement, guardians such as parents or other relatives who have not been court-appointed or persons who have not complied with necessary provisions of any applicable transfer to minors laws are not fiduciaries. We are not a fiduciary in connection with this account. For fiduciary accounts, we will usually require, in the case of trustees, a trust resolution according to our form, and in all other cases documents evidencing the fiduciary's authority. We have no duty to inspect any will or trust document, and you agree that we will not be bound by any limitations imposed in a will or trust document. You agree that a Fiduciary Account is a general deposit and not a special deposit.

Corporate, Partnership, LLC, Government and other Organizational Accounts - We will usually require a separate resolution in a form acceptable to us designating the person permitted and conditions required for withdrawal from any account in the name of a legal entity such as a partnership, corporation, LLC, governmental entity or other organization.

STOP PAYMENTS - A stop payment order must be given in the manner required by law and must be received in time to give us a reasonable opportunity to act on it before our stop payment cut off time. Our stop payment cut off time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop payment are provided by law. A stop payment order must precisely identify the number, date and amount of the item, and the payee. We will honor a stop payment request by the person who signed the particular item, and, by any other person, even though such other person did not sign the item, if such other person has an equal or greater right to withdraw from this account than the person who signed the item in question. A release of the stop payment request may be made only by the person who initiated the stop payment.

AMENDMENTS AND TERMINATION - We may change any term of this agreement or any of the disclosures indicated on the first page of this agreement. Rules governing changes in interest rates have been provided separately. For other changes we will give you reasonable notice in writing or by any other method permitted by law. We may also close this account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Notice from us to any one of you is notice to all of you unless otherwise provided by law.

STATEMENTS - You must examine your statement of account with reasonable promptness. If you discover (or reasonably should have discovered) any forgeries, unauthorized payments, alterations or disputed transactions, you must promptly notify us of the relevant facts. Even if you do promptly notify us, you still may have to either share the loss with us or bear the loss entirely yourself (depending on whether you exercised ordinary care or substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items forged or altered by the same wrongdoer. You agree that the time you have to examine your statement and report to us will not, in any circumstance, exceed a total of 60 days from when the statement is first made available to you.

You further agree that if you fail to report any unauthorized signatures, alterations, forgeries, unauthorized activity or any other errors or disputed transactions in this account within 60 days of when we make the statement available, you cannot assert a claim against us on any items in that statement, and the loss will be entirely yours.

You also agree to examine your statement with the same reasonable promptness to discover whether any deposit is missing or has been incorrectly credited. If your statement of account contains any error pertaining to any deposit, and if you fail to report such error to us within 60 days of when we make the statement available, you cannot assert a claim against us for such error, and any loss will be entirely yours.

The 60 day limitations set forth in this section are without regard to whether we exercised ordinary care.

If this account is a commercial purpose account, you additionally agree to take advantage of products and services we offer for the detection and prevention of fraud and unauthorized transactions, such as "Positive Pay" cash management products. If you fail to utilize any such product or service, you agree that you will be precluded from asserting any claim against us for any unauthorized transaction which could have been prevented by the proper use of such product or service.

We may require any report of errors on your statement to be put in writing by you and we may additionally require you to furnish us with an affidavit concerning the error on forms acceptable to us. If this account is a commercial purpose account, you agree to exhaust all rights against any insurance coverage you may have before making any claim against us. Our liability to you, if any, will be reduced by the amount of any insurance you are entitled to receive. You agree, upon request by us, to assign to us all insurance rights you may have in connection with any loss on your commercial purpose account.

DIRECT DEPOSITS - If, in connection with a direct deposit plan, we deposit any amount in this account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from this account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

TEMPORARY ACCOUNTS - If you intend for this account to be a Multiple Party Account, but all of you are not present at the time the account is opened, we may permit as many of you as are present to open the account either as a Single Party Account or a Multiple Party Account only in the name(s) of those who are present (the "Temporary Account"). At the same time we may permit as many of you as are present to also sign account documentation listing the names of all those intended to be owners of the Multiple Party Account, including those who are not present (the "Permanent Account"). However, we are not required to give effect to the Permanent Account documentation until all owners listed on such documentation have signed it and we have processed it, at which point the Permanent Account documentation shall supersede and replace the Temporary Account documentation. Notwithstanding the foregoing sentence, we may give the Permanent Account documentation retroactive effect to the date on which the Temporary Account was opened. We are not required to give any of you notice that the Permanent Account documentation has taken effect, nor are we required to give any intended owner notice that such intended owner's signature is needed on the Permanent Account documentation. If the Permanent Account documentation is not signed by all intended owners within 30 days following the opening of the Temporary Account, we may discard the Permanent Account documentation and will have no liability for doing so. A Temporary Account is subject to all of the terms and provisions of this agreement.

SET OFF - You each agree that we may without prior notice to you set off the funds in this account against any due and payable debt owed to us now or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including any balance the due date for which we properly accelerate under the note. This right of set-off applies regardless of the source of the deposit, and you consent that we may exercise this right of set-off against deposits which consist in whole or in part of government payments, including, but not limited to, Social Security and Veterans Administration payments. This right of set off does not apply to this account if: (a) it is an Individual Retirement Account or other tax deferred retirement account, or (b) the debtor's right of withdrawal arises only in a representative capacity. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of set off.

FACSIMILE SIGNATURES - You authorize us, at any time, to charge you for all checks, drafts, or other orders or transactions, for the payment of money, that are drawn on us by facsimile signature, regardless of by whom or by what means the facsimile signature(s) may have been affixed.

AUTHORIZED SIGNERS - An authorized signer is someone you designate to conduct transactions on your behalf, but does not have any ownership or rights in the account unless the authorized signer is also named as a Pay on Death beneficiary, in which case the Pay-On-Death Account rules apply. Otherwise, the rights of an authorized signer cease upon your death but not upon your disability or incapacity; however, you agree that we will not be liable for honoring any transaction by an authorized signer after your death. We reserve the right to limit the number of authorized signers and to decline to permit authorized signers on certain types of accounts.

ACCOUNTS OWNED BY MINORS - If this is a Multiple Party Account and one or more of the account owners is a minor, all adult owners of the account jointly and severally agree that all transactions made on the account by any such minor shall be deemed to have been made by such adult owners, regardless of whether any such transaction may be void or voidable. EACH SUCH ADULT OWNER AGREES TO INDEMNIFY US AND HOLD US HARMLESS FROM ANY LOSS WE INCUR IN CONNECTION WITH ANY TRANSACTION MADE BY ANY SUCH MINOR.

REFUSAL OF DEPOSITS - We may refuse to accept any item, wire or electronic funds transfer for deposit or to send any item for collection, and we will have no liability to you or to any other person for such refusal.

ORDER OF PAYMENT - If more than one item or order is presented for payment against this account on the same day and the available balance of this account is insufficient to pay them all, we may pay any of them in any order we choose, even if the order we choose results in greater insufficient funds fees than if we had chosen to pay them in some other order. Our payment of any item or order in overdraft does not create any obligation for us to pay any other item or order in overdraft in the future, and you agree that no course of dealing regarding the payment of items or orders in overdraft will be created between us.

ERRORS - If there occurs any error on this account in your favor, such as crediting this account for any amount to which you are not entitled, charging this account for an amount less than the amount of an item or other order, or receipt of any direct deposit to which you are not entitled, you agree that we may adjust this account to correct the error and that, if there are insufficient funds in this account for such adjustment, you will immediately pay us the amount necessary to correct the error. You agree to pay our reasonable attorneys' fees and expenses in the event we sue you to recover the amount necessary to correct the error.

DEPOSITS NOT MADE IN PERSON - We are not responsible for transactions initiated by mail, outside depository or left with us for subsequent processing until we actually record them, and you accept and assume all risks inherent in initiating such transactions. For deposits so initiated, our determination of the amount of the deposit will be conclusive, and you waive any right to contest our determination.

RESTRICTIVE LEGENDS - For your own purposes you may print or write on checks or other items restrictive legends specifying the number of signatures required, the maximum amount for which the check or item is payable, the number of days the check or item is valid and similar restrictions. However, you agree that such restrictions shall not be binding on us, that we may disregard such restrictions and that we will have no liability to you or to any other person for paying any check or other item inconsistently with any restrictive legend that is printed or written thereon.

CHECK CHARACTERISTICS - If you use checks from sources other than vendors approved by us, or if you use check stock, security features or ink color which cause data to disappear or to become obscured when the check is converted into an image, you agree to bear any loss which results. We will not be liable for failing to honor a stop-payment order for an item issued on a check form from sources other than vendors approved by us.

SECURITY INTEREST - In addition to the rights of set-off which we have under this Agreement, you hereby grant to us a security interest in this account to secure payment of any obligation which you now owe us or which you may owe us at any time in the future, including your obligation to pay our attorneys' fees and expenses and your obligation to indemnify us as provided elsewhere in this Agreement. When any such obligation is due and payable to us, we may pay such obligation, or any part thereof, from this account without prior notice to you, and we will not be liable for the dishonor of any item or order which results from such exercise of our security interest. If this account has any pay-on-death beneficiary, the interests of such beneficiary shall be junior to our security interest and shall be subject to our right of set-off, even if we do not exercise our security interest or right of set-off until after your death.

PAYMENT TO BENEFICIARIES - Payment to pay-on-death beneficiaries shall be as provided by law. Notwithstanding anything in the Pay-on-Death Account rules stated above, we may require any pay-on-death beneficiary wishing to continue transactions with us to close this account and open a new account under such beneficiary's signature.

INDEMNIFICATION BY FIDUCIARY - IF THIS ACCOUNT IS A FIDUCIARY ACCOUNT (INCLUDING, BUT NOT LIMITED TO, AN ACCOUNT USED AS A CUSTODIAL ACCOUNT OR AS A REPRESENTATIVE PAYEE ACCOUNT TO RECEIVE PAYMENTS FROM THE SOCIAL SECURITY ADMINISTRATION OR ANY OTHER GOVERNMENTAL PAYOR), YOU, THE FIDUCIARY, AGREE IN YOUR INDIVIDUAL CAPACITY TO INDEMNIFY US AND HOLD US HARMLESS FROM ANY LOSS WE INCUR IN CONNECTION WITH THIS ACCOUNT, WHETHER RESULTING FROM OVERDRAFT, ERROR IN YOUR FAVOR, RECLAMATION BY ANY GOVERNMENTAL PAYOR, ANY DISPUTE WITHIN THE SCOPE OF THE "ACCOUNT DISPUTE; INDEMNITY; LIMITATION ON LIABILITY" SECTION BELOW OR ANY OTHER REASON. IN THE EVENT OF ANY SUCH LOSS, WE MAY ENFORCE THE FOREGOING INDEMNITY BY SETTING OFF THE AMOUNT OF SUCH LOSS AGAINST (OR BY EXERCISING ANY SECURITY INTEREST WE MAY HAVE IN) ANY OTHER ACCOUNT WITH US IN WHICH YOU, THE FIDUCIARY, HAVE AN INTEREST (UNLESS YOUR INTEREST IN SUCH ACCOUNT IS ONLY AS A FIDUCIARY), AND WE WILL NOT BE LIABLE TO YOU OR TO ANYONE ELSE FOR THE DISHONOR OF ANY ITEM OR ORDER ON SUCH OTHER ACCOUNT WHICH RESULTS FROM SUCH SET-OFF OR EXERCISE OF OUR SECURITY INTEREST.

SIGNATURE BY MARK - If any signature which appears on page 1 of this Agreement is by mark (such as an "X"), then you agree that we will have no liability whatsoever on claims by you or any other person based on forgery, unauthorized signature, alteration or the like.

ACCOUNT DISPUTE; INDEMNITY; LIMITATION ON LIABILITY - IN THE EVENT OF ANY DISPUTE REGARDING THIS ACCOUNT, INCLUDING ANY DISPUTE OVER OWNERSHIP OF OR ENTITLEMENT TO THIS ACCOUNT OR THE CAPACITY OR AUTHORITY OF ANY PERSON TO TRANSACT ON THIS ACCOUNT, YOU AGREE TO PAY OUR REASONABLE ATTORNEYS' FEES AND EXPENSES IN THE EVENT THAT WE BECOME INVOLVED IN ANY PROCEEDING TO RESOLVE SUCH DISPUTE. IN THE EVENT OF SUCH DISPUTE WE MAY PAY THE AVAILABLE BALANCE OF THIS ACCOUNT INTO COURT, AND IN THAT EVENT YOU AGREE NOT TO MAKE ANY CLAIM AGAINST US. ADDITIONALLY, TO THE EXTENT PERMITTED BY LAW, YOU AGREE TO INDEMNIFY US, OUR DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS ARISING FROM OR IN ANY WAY RELATING TO ANY SUCH DISPUTE. YOU ALSO AGREE THAT WE SHALL BE ENTITLED TO RECOVER OUR REASONABLE ATTORNEY'S FEES AND EXPENSES IN CONNECTION WITH SUCH PAYMENT INTO COURT AND THAT WE MAY RECOVER SUCH FEES AND EXPENSES FROM THE BALANCE PAID INTO COURT.

IN THE EVENT OF ANY KIND OF CLAIM BY YOU AGAINST US IN CONNECTION WITH THIS ACCOUNT, YOU AGREE THAT WE WILL NOT BE LIABLE TO YOU FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES.

GOVERNING LAW; PROCESS; REPRESENTATIVES - With regard to any account established online, this Agreement is governed by the laws of Mississippi and by federal law and regulation. Otherwise, this Agreement is governed by the laws of the state of the location of our branch identified on the first page of this form and by federal law and regulation. Notwithstanding this, we may honor any levy, attachment, garnishment, execution, subpoena, court order, administrative order (including child support order) or other legal process which names you or which encompasses you, this account or any tax identification number associated with this account, regardless of whether we are subject to the jurisdiction of the issuer of such, regardless of in which state such is served on us and regardless of how such is served on us. We are not required to raise any defense in your behalf. We may also comply with the directions of any executor, administrator, conservator, guardian, receiver, bankruptcy trustee, attorney-in-fact or any other such representative purporting to have authority over this account who furnishes us with apparently authentic copies of documents which confer such authority. We may refuse to deal with any such representative in our sole discretion, and we will not be liable to you for such refusal. You agree that we may place temporary or permanent holds on the balance of this account related to or otherwise in response to any such process or authority and that we shall be fully protected in doing so, even if we later determine that such process or authority is inapplicable to this account. YOU AGREE THAT WE WILL NOT BE LIABLE TO YOU OR TO ANY OTHER PERSON FOR ACTING OR NOT ACTING ON ANY SUCH PROCESS OR FOR ACTING OR NOT ACTING ON THE DIRECTIONS OF ANY SUCH REPRESENTATIVE OR FOR PLACING OR NOT PLACING TEMPORARY OR PERMANENT HOLDS, AND YOU AGREE TO INDEMNIFY US, OUR DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS ARISING FROM OR IN ANY WAY RELATING TO SUCH ACTION OR INACTION.

EFFECT OF TERMINATION OR AMENDMENT - Termination of this account, whether by us or by you, does not relieve you of any obligation you may then owe us. We may accept deposits to this account after it has been closed in order to collect any deficit balance, and such acceptance will not constitute reinstatement of the account. Your use of this account after we give you notice of any amendment to this agreement constitutes your acceptance of such amendment. No amendment of this Agreement is enforceable against us unless it is in writing and we have authored the writing or have signed it through an employee having authority to do so, such as a regional president. No practice or course of dealing in connection with this account which is at variance with this agreement shall constitute a modification or amendment of this agreement.

OTHER TERMS - This account is additionally governed by our Account Information Statement. You acknowledge receipt of a copy of the Account Information Statement and you agree to be bound by its terms, as amended by us from time to time, and to be responsible for all fees and charges set forth therein which apply to this account. You understand that the Account Information Statement does not necessarily set forth all possible fees and charges which apply to this account.

SEVERABILITY - In the event that any part of this Agreement is determined to be unenforceable, such will not affect the other parts of this Agreement, all of which shall remain fully enforceable.

ARBITRATION - IF THIS ACCOUNT IS A COMMERCIAL PURPOSE ACCOUNT, THEN YOU AGREE THAT ANY CLAIM, DISPUTE OR CONTROVERSY ("CLAIM") BY EITHER YOU OR US AGAINST THE OTHER, OR AGAINST THE EMPLOYEES, AGENTS OR ASSIGNS OF THE OTHER, ARISING FROM OR RELATING IN ANY WAY TO THIS AGREEMENT, THIS ACCOUNT OR ANY TRANSACTION, INCLUDING CLAIMS REGARDING THE APPLICABILITY OF THIS ARBITRATION CLAUSE OR THE VALIDITY OF ALL OR ANY PART OF THIS AGREEMENT, SHALL BE RESOLVED BY BINDING ARBITRATION BY THE NATIONAL ARBITRATION FORUM, UNDER THE CODE OF PROCEDURE IN EFFECT AT THE TIME THE CLAIM IS MADE OR FILED. RULES AND FORMS OF THE NATIONAL ARBITRATION FORUM MAY BE OBTAINED AND CLAIMS MAY BE FILED AT ANY NATIONAL ARBITRATION FORUM OFFICE, WWW.ARBITRATION-FORUM.COM OR POST OFFICE BOX 50191, MINNEAPOLIS, MINNESOTA 55405, TELEPHONE 1-800-474-2371. ANY ARBITRATION HEARING AT WHICH YOU APPEAR WILL TAKE PLACE IN THE CITY WHICH IS THE LOCATION OF OUR BRANCH AT WHICH THIS ACCOUNT WAS OPENED. THIS ARBITRATION AGREEMENT IS MADE PURSUANT TO A TRANSACTION INVOLVING INTERSTATE COMMERCE AND SHALL BE GOVERNED BY THE FEDERAL ARBITRATION ACT, 9 U.S.C. SECTIONS 1-16. JUDGMENT UPON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. IN THE ABSENCE OF THIS ARBITRATION AGREEMENT YOU AND WE MAY OTHERWISE HAVE HAD A RIGHT OR OPPORTUNITY TO LITIGATE CLAIMS THROUGH A COURT AND/OR TO PARTICIPATE OR BE REPRESENTED IN LITIGATION FILED IN COURT BY OTHERS, BUT EXCEPT AS OTHERWISE PROVIDED ABOVE, ALL CLAIMS MUST NOW BE RESOLVED THROUGH ARBITRATION.

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 6

Terms & Conditions :Layout 1 6/4/07 4:24 PM Page 1

Deposit Account Terms and Conditions

Effective August 1, 2007



BancorpSouth[®]

Member FDIC

Right Where You AreSM

EFFECTIVE AUGUST 1, 2007, THE FOLLOWING TERMS AND CONDITIONS WILL SUPERSEDE AND REPLACE THE TERMS AND CONDITIONS WHICH HAVE PREVIOUSLY GOVERNED YOUR ACCOUNT AT THE SIGNATURE BANK. YOUR USE OF ANY ACCOUNT IN ANY WAY ON OR AFTER AUGUST 1, 2007, CONSTITUTES YOUR ACCEPTANCE OF AND AGREEMENT TO THE FOLLOWING NEW TERMS AND CONDITIONS.

AGREEMENT – These terms govern the operation of your account unless varied or supplemented in writing by amendment as provided herein. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so that the singular includes the plural and the plural includes the singular. As used in this agreement, the words "we," "our," or "us" mean BancorpSouth Bank, formerly known as The Signature Bank, and the words "you" or "your" mean the account owner(s). Your account may not be transferred, pledged or assigned without our written consent, and we reserve the right to withhold such consent for any reason. Much of our relationship with our deposit customers is regulated by state and federal law, especially the law relating to negotiable instruments, the law regulating the methods of transferring property upon death and the rights of surviving spouses and dependents, the law pertaining to estate and other succession taxes, the law regarding electronic funds transfer, and the law regarding the availability of deposited funds. This body of law is too large and complex to be reproduced here.

The purpose of this form is to:

(1) summarize the rules applicable to the more common transactions; (2) establish rules to govern transactions or circumstances which the law does not regulate; and (3) establish rules for certain events or transactions which the law already regulates but permits variation by agreement.

LIABILITY – Each of you agrees, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges that may be imposed. You authorize us to deduct these charges as accrued directly from the account balance. You also agree to pay additional reasonable charges we may impose for services you request which are not contemplated by this agreement. Each of you also agrees to be jointly and severally (solitarily) liable for any account deficit resulting from charges or overdrafts, whether caused by you or another authorized to withdraw from this account, and the costs we incur to collect the deficit including our reasonable attorneys' fees.

DEPOSITS – Any items, other than cash, accepted for deposit (including items drawn "on us") will be given provisional credit only until collection is final (and actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars). Applicable law may require us to make your deposits available for withdrawal before payment becomes final or before the expiration of other banks' deadlines to return your deposited items to us for refund. You agree that our making all or any part of a deposit available to you for withdrawal is not a waiver of our right to charge back to this account any deposited item which is returned to us unpaid or for refund; instead, we may charge back to this account, and you will be responsible for, all such items. Subject to any other limitations, interest will be paid only on collected funds, unless otherwise provided by law. We are not responsible for transactions initiated by mail or outside depository until we actually record them. All transactions received after our daily cut-off time on a business day we are open (a "banking day"), or received on a day in which we are not open for business, will be treated and recorded as if initiated on the next following banking day. Our daily cut-off time varies from location to location and is posted at each of our locations.

WITHDRAWALS – Any one of you who has signed the signature page of your The Signature Bank account agreement, including authorized signers, may withdraw or transfer all or any part of the account balance at any time on forms approved by us. However, we reserve the right to limit the amount of any withdrawal in cash where, for example, currency in the amount of the withdrawal is not available at our branch or your withdrawal exceeds the amount we allow via automatic teller machine or if the cash supply of the automatic teller machine is depleted. Each of you authorizes each other person who has signed the signature page of your The Signature Bank account agreement to endorse any item payable to you or your order for deposit to this account or any other transaction with us. You agree that our right to charge a check against this account does not depend on the date of the check. Therefore, we may charge a check against this account before the date of the check or at any time thereafter, provided, however, that we may, but are not required to,

refuse to pay a check which appears on its face to be more than six months old. In any event, we will not be liable to you for charging against this account a check before its date or after it is more than six months old. The fact that we may honor withdrawal requests which overdraw the finally collected account balance does not obligate us to do so. Withdrawals will first be made from collected funds, and we may, unless prohibited by law, refuse any withdrawal request against uncollected funds, even if our general practice is to the contrary. We reserve the right to refuse any withdrawal or transfer request which is attempted by any method not specifically permitted, which is for an amount less than any minimum withdrawal requirement, or which exceeds any frequency limitation. Even if we honor a nonconforming request, we may close the account in the event of repeated abuse of the stated limitations. We will use the date a transaction is completed by us (as opposed to the day you initiate it) to apply the frequency limitations. On interest bearing accounts other than time deposits, we reserve the right to require at least seven days' written notice before any withdrawal or transfer.

ACH, WIRE AND FUNDS TRANSFERS – We may decline to process any wire or funds transfer which is not subject to Regulation E or the Electronic Funds Transfer Act until you enter into a separate Funds Transfer Agreement with us. If we process any wire or funds transfer for you before you enter into a separate Funds Transfer Agreement, with respect to each such transfer you will be bound by the terms of this section. You agree to be bound by all rules and regulations governing any system through which any transfer occurs, including, but not limited to, any ACH rules, NACHA rules and the rules and regulations pertaining to Fedwire, the electronic transfer system of the Federal Reserve Banks. We may make wire or funds transfers by any means available to us, including, but not limited to, through our correspondent banks or by internal book entry. We have no obligation to notify you of incoming wire or funds transfers. Any credit for incoming wire or funds transfers is provisional until we have received final payment. If we do not receive final payment, we may reverse the credit. We may permit any of you or any authorized signer to order wire or other funds transfers from this account by telephone, in person, by written instruction, or by any other means acceptable to us, subject to any time deadlines or other conditions or procedures which we may establish. Wire and funds transfers are made only through the use of identifying numbers for the recipient bank and account, without regard to any names which may be furnished for any recipient bank or account. You must furnish the correct identifying numbers to us in connection with each wire or funds transfer. Funds will be wired or transferred in accordance with the identifying numbers you furnish us (or the identifying numbers which you use, if you are originating an ACH transaction, even if an identifying number is incorrect or is inconsistent with any name you may use or furnish us. In such event, we will not be responsible for your error, the transfer will not be considered an unauthorized transaction, and any loss will be entirely yours. Any instructions you may give us in connection with a wire or funds transfer will not be binding on us unless we have agreed to such instructions in writing. You must strictly observe all deadlines we impose for the processing of wire and funds transfers. We will not be responsible for any delay or other consequences which result from your failure to comply with any of these deadlines. You have no right to cancel or change any wire or funds transfer after you submit it to us. Any attempt by us to cancel or change any wire or funds transfer at your request will not constitute the assumption of any duty by us. You assume all risk associated with international wire or funds transfers. We will not be liable to you in any way in connection with an international wire or funds transfer, whether for failure of delivery, delayed delivery, fluctuations in exchange rates or for any other reason. If any incoming wire or funds transfer is denominated in a foreign currency, you authorize us to convert such to U. S. Dollars according to such exchange rate which we may select at our discretion. You acknowledge and agree that such exchange rate may not be the most favorable rate of exchange published and that you will be bound by our choice of exchange rate. If you provide your account number or any other account identifying information to any third party and such third party originates any funds transfer transaction on this account, you agree that we may treat such transaction as a transaction authorized by you.

OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION – You intend these rules to apply to this account depending on the form of ownership and beneficiary designation, if any, specified on the signature page of your The Signature Bank account agreement. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we

pay the account funds. Individual Account -- is owned by one person. Joint -- With Survivorship (and not as a Tenancy by the Entirety or as Tenants in Common) (hereinafter referred to as a "Multiple Party Account") -- is owned by two or more persons jointly with right of survivorship and not as tenants in common, regardless of the conjunction ("or", "and") used between the depositors' names. Each of you expressly agrees that the account is not owned as a tenancy by the entireties. Each of you intends that upon your death the balance in the account (subject to any previous pledge to which we have consented) will vest in and belong to the survivor(s) as the separate property and estate of such survivor(s). If two or more of you survive, you will own the balance in the account as joint tenants with survivorship and not as tenants in common. Joint -- As Tenants in Common Without Survivorship (and not as Tenancy by the Entirety) -- will be automatically converted on August 1, 2007 to a Multiple Party Account, will become subject to the Multiple Party Account rules stated above, with survivorship, and will no longer be treated as owned by tenants in common. Husband and Wife as a Tenancy by the Entirety -- will be automatically converted on August 1, 2007 to a Multiple Party Account, will become subject to the Multiple Party Account rules stated above, with survivorship, and will no longer be treated as owned by tenants by the entirety. Transactions on Multiple Party Accounts do not require the signatures of all account owners to transact on the account. Instead, any account owner may transact on the account to the exclusion of the other(s), and each of you authorize each other of you to do so without further consent. Pay On Death Account -- Pay-On-Death beneficiaries acquire the right to withdraw only if: (1) all persons creating the account die, (2) the beneficiary is then living, and (3) we are not otherwise required by law to make payment to some other person. If two or more beneficiaries are named and survive the death of all persons creating the account, such beneficiaries will own this account and may transact on it according to the Multiple Party Account rules stated above unless otherwise provided by law. The person(s) creating a Pay-On-Death Account reserves the right to: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the deposit at any time. If two or more of you create such a Pay-On-Death Account, you own the account according to the Multiple Party Account rules stated above until the last of you dies. Trust -- Separate Agreement (hereinafter referred to as a "Fiduciary Account") -- A Fiduciary Account, whether for a consumer or a commercial purpose, is one in which the person controlling the account does so for the benefit of another. Examples of fiduciaries are trustees, executors, conservators, custodians for minors, representative payees and court-appointed guardians. For purposes of this agreement, guardians such as parents or other relatives who have not been court-appointed or persons who have not complied with necessary provisions of any applicable transfer to minors laws are not fiduciaries. We are not a fiduciary in connection with this account. For fiduciary accounts, we will usually require, in the case of trustees, a trust resolution according to our form, and in all other cases documents evidencing the fiduciary's authority. We have no duty to inspect any will or trust document, and you agree that we will not be bound by any limitations imposed in a will or trust document. You agree that a Fiduciary Account is a general deposit and not a special deposit. Corporate, Partnership, LLC, Government and other Business Purpose Accounts -- We will usually require a separate resolution in a form acceptable to us designating the person permitted and conditions required for withdrawal from any account in the name of a legal entity such as a partnership, corporation, LLC, governmental entity or other organization.

STOP PAYMENTS -- A stop payment order must be given in the manner required by law and must be received in time to give us a reasonable opportunity to act on it before our stop payment cut off time. Our stop payment cut off time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop payment are provided by law. A stop payment order must precisely identify the number, date and amount of the item, and the payee. We will honor a stop payment request by the person who signed the particular item, and, by any other person, even though such other person did not sign the item, if such other person has an equal or greater right to withdraw from this account than the person who signed the item in question. A release of the stop payment request may be made only by the person who initiated the stop payment.

AMENDMENTS AND TERMINATION -- We may change any term of this agreement or any of the disclosures previously given to you. Rules governing changes in interest rates are provided separately. For other changes we will give you reasonable notice in writing or by any other method permitted by law. We

may also close this account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Notice from us to any one of you is notice to all of you unless otherwise provided by law.

STATEMENTS – You must examine your statement of account with reasonable promptness. If you discover (or reasonably should have discovered) any forgeries, unauthorized payments, alterations or disputed transactions, you must promptly notify us of the relevant facts. Even if you do promptly notify us, you still may have to either share the loss with us or bear the loss entirely yourself (depending on whether you exercised ordinary care or substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items forged or altered by the same wrongdoer. You agree that the time you have to examine your statement and report to us will not, in any circumstance, exceed a total of 60 days from when the statement is first made available to you.

You further agree that if you fail to report any unauthorized signatures, alterations, forgeries, unauthorized activity or any other errors or disputed transactions in this account within 60 days of when we make the statement available, you cannot assert a claim against us on any items in that statement, and the loss will be entirely yours.

You also agree to examine your statement with the same reasonable promptness to discover whether any deposit is missing or has been incorrectly credited. If your statement of account contains any error pertaining to any deposit, and if you fail to report such error to us within 60 days of when we make the statement available, you cannot assert a claim against us for such error, and any loss will be entirely yours.

The 60 day limitations set forth in this section are without regard to whether we exercised ordinary care.

If this account is a commercial purpose account, you additionally agree to take advantage of products and services we offer for the detection and prevention of fraud and unauthorized transactions, such as "Positive Pay" cash management products. If you fail to utilize any such product or service, you agree that you will be precluded from asserting any claim against us for any unauthorized transaction which could have been prevented by the proper use of such product or service.

We may require any report of errors on your statement to be put in writing by you and we may additionally require you to furnish us with an affidavit concerning the error on forms acceptable to us. If this account is a commercial purpose account, you agree to exhaust all rights against any insurance coverage you may have before making any claim against us. Our liability to you, if any, will be reduced by the amount of any insurance you are entitled to receive. You agree, upon request by us, to assign to us all insurance rights you may have in connection with any loss on your commercial purpose account.

DIRECT DEPOSITS – If, in connection with a direct deposit plan, we deposit any amount in this account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from this account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

SET OFF – You each agree that we may without prior notice to you set off the funds in this account against any due and payable debt owed to us now or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including any balance the due date for which we properly accelerate under the note. This right of set-off applies regardless of the source of the deposit, and you consent that we may exercise this right of set-off against deposits which consist in whole or in part of government payments, including, but not limited to, Social Security and Veterans Administration payments. This right of set off does not apply to this account if: (a) it is an Individual Retirement Account or other tax deferred retirement account, or (b) the debtor's right of withdrawal arises only in a representative capacity. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of set off.

FACSIMILE SIGNATURES – You authorize us, at any time, to charge you for all checks, drafts, or other orders or transactions, for the payment of money, that are drawn on us by facsimile signature, regardless of by whom or by what means the facsimile signature(s) may have been affixed.

AUTHORIZED SIGNERS – An authorized signer is someone you designate to conduct transactions on your behalf, but does not have any ownership or rights in the account unless the authorized signer is also named as a Pay on Death beneficiary, in which case the Pay-On-Death Account rules apply. Otherwise, the rights of an authorized signer cease upon your death but not upon your disability or incapacity; however, you agree that we will not be liable for honoring any transaction by an authorized signer after your death. We reserve the right to limit the number of authorized signers and to decline to permit authorized signers on certain types of accounts.

ACCOUNTS OWNED BY MINORS – If this is a Multiple Party Account and one or more of the account owners is a minor, all adult owners of the account jointly and severally agree that all transactions made on the account by any such minor shall be deemed to have been made by such adult owners, regardless of whether any such transaction may be void or voidable. EACH SUCH ADULT OWNER AGREES TO INDEMNIFY US AND HOLD US HARMLESS FROM ANY LOSS WE INCUR IN CONNECTION WITH ANY TRANSACTION MADE BY ANY SUCH MINOR.

REFUSAL OF DEPOSITS – We may refuse to accept any item, wire or electronic funds transfer for deposit or to send any item for collection, and we will have no liability to you or to any other person for such refusal.

ORDER OF PAYMENT – If more than one item or order is presented for payment against this account on the same day and the available balance of this account is insufficient to pay them all, we may pay any of them in any order we choose, even if the order we choose results in greater insufficient funds fees than if we had chosen to pay them in some other order. Our payment of any item or order in overdraft does not create any obligation for us to pay any other item or order in overdraft in the future, and you agree that no course of dealing regarding the payment of items or orders in overdraft will be created between us.

ERRORS – If there occurs any error on this account in your favor, such as crediting this account for any amount to which you are not entitled, charging this account for an amount less than the amount of an item or other order, or receipt of any direct deposit to which you are not entitled, you agree that we may adjust this account to correct the error and that, if there are insufficient funds in this account for such adjustment, you will immediately pay us the amount necessary to correct the error. You agree to pay our reasonable attorneys' fees and expenses in the event we sue you to recover the amount necessary to correct the error.

DEPOSITS NOT MADE IN PERSON – We are not responsible for transactions initiated by mail, outside depository or left with us for subsequent processing until we actually record them, and you accept and assume all risks inherent in initiating such transactions. For deposits so initiated, our determination of the amount of the deposit will be conclusive, and you waive any right to contest our determination.

RESTRICTIVE LEGENDS – For your own purposes you may print or write on checks or other items restrictive legends specifying the number of signatures required, the maximum amount for which the check or item is payable, the number of days the check or item is valid and similar restrictions. However, you agree that such restrictions shall not be binding on us, that we may disregard such restrictions and that we will have no liability to you or to any other person for paying any check or other item inconsistently with any restrictive legend that is printed or written thereon.

CHECK CHARACTERISTICS – If you use checks from sources other than vendors approved by us, or if you use check stock, security features or ink color which cause data to disappear or to become obscured when the check is converted into an image, you agree to bear any loss which results. We will not be liable for failing to honor a stop-payment order for an item issued on a check form from sources other than vendors approved by us.

SECURITY INTEREST – In addition to the rights of set-off which we have under this Agreement, you hereby grant to us a security interest in this account to secure payment of any obligation which you now owe us or which you may owe us at any time in the future, including your obligation to pay our attorneys' fees and expenses and your obligation to indemnify us as provided elsewhere in this Agreement. When any such obligation is due and payable to us, we may pay such obligation, or any part thereof, from this account without prior notice to you, and we will not be liable for the dishonor of any item or order which results from such exercise of our security interest. If this account has any pay-on-death beneficiary, the interests of such benefi-

ciary shall be junior to our security interest and shall be subject to our right of set-off, even if we do not exercise our security interest or right of set-off until after your death.

PAYMENT TO BENEFICIARIES – Payment to pay-on-death beneficiaries shall be as provided by law. Notwithstanding anything in the Pay-on-Death Account rules stated above, we may require any pay-on-death beneficiary wishing to continue transactions with us to close this account and open a new account under such beneficiary's signature.

INDEMNIFICATION BY FIDUCIARY -- IF THIS ACCOUNT IS A FIDUCIARY ACCOUNT (INCLUDING, BUT NOT LIMITED TO, AN ACCOUNT USED AS A CUSTODIAL ACCOUNT OR AS A REPRESENTATIVE PAYEE ACCOUNT TO RECEIVE PAYMENTS FROM THE SOCIAL SECURITY ADMINISTRATION OR ANY OTHER GOVERNMENTAL PAYOR), YOU, THE FIDUCIARY, AGREE IN YOUR INDIVIDUAL CAPACITY TO INDEMNIFY US AND HOLD US HARMLESS FROM ANY LOSS WE INCUR IN CONNECTION WITH THIS ACCOUNT, WHETHER RESULTING FROM OVERDRAFT, ERROR IN YOUR FAVOR, RECLAMATION BY ANY GOVERNMENTAL PAYOR, ANY DISPUTE WITHIN THE SCOPE OF THE "ACCOUNT DISPUTE; INDEMNITY; LIMITATION ON LIABILITY" SECTION BELOW OR ANY OTHER REASON. IN THE EVENT OF ANY SUCH LOSS, WE MAY ENFORCE THE FOREGOING INDEMNITY BY SETTING OFF THE AMOUNT OF SUCH LOSS AGAINST (OR BY EXERCISING ANY SECURITY INTEREST WE MAY HAVE IN) ANY OTHER ACCOUNT WITH US IN WHICH YOU, THE FIDUCIARY, HAVE AN INTEREST (UNLESS YOUR INTEREST IN SUCH ACCOUNT IS ONLY AS A FIDUCIARY), AND WE WILL NOT BE LIABLE TO YOU OR TO ANYONE ELSE FOR THE DISHONOR OF ANY ITEM OR ORDER ON SUCH OTHER ACCOUNT WHICH RESULTS FROM SUCH SET-OFF OR EXERCISE OF OUR SECURITY INTEREST.

SIGNATURE BY MARK – If any signature which appears on the signature page of your The Signature Bank account agreement is by mark (such as an "X"), then you agree that we will have no liability whatsoever on claims by you or any other person based on forgery, unauthorized signature, alteration or the like.

ACCOUNT DISPUTE; INDEMNITY; LIMITATION ON LIABILITY -- IN THE EVENT OF ANY DISPUTE REGARDING THIS ACCOUNT, INCLUDING ANY DISPUTE OVER OWNERSHIP OR ENTITLEMENT TO THIS ACCOUNT OR THE CAPACITY OR AUTHORITY OF ANY PERSON TO TRANSACT ON THIS ACCOUNT, YOU AGREE TO PAY OUR REASONABLE ATTORNEYS' FEES AND EXPENSES IN THE EVENT THAT WE BECOME INVOLVED IN ANY PROCEEDING TO RESOLVE SUCH DISPUTE. IN THE EVENT OF SUCH DISPUTE WE MAY PAY THE AVAILABLE BALANCE OF THIS ACCOUNT INTO COURT, AND IN THAT EVENT YOU AGREE NOT TO MAKE ANY CLAIM AGAINST US. ADDITIONALLY, TO THE EXTENT PERMITTED BY LAW, YOU AGREE TO INDEMNIFY US, OUR DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS ARISING FROM OR IN ANY WAY RELATING TO ANY SUCH DISPUTE. YOU ALSO AGREE THAT WE SHALL BE ENTITLED TO RECOVER OUR REASONABLE ATTORNEY'S FEES AND EXPENSES IN CONNECTION WITH SUCH PAYMENT INTO COURT AND THAT WE MAY RECOVER SUCH FEES AND EXPENSES FROM THE BALANCE PAID INTO COURT. IN THE EVENT OF ANY KIND OF CLAIM BY YOU AGAINST US IN CONNECTION WITH THIS ACCOUNT, YOU AGREE THAT WE WILL NOT BE LIABLE TO YOU FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES.

GOVERNING LAW; PROCESS; REPRESENTATIVES – This Agreement is governed by the laws of the state of the location of our branch identified on the signature page of your The Signature Bank account agreement and by federal law and regulation. Notwithstanding this, we may honor any levy, attachment, garnishment, execution, subpoena, court order, administrative order (including child support order) or other legal process which names you or which encompasses you, this account or any tax identification number associated with this account, regardless of whether we are subject to the jurisdiction of the issuer of such, regardless of in which state such is served on us and regardless of how such is served on us. We are not required to raise any defense in your behalf. We may also comply with the directions of any executor, administrator, conservator, guardian, receiver, bankruptcy trustee, attorney-in-fact or any other such representative purporting to

have authority over this account who furnishes us with apparently authentic copies of documents which confer such authority. We may refuse to deal with any such representative in our sole discretion, and we will not be liable to you for such refusal. You agree that we may place temporary or permanent holds on the balance of this account related to or otherwise in response to any such process or authority and that we shall be fully protected in doing so, even if we later determine that such process or authority is inapplicable to this account. YOU AGREE THAT WE WILL NOT BE LIABLE TO YOU OR TO ANY OTHER PERSON FOR ACTING OR NOT ACTING ON ANY SUCH PROCESS OR FOR ACTING OR NOT ACTING ON THE DIRECTIONS OF ANY SUCH REPRESENTATIVE OR FOR PLACING OR NOT PLACING TEMPORARY OR PERMANENT HOLDS, AND YOU AGREE TO INDEMNIFY US, OUR DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS ARISING FROM OR IN ANY WAY RELATING TO SUCH ACTION OR INACTION.

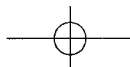
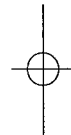
EFFECT OF TERMINATION OR AMENDMENT – Termination of this account, whether by us or by you, does not relieve you of any obligation you may then owe us. We may accept deposits to this account after it has been closed in order to collect any deficit balance, and such acceptance will not constitute reinstatement of the account. Your use of this account after we give you notice of any amendment to this agreement constitutes your acceptance of such amendment. No amendment of this agreement is enforceable against us unless it is in writing and we have authored the writing or have signed it through an employee having authority to do so, such as a regional president. No practice or course of dealing in connection with this account which is at variance with this agreement shall constitute a modification or amendment of this agreement.

OTHER ITEMS – This account is additionally governed by our Account Information Statement. You acknowledge receipt of a copy of the Account Information Statement and you agree to be bound by its terms, as amended by us from time to time, and to be responsible for all fees and charges set forth therein which apply to this account. You understand that the Account Information Statement does not necessarily set forth all possible fees and charges which apply to this account.

SEVERABILITY – In the event that any part of this agreement is determined to be unenforceable, such will not affect the other parts of this agreement, all of which shall remain fully enforceable.

ARBITRATION – IF THIS ACCOUNT IS A COMMERCIAL PURPOSE ACCOUNT, THEN YOU AGREE THAT ANY CLAIM, DISPUTE OR CONTROVERSY ("CLAIM") BY EITHER YOU OR US AGAINST THE OTHER, OR AGAINST THE EMPLOYEES, AGENTS OR ASSIGNS OF THE OTHER, ARISING FROM OR RELATING IN ANY WAY TO THIS AGREEMENT, THIS ACCOUNT OR ANY TRANSACTION, INCLUDING CLAIMS REGARDING THE APPLICABILITY OF THIS ARBITRATION CLAUSE OR THE VALIDITY OF ALL OR ANY PART OF THIS AGREEMENT, SHALL BE RESOLVED BY BINDING ARBITRATION BY THE NATIONAL ARBITRATION FORUM, UNDER THE CODE OF PROCEDURE IN EFFECT AT THE TIME THE CLAIM IS MADE OR FILED. RULES AND FORMS OF THE NATIONAL ARBITRATION FORUM MAY BE OBTAINED AND CLAIMS MAY BE FILED AT ANY NATIONAL ARBITRATION FORUM OFFICE, WWW.ARBITRATION-FORUM.COM OR POST OFFICE BOX 50191, MINNEAPOLIS, MINNESOTA 55405, TELEPHONE 1-800-474-2371. ANY ARBITRATION HEARING AT WHICH YOU APPEAR WILL TAKE PLACE IN THE CITY WHICH IS THE LOCATION OF OUR BRANCH AT WHICH THIS ACCOUNT WAS OPENED. THIS ARBITRATION AGREEMENT IS MADE PURSUANT TO A TRANSACTION INVOLVING INTER-STATE COMMERCE AND SHALL BE GOVERNED BY THE FEDERAL ARBITRATION ACT, 9 U.S.C. SECTIONS 1-16. JUDGMENT UPON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. IN THE ABSENCE OF THIS ARBITRATION AGREEMENT YOU AND WE MAY OTHERWISE HAVE HAD A RIGHT OR OPPORTUNITY TO LITIGATE CLAIMS THROUGH A COURT AND/OR TO PARTICIPATE OR BE REPRESENTED IN LITIGATION FILED IN COURT BY OTHERS, BUT EXCEPT AS OTHERWISE PROVIDED ABOVE, ALL CLAIMS MUST NOW BE RESOLVED THROUGH ARBITRATION.

Terms & Conditions :Layout 1 6/4/07 4:24 PM Page 9



Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 7

YOUR DEPOSIT ACCOUNT TERMS AND CONDITIONS AGREEMENT

AGREEMENT - These terms govern the operation of this account unless varied or supplemented in writing by amendment as provided herein. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so that the singular includes the plural and the plural includes the singular. As used in this agreement, the words "we," "our," or "us" mean BancorpSouth Bank and the words "you" or "your" mean the account owner(s). This account may not be transferred, pledged or assigned without our written consent, and we reserve the right to withhold such consent for any reason.

Much of our relationship with our deposit customers is regulated by state and federal law, especially the law relating to negotiable instruments, the law regulating the methods of transferring property upon death and the rights of surviving spouses and dependents, the law pertaining to estate and other succession taxes, the law regarding electronic funds transfer, and the law regarding the availability of deposited funds. This body of law is too large and complex to be reproduced here.

The purpose of this form is to:

- (1) summarize the rules applicable to the more common transactions;
- (2) establish rules to govern transactions or circumstances which the law does not regulate; and
- (3) establish rules for certain events or transactions which the law already regulates but permits variation by agreement.

LIABILITY - Each of you agrees, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges that may be imposed. You authorize us to deduct these charges as accrued directly from the account balance. You also agree to pay additional reasonable charges we may impose for services you request which are not contemplated by this agreement. Each of you also agrees to be jointly and severally (solidarily) liable for any account deficit resulting from charges or overdrafts, whether caused by you or another authorized to withdraw from this account, and the costs we incur to collect the deficit including our reasonable attorneys' fees.

DEPOSITS - Any items, other than cash, accepted for deposit (including items drawn "on us") will be given provisional credit only until collection is final (and actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars). Applicable law may require us to make your deposits available for withdrawal before payment becomes final or before the expiration of other banks' deadlines to return your deposited items to us for refund. You agree that our making all or any part of a deposit available to you for withdrawal is not a waiver of our right to charge back to this account any deposited item which is returned to us unpaid or for refund; instead, we may charge back to this account, and you will be responsible for, all such items. Subject to any other limitations, interest will be paid only on collected funds, unless otherwise provided by law. We are not responsible for transactions initiated by mail or outside depository until we actually record them. All transactions received after our daily cut-off time on a business day we are open (a "banking day"), or received on a day in which we are not open for business, will be treated and recorded as if initiated on the next following banking day. Our daily cut-off time varies from location to location and is posted at each of our locations.

WITHDRAWALS - Any one of you who signs this form, including authorized signers, may withdraw or transfer all or any part of the account balance at any time on forms approved by us. However, we reserve the right to limit the amount of any withdrawal in cash where, for example, currency in the amount of the withdrawal is not available at our branch or your withdrawal exceeds the amount we allow via automatic teller machine or if the cash supply of the automatic teller machine is depleted. Each of you authorizes each other person signing this form to endorse any item payable to you or your order for deposit to this account or any other transaction with us. You agree that our right to charge a check against this account does not depend on the date of the check. Therefore, we may charge a check against this account before the date of the check or at any time thereafter, provided, however, that we may, but are not required to, refuse to pay a check which appears on its face to be more than six months old. In any event, we will not be liable to you for charging against this account a check before its date or after it is more than six months old. The fact that we may honor withdrawal requests which overdraw the finally collected account balance does not obligate us to do so. Withdrawals will first be made from

collected funds, and we may, unless prohibited by law, refuse any withdrawal request against uncollected funds, even if our general practice is to the contrary. We reserve the right to refuse any withdrawal or transfer request which is attempted by any method not specifically permitted, which is for an amount less than any minimum withdrawal requirement, or which exceeds any frequency limitation. Even if we honor a nonconforming request, we may close the account in the event of repeated abuse of the stated limitations. We will use the date a transaction is completed by us (as opposed to the day you initiate it) to apply the frequency limitations. On interest bearing accounts other than time deposits, we reserve the right to require at least seven days' written notice before any withdrawal or transfer.

ACH, WIRE AND FUNDS TRANSFERS - We may decline to process any wire or funds transfer which is not subject to Regulation E or the Electronic Funds Transfer Act until you enter into a separate Funds Transfer Agreement with us. If we process any wire or funds transfer for you before you enter into a separate Funds Transfer Agreement, with respect to each such transfer you will be bound by the terms of this section. You agree to be bound by all rules and regulations governing any system through which any transfer occurs, including, but not limited to, any ACH rules, NACHA rules and the rules and regulations pertaining to Fedwire, the electronic transfer system of the Federal Reserve Banks. We may make wire or funds transfers by any means available to us, including, but not limited to, through our correspondent banks or by internal book entry. We have no obligation to notify you of incoming wire or funds transfers. Any credit for incoming wire or funds transfers is provisional until we have received final payment. If we do not receive final payment, we may reverse the credit. We may permit any of you or any authorized signer to order wire or other funds transfers from this account by telephone, in person, by written instruction, or by any other means acceptable to us, subject to any time deadlines or other conditions or procedures which we may establish. Wire and funds transfers are made only through the use of identifying numbers for the recipient bank and account, without regard to any names which may be furnished for any recipient bank or account. You must furnish the correct identifying numbers to us in connection with each wire or funds transfer. Funds will be wired or transferred in accordance with the identifying numbers you furnish us (or the identifying numbers which you use, if you are originating an ACH transaction, even if an identifying number is incorrect or is inconsistent with any name you may use or furnish us. In such event, we will not be responsible for your error, the transfer will not be considered an unauthorized transaction, and any loss will be entirely yours. Any instructions you may give us in connection with a wire or funds transfer will not be binding on us unless we have agreed to such instructions in writing. You must strictly observe all deadlines we impose for the processing of wire and funds transfers. We will not be responsible for any delay or other consequences which result from your failure to comply with any of these deadlines. You have no right to cancel or change any wire or funds transfer after you submit it to us. Any attempt by us to cancel or change or any wire or funds transfer at your request will not constitute the assumption of any duty by us. You assume all risk associated with international wire or funds transfers. We will not be liable to you in any way in connection with an international wire or funds transfer, whether for failure of delivery, delayed delivery, fluctuations in exchange rates or for any other reason. If any incoming wire or funds transfer is denominated in a foreign currency, you authorize us to convert such to U. S. Dollars according to such exchange rate which we may select at our discretion. You acknowledge and agree that such exchange rate may not be the most favorable rate of exchange published and that you will be bound by our choice of exchange rate. If you provide your account number or any other account identifying information to any third party and such third party originates any funds transfer transaction on this account, you agree that we may treat such transaction as a transaction authorized by you.

OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION - You intend these rules to apply to this account depending on the form of ownership and beneficiary designation, if any, specified on page 1. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds. **Single Party Account** - is owned by one person. **Multiple Party Account** - is owned by two or more persons jointly with right of survivorship and not as tenants in common, regardless of the conjunction ("or", "and") used

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between the depositors' names. Each of you expressly agrees that the account is not owned as a tenancy by the entireties. Each of you intends that upon your death the balance in the account (subject to any previous pledge to which we have consented) will vest in and belong to the survivor(s) of the separate property and estate of such survivor(s). If two or more of you survive, you will own the balance in the account as joint tenants with survivorship and not as tenants in common. Transactions on Multiple Party Accounts do not require the signatures of all account owners to transact on the account. Instead, any account owner may transact on the account to the exclusion of the other(s), and each of you authorize each other of you to do so without further consent. If this Agreement is governed by the laws of the state of Louisiana, the owners of a Multiple Party Account are co-owners of the account, and all or any part of any deposit may be paid to any one of you, whether any other of you is living or not, and any such payment to any of you shall constitute receipt and acquittance and shall fully release and discharge us from the claims of any person to funds of the deceased depositor for the payment made.

Pay On Death Account - Pay-On-Death beneficiaries acquire the right to withdraw only if: (1) all persons creating the account die, (2) the beneficiary is then living, and (3) we are not otherwise required by law to make payment to some other person. If two or more beneficiaries are named and survive the death of all persons creating the account, such beneficiaries will own this account and may transact on it according to the Multiple Party Account rules stated above unless otherwise provided by law. The person(s) creating a Pay-On-Death Account reserves the right to: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the deposit at any time. If two or more of you create such a Pay-On-Death Account, you own the account according to the Multiple Party Account rules stated above until the last of you dies.

Fiduciary Account - A Fiduciary Account, whether for a consumer or a commercial purpose, is one in which the person controlling the account does so for the benefit of another. Examples of fiduciaries are trustees, executors, conservators, custodians for minors, representative payees and court-appointed guardians. For purposes of this agreement, guardians such as parents or other relatives who have not been court-appointed or persons who have not complied with necessary provisions of any applicable transfer to minors laws are not fiduciaries. We are not a fiduciary in connection with this account. For fiduciary accounts, we will usually require, in the case of trustees, a trust resolution according to our form, and in all other cases documents evidencing the fiduciary's authority. We have no duty to inspect any will or trust document, and you agree that we will not be bound by any limitations imposed in a will or trust document. You agree that a Fiduciary Account is a general deposit and not a special deposit.

Corporation, Partnership, Limited Partnership, Limited Liability Company (LLC), Unincorporated Association, Government and other Organizational Accounts - We will usually require a separate resolution in a form acceptable to us designating the person permitted and conditions required for withdrawal from any account in the name of a legal entity such as a Corporation, Partnership, Limited Partnership, LLC, Unincorporated Association, governmental entity or other organization.

STOP PAYMENTS - A stop payment order must be given in the manner required by law and must be received in time to give us a reasonable opportunity to act on it before our stop payment cut off time. Our stop payment cut off time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop payment are provided by law. A stop payment order must precisely identify the number, date and amount of the item, and the payee. We will honor a stop payment request by the person who signed the particular item, and, by any other person, even though such other person did not sign the item, if such other person has an equal or greater right to withdraw from this account than the person who signed the item in question. A release of the stop payment request may be made only by the person who initiated the stop payment.

AMENDMENTS AND TERMINATION - We may change any term of this agreement or any of the disclosures indicated on the first page of this agreement. Rules governing changes in interest rates have been provided separately. For other changes we will give you reasonable notice in writing or by any other method permitted by law. We may also close this account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Notice from us to any one of you is notice to all of you unless otherwise provided by law.

STATEMENTS - You must examine your statement of account with reasonable promptness. If you discover (or reasonably should have discovered) any forgeries, unauthorized payments, alterations or disputed transactions, you must promptly notify us of the relevant facts. Even if you do promptly notify us, you still may have to either share the loss with us or bear the loss entirely yourself (depending on whether you exercised ordinary care or substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items forged or altered by the same wrongdoer. You agree that the time you have to examine your statement and report to us will not, in any circumstance, exceed a total of 60 days from when the statement is first made available to you.

You further agree that if you fail to report any unauthorized signatures, alterations, forgeries, unauthorized activity or any other errors or disputed transactions in this account within 60 days of when we make the statement available, you cannot assert a claim against us on any items in that statement, and the loss will be entirely yours.

You also agree to examine your statement with the same reasonable promptness to discover whether any deposit is missing or has been incorrectly credited. If your statement of account contains any error pertaining to any deposit, and if you fail to report such error to us within 60 days of when we make the statement available, you cannot assert a claim against us for such error, and any loss will be entirely yours.

The 60 day limitations set forth in this section are without regard to whether we exercised ordinary care.

If this account is a commercial purpose account, you additionally agree to take advantage of products and services we offer for the detection and prevention of fraud and unauthorized transactions, such as "Positive Pay" cash management products. If you fail to utilize any such product or service, you agree that you will be precluded from asserting any claim against us for any unauthorized transaction which could have been prevented by the proper use of such product or service.

We may require any report of errors on your statement to be put in writing by you and we may additionally require you to furnish us with an affidavit concerning the error on forms acceptable to us. If this account is a commercial purpose account, you agree to exhaust all rights against any insurance coverage you may have before making any claim against us. Our liability to you, if any, will be reduced by the amount of any insurance you are entitled to receive. You agree, upon request by us, to assign to us all insurance rights you may have in connection with any loss on your commercial purpose account.

DIRECT DEPOSITS - If, in connection with a direct deposit plan, we deposit any amount in this account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from this account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

TEMPORARY ACCOUNTS - If you intend for this account to be a Multiple Party Account, but all of you are not present at the time the account is opened, we may permit as many of you as are present to open the account either as a Single Party Account or a Multiple Party Account only in the name(s) of those who are present (the "Temporary Account"). At the same time we may permit as many of you as are present to also sign account documentation listing the names of all those intended to be owners of the Multiple Party Account, including those who are not present (the "Permanent Account"). However, we are not required to give effect to the Permanent Account documentation until all owners listed on such documentation have signed it and we have processed it, at which point the Permanent Account documentation shall supersede and replace the Temporary Account documentation. Notwithstanding the foregoing sentence, we may give the Permanent Account documentation retroactive effect to the date on which the Temporary Account was opened. We are not required to give any of you notice that the Permanent Account documentation has taken effect, nor are we required to give any intended owner notice that such intended owner's signature is needed on the Permanent Account documentation. If the Permanent Account documentation is not signed by all intended owners within 30 days following the opening of the Temporary Account, we may discard the Permanent Account documentation and will have no liability for doing so. A Temporary Account is subject to all of the terms and provisions of this agreement.

SET OFF - You each agree that we may without prior notice to you set off the funds in this account against any due and payable debt owed to us now or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including any balance the due date for which we properly accelerate under the note. This right of set-off applies regardless of the source of the deposit, and you consent that we may exercise this right of set-off against deposits which consist in whole or in part of government payments, including, but not limited to, Social Security and Veterans Administration payments. This right of set-off does not apply to this account if: (a) it is an Individual Retirement Account or other tax deferred retirement account, or (b) the debtor's right of withdrawal arises only in a representative capacity. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of set-off.

FACSIMILE SIGNATURES - You authorize us, at any time, to charge you for all checks, drafts, or other orders or transactions, for the payment of money, that are drawn on us by facsimile signature, regardless of by whom or by what means the facsimile signature(s) may have been affixed.

AUTHORIZED SIGNERS - An authorized signer is someone you designate to conduct transactions on your behalf, but does not have any ownership or rights in the account unless the authorized signer is also named as a Pay on Death beneficiary, in which case the Pay-On-Death Account rules apply. Otherwise, the rights of an authorized signer cease upon your death but not upon your disability or incapacity; however, you agree that we will not be liable for honoring any transaction by an authorized signer after your death. We reserve the right to limit the number of authorized signers and to decline to permit authorized signers on certain types of accounts.

ACCOUNTS OWNED BY MINORS - If this is a Multiple Party Account and one or more of the account owners is a minor, all adult owners of the account jointly and severally agree that all transactions made on the account by any such minor shall be deemed to have been made by such adult owners, regardless of whether any such transaction may be void or voidable. EACH SUCH ADULT OWNER AGREES TO INDEMNIFY US AND HOLD US HARMLESS FROM ANY LOSS WE INCUR IN CONNECTION WITH ANY TRANSACTION MADE BY ANY SUCH MINOR.

REFUSAL OF DEPOSITS - We may refuse to accept any item, wire or electronic funds transfer for deposit or to send any item for collection, and we will have no liability to you or to any other person for such refusal.

ORDER OF PAYMENT - If more than one item or order is presented for payment against this account on the same day and the available balance of this account is insufficient to pay them all, we may pay any of them in any order we choose, even if the order we choose results in greater insufficient funds fees than if we had chosen to pay them in some other order. Our payment of any item or order in overdraft does not create any obligation for us to pay any other item or order in overdraft in the future, and you agree that no course of dealing regarding the payment of items or orders in overdraft will be created between us.

ERRORS - If there occurs any error on this account in your favor, such as crediting this account for any amount to which you are not entitled, charging this account for an amount less than the amount of an item or other order, or receipt of any direct deposit to which you are not entitled, you agree that we may adjust this account to correct the error and that, if there are insufficient funds in this account for such adjustment, you will immediately pay us the amount necessary to correct the error. You agree to pay our reasonable attorneys' fees and expenses in the event we sue you to recover the amount necessary to correct the error.

DEPOSITS NOT MADE IN PERSON - We are not responsible for transactions initiated by mail, outside depository or left with us for subsequent processing until we actually record them, and you accept and assume all risks inherent in initiating such transactions. For deposits so initiated, our determination of the amount of the deposit will be conclusive, and you waive any right to contest our determination.

RESTRICTIVE LEGENDS - For your own purposes you may print or write on checks or other items restrictive legends specifying the number of signatures required, the maximum amount for which the check or item is payable, the number of days the check or item is valid and similar restrictions. However, you agree that such restrictions shall not be binding on us, that we may disregard such restrictions and that we will have no liability to you or to any other person for paying any check or other item inconsistently with any restrictive legend that is printed or written thereon.

CHECK CHARACTERISTICS - If you use checks from sources other than vendors approved by us, or if you use check stock, security features or ink color which cause data to disappear or to become obscured when the check is converted into an image, you agree to bear any loss which results. We will not be liable for failing to honor a stop-payment order for an item issued on a check form from sources other than vendors approved by us.

SECURITY INTEREST - In addition to the rights of set-off which we have under this Agreement, you hereby grant to us a security interest in this account to secure payment of any obligation which you now owe us or which you may owe us at any time in the future, including your obligation to pay our attorneys' fees and expenses and your obligation to indemnify us as provided elsewhere in this Agreement. When any such obligation is due and payable to us, we may pay such obligation, or any part thereof, from this account without prior notice to you, and we will not be liable for the dishonor of any item or order which results from such exercise of our security interest. If this account has any pay-on-death beneficiary, the interests of such beneficiary shall be junior to our security interest and shall be subject to our right of set-off, even if we do not exercise our security interest or right of set-off until after your death.

PAYMENT TO BENEFICIARIES - Payment to pay-on-death beneficiaries shall be as provided by law. Notwithstanding anything in the Pay-on-Death Account rules stated above, we may require any pay-on-death beneficiary wishing to continue transactions with us to close this account and open a new account under such beneficiary's signature.

INDEMNIFICATION BY FIDUCIARY - IF THIS ACCOUNT IS A FIDUCIARY ACCOUNT (INCLUDING, BUT NOT LIMITED TO, AN ACCOUNT USED AS A CUSTODIAL ACCOUNT OR AS A REPRESENTATIVE PAYEE ACCOUNT TO RECEIVE PAYMENTS FROM THE SOCIAL SECURITY ADMINISTRATION OR ANY OTHER GOVERNMENTAL PAYOR), YOU, THE FIDUCIARY, AGREE IN YOUR INDIVIDUAL CAPACITY TO INDEMNIFY US AND HOLD US HARMLESS FROM ANY LOSS WE INCUR IN CONNECTION WITH THIS ACCOUNT, WHETHER RESULTING FROM OVERDRAFT, ERROR IN YOUR FAVOR, RECLAMATION BY ANY GOVERNMENTAL PAYOR, ANY DISPUTE WITHIN THE SCOPE OF THE "ACCOUNT DISPUTE; INDEMNITY; LIMITATION ON LIABILITY" SECTION BELOW OR ANY OTHER REASON. IN THE EVENT OF ANY SUCH LOSS, WE MAY ENFORCE THE FOREGOING INDEMNITY BY SETTING OFF THE AMOUNT OF SUCH LOSS AGAINST (OR BY EXERCISING ANY SECURITY INTEREST WE MAY HAVE IN) ANY OTHER ACCOUNT WITH US IN WHICH YOU, THE FIDUCIARY, HAVE AN INTEREST (UNLESS YOUR INTEREST IN SUCH ACCOUNT IS ONLY AS A FIDUCIARY), AND WE WILL NOT BE LIABLE TO YOU OR TO ANYONE ELSE FOR THE DISHONOR OF ANY ITEM OR ORDER ON SUCH OTHER ACCOUNT WHICH RESULTS FROM SUCH SET-OFF OR EXERCISE OF OUR SECURITY INTEREST.

SIGNATURE BY MARK - If any signature which appears on page 1 of this Agreement is by mark (such as an "X"), then you agree that we will have no liability whatsoever on claims by you or any other person based on forgery, unauthorized signature, alteration or the like.

ACCOUNT DISPUTE; INDEMNITY; LIMITATION ON LIABILITY - IN THE EVENT OF ANY DISPUTE REGARDING THIS ACCOUNT, INCLUDING ANY DISPUTE OVER OWNERSHIP OF OR ENTITLEMENT TO THIS ACCOUNT OR THE CAPACITY OR AUTHORITY OF ANY PERSON TO TRANSACT ON THIS ACCOUNT, YOU AGREE TO PAY OUR REASONABLE ATTORNEYS' FEES AND EXPENSES IN THE EVENT THAT WE BECOME INVOLVED IN ANY PROCEEDING TO RESOLVE SUCH DISPUTE. IN THE EVENT OF SUCH DISPUTE WE MAY PAY THE AVAILABLE BALANCE OF THIS ACCOUNT INTO COURT, AND IN THAT EVENT YOU AGREE NOT TO MAKE ANY CLAIM AGAINST US. ADDITIONALLY, TO THE EXTENT PERMITTED BY LAW, YOU AGREE TO INDEMNIFY US, OUR DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS ARISING FROM OR IN ANY WAY RELATING TO ANY SUCH DISPUTE. YOU ALSO AGREE THAT WE SHALL BE ENTITLED TO RECOVER OUR REASONABLE ATTORNEY'S FEES AND EXPENSES IN CONNECTION WITH SUCH PAYMENT INTO COURT AND THAT WE MAY RECOVER SUCH FEES AND EXPENSES FROM THE BALANCE PAID INTO COURT.

IN THE EVENT OF ANY KIND OF CLAIM BY YOU AGAINST US IN CONNECTION WITH THIS ACCOUNT, YOU AGREE THAT WE WILL NOT BE LIABLE TO YOU FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES.

GOVERNING LAW; PROCESS; REPRESENTATIVES - With regard to any account established online, this Agreement is governed by the laws of Mississippi and by federal law and regulation. Otherwise, this Agreement is governed by the laws of the state of the location of our branch identified on the first page of this form and by federal law and regulation. Notwithstanding this, we may honor any levy, attachment, garnishment, execution, subpoena, court order, administrative order (including child support order) or other legal process which names you or which encompasses you, this account or any tax identification number associated with this account, regardless of whether we are subject to the jurisdiction of the issuer of such, regardless of in which state such is served on us and regardless of how such is served on us. We are not required to raise any defense in your behalf. We may also comply with the directions of any executor, administrator, conservator, guardian, receiver, bankruptcy trustee, attorney-in-fact or any other such representative purporting to have authority over this account who furnishes us with apparently authentic copies of documents which confer such authority. We may refuse to deal with any such representative in our sole discretion, and we will not be liable to you for such refusal. You agree that we may place temporary or permanent holds on the balance of this account related to or otherwise in response to any such process or authority and that we shall be fully protected in doing so, even if we later determine that such process or authority is inapplicable to this account. YOU AGREE THAT WE WILL NOT BE LIABLE TO YOU OR TO ANY OTHER PERSON FOR ACTING OR NOT ACTING ON ANY SUCH PROCESS OR FOR ACTING OR NOT ACTING ON THE DIRECTIONS OF ANY SUCH REPRESENTATIVE OR FOR PLACING OR NOT PLACING TEMPORARY OR PERMANENT HOLDS, AND YOU AGREE TO INDEMNIFY US, OUR DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS ARISING FROM OR IN ANY WAY RELATING TO SUCH ACTION OR INACTION.

EFFECT OF TERMINATION OR AMENDMENT - Termination of this account, whether by us or by you, does not relieve you of any obligation you may then owe us. We may accept deposits to this account after it has been closed in order to collect any deficit balance, and such acceptance will not constitute reinstatement of the account. Your use of this account after we give you notice of any amendment to this agreement constitutes your acceptance of such amendment. No amendment of this Agreement is enforceable against us unless it is in writing and we have authored the writing or have signed it through an employee having authority to do so, such as a regional president. No practice or course of dealing in connection with this account which is at variance with this agreement shall constitute a modification or amendment of this agreement.

OTHER TERMS - This account is additionally governed by our Account Information Statement. You acknowledge receipt of a copy of the Account Information Statement and you agree to be bound by its terms, as amended by us from time to time, and to be responsible for all fees and charges set forth therein which apply to this account. You understand that the Account Information Statement does not necessarily set forth all possible fees and charges which apply to this account.

SEVERABILITY - In the event that any part of this Agreement is determined to be unenforceable, such will not affect the other parts of this Agreement, all of which shall remain fully enforceable.

ARBITRATION - IF THIS ACCOUNT IS A COMMERCIAL PURPOSE ACCOUNT, THEN YOU AGREE THAT ANY CLAIM, DISPUTE OR CONTROVERSY ("CLAIM") BY EITHER YOU OR US AGAINST THE OTHER, OR AGAINST THE EMPLOYEES, AGENTS OR ASSIGNS OF THE OTHER, ARISING FROM OR RELATING IN ANY WAY TO THIS AGREEMENT, THIS ACCOUNT OR ANY TRANSACTION, INCLUDING CLAIMS REGARDING THE APPLICABILITY OF THIS ARBITRATION CLAUSE OR THE VALIDITY OF ALL OR ANY PART OF THIS AGREEMENT, SHALL BE RESOLVED BY BINDING ARBITRATION BY THE NATIONAL ARBITRATION FORUM, UNDER THE CODE OF PROCEDURE IN EFFECT AT THE TIME THE CLAIM IS MADE OR FILED. RULES AND FORMS OF THE NATIONAL ARBITRATION FORUM MAY BE OBTAINED AND CLAIMS MAY BE FILED AT ANY NATIONAL ARBITRATION FORUM OFFICE, WWW.ARBITRATION-FORUM.COM OR POST OFFICE BOX 50191, MINNEAPOLIS, MINNESOTA 55405, TELEPHONE 1-800-474-2371. ANY ARBITRATION HEARING AT WHICH YOU APPEAR WILL TAKE PLACE IN THE CITY WHICH IS THE LOCATION OF OUR BRANCH AT WHICH THIS ACCOUNT WAS OPENED. THIS ARBITRATION AGREEMENT IS MADE PURSUANT TO A TRANSACTION INVOLVING INTERSTATE COMMERCE AND SHALL BE GOVERNED BY THE FEDERAL ARBITRATION ACT, 9 U.S.C. SECTIONS 1-16. JUDGMENT UPON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. IN THE ABSENCE OF THIS ARBITRATION AGREEMENT YOU AND WE MAY OTHERWISE HAVE HAD A RIGHT OR OPPORTUNITY TO LITIGATE CLAIMS THROUGH A COURT AND/OR TO PARTICIPATE OR BE REPRESENTED IN LITIGATION FILED IN COURT BY OTHERS, BUT EXCEPT AS OTHERWISE PROVIDED ABOVE, ALL CLAIMS MUST NOW BE RESOLVED THROUGH ARBITRATION.

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 8

YOUR DEPOSIT ACCOUNT TERMS AND CONDITIONS AGREEMENT

AGREEMENT - These terms and conditions (this "Agreement") govern your deposit relationships with us unless varied or supplemented in writing by amendment as provided herein. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so that the singular includes the plural and the plural includes the singular. As used in this Agreement, the "account" means each deposit account you maintain with us other than Time Deposit (Certificate of Deposit) accounts and Individual Retirement Accounts; "we," "our," or "us" mean BancorpSouth Bank; "you" or "your" mean the owner(s) of the account; and "signature page" means the page(s) containing the signatures of the owner(s) of the account. This Agreement applies separately to each account. The account may not be transferred, pledged or assigned without our written consent, and we reserve the right to withhold such consent for any reason.

Much of our relationship with our deposit customers is regulated by state and federal law, especially the law relating to negotiable instruments, the law regulating the methods of transferring property upon death and the rights of surviving spouses and dependents, the law pertaining to estate and other succession taxes, the law regarding electronic funds transfer, and the law regarding the availability of deposited funds. This body of law is too large and complex to be reproduced here. The purpose of this Agreement is to:

- (1) summarize the rules applicable to the more common transactions;
- (2) establish rules to govern transactions or circumstances which the law does not regulate; and
- (3) establish rules for certain events or transactions which the law already regulates but permits variation by agreement.

LIABILITY - Each of you agrees, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms and conditions set forth in this Agreement and the schedule of charges that may be imposed. You authorize us to deduct these charges as accrued directly from the account balance. You also agree to pay additional reasonable charges we may impose for services you request which are not contemplated by this Agreement. Each of you also agrees to be jointly and severally (solidarily) liable for any account deficit resulting from charges or overdrafts, whether caused by you or another authorized to withdraw from the account, and the costs we incur to collect the deficit including our reasonable attorneys' fees.

DEPOSITS - Any items, other than cash, accepted for deposit (including items drawn "on us") will be given provisional credit only until collection is final (and actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars). Applicable law may require us to make your deposits available for withdrawal before payment becomes final or before the expiration of other banks' deadlines to return your deposited items to us for refund. You agree that our making all or any part of a deposit available to you for withdrawal is not a waiver of our right to charge back to the account any deposited item which is returned to us unpaid or for refund; instead, we may charge back to the account, and you will be responsible for, all such items. Subject to any other limitations, interest will be paid only on collected funds, unless otherwise provided by law. All transactions received after our daily cut-off time on a business day we are open (a "banking day"), or received on a day in which we are not open for business, will be treated and recorded as if initiated on the next following banking day. Our daily cut-off time varies from location to location and is posted at each of our locations.

WITHDRAWALS - Any one of you who signs the signature page, including authorized signers, may withdraw or transfer all or any part of the account balance at any time on forms approved by us. However, we reserve the right to limit the amount of any withdrawal in cash where, for example, currency in the amount of the withdrawal is not available at our branch or your withdrawal exceeds the amount we allow via automatic teller machine or if the cash supply of the automatic teller machine is depleted. Each of you authorizes each other person signing the signature page to endorse any item payable to you or your order for deposit to the account or any other transaction with us. You agree that our right to charge a check against the account does not depend on the date of the check. Therefore, we may charge a check against the account before the date of the check or at any time thereafter, provided, however, that we may, but are not required to, refuse to pay a check which appears on its face to be more than six months old. In any event, we will not be liable to you for charging against the

account a check before its date or after it is more than six months old. The fact that we may honor withdrawal requests which overdraw the finally collected account balance does not obligate us to do so. Withdrawals will first be made from collected funds, and we may, unless prohibited by law, refuse any withdrawal request against uncollected funds, even if our general practice is to the contrary. We reserve the right to refuse any withdrawal or transfer request which is attempted by any method not specifically permitted, which is for an amount less than any minimum withdrawal requirement, or which exceeds any frequency limitation. Even if we honor a nonconforming request, we may close the account in the event of repeated abuse of the stated limitations. We will use the date a transaction is completed by us (as opposed to the day you initiate it) to apply the frequency limitations. On interest bearing accounts other than time deposits, we reserve the right to require at least seven days' written notice before any withdrawal or transfer.

ACH, WIRE AND FUNDS TRANSFERS - We may decline to process any wire or funds transfer which is not subject to Regulation E or the Electronic Funds Transfer Act until you enter into a separate Funds Transfer Agreement with us. If we process any wire or funds transfer for you before you enter into a separate Funds Transfer Agreement, with respect to each such transfer you will be bound by the terms of this section. You agree to be bound by all rules and regulations governing any system through which any transfer occurs, including, but not limited to, any ACH rules, NACHA rules and the rules and regulations pertaining to Fedwire, the electronic transfer system of the Federal Reserve Banks. We may make wire or funds transfers by any means available to us, including, but not limited to, through our correspondent banks or by internal book entry. We have no obligation to notify you of incoming wire or funds transfers. Any credit for incoming wire or funds transfers is provisional until we have received final payment. If we do not receive final payment, we may reverse the credit. We may permit any of you or any authorized signer to order wire or other funds transfers from the account by telephone, in person, by written instruction, or by any other means acceptable to us, subject to any time deadlines or other conditions or procedures which we may establish. Wire and funds transfers are made only through the use of identifying numbers for the recipient bank and account, without regard to any names which may be furnished for any recipient bank or account. You must furnish the correct identifying numbers to us in connection with each wire or funds transfer. Funds will be wired or transferred in accordance with the identifying numbers you furnish us (or the identifying numbers which you use, if you are originating an ACH transaction), even if an identifying number is incorrect or is inconsistent with any name you may use or furnish us. In such event, we will not be responsible for your error, the transfer will not be considered an unauthorized transaction, and any loss will be entirely yours. Any instructions you may give us in connection with a wire or funds transfer will not be binding on us unless we have agreed to such instructions in writing. You must strictly observe all deadlines we impose for the processing of wire and funds transfers. We will not be responsible for any delay or other consequences which result from your failure to comply with any of these deadlines. You have no right to cancel or change any wire or funds transfer after you submit it to us. Any attempt by us to cancel or change or any wire or funds transfer at your request will not constitute the assumption of any duty by us. You assume all risk associated with international wire or funds transfers. We will not be liable to you in any way in connection with an international wire or funds transfer, whether for failure of delivery, delayed delivery, fluctuations in exchange rates or for any other reason. If any incoming wire or funds transfer is denominated in a foreign currency, you authorize us to convert such to U. S. Dollars according to such exchange rate which we may select at our discretion. You acknowledge and agree that such exchange rate may not be the most favorable rate of exchange published and that you will be bound by our choice of exchange rate. If you provide your account number or any other account identifying information to any third party and such third party originates any funds transfer transaction on the account, you agree that we may treat such transaction as a transaction authorized by you.

OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION - You intend these rules to apply to the account depending on the form of ownership and beneficiary designation, if any, specified on the signature page. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds. **Single Party Account** - is owned by one person. **Multiple Party**

Account - is owned by two or more persons jointly with right of survivorship and not as tenants in common, regardless of the conjunction ("or", "and") used between the depositors' names. Each of you expressly agrees that the account is not owned as a tenancy by the entireties. Each of you intends that upon your death the balance in the account (subject to any previous pledge to which we have consented) will vest in and belong to the survivor(s) as the separate property and estate of such survivor(s). If two or more of you survive, you will own the balance in the account as joint tenants with survivorship and not as tenants in common. Transactions on Multiple Party Accounts do not require the signatures of all account owners to transact on the account. Instead, any one account owner or authorized signer may transact on the account to the exclusion of the other(s), and each of you authorize each other of you to do so without further consent. If this Agreement is governed by the laws of the state of Louisiana, the owners of a Multiple Party Account are co-owners of the account, and all or any part of any deposit may be paid to any one of you, whether any other of you is living or not, and any such payment to any of you shall constitute receipt and acquittance and shall fully release and discharge us from the claims of any person to funds of the deceased depositor for the payment made. **Pay On Death Account - Pay-On-Death** beneficiaries acquire the right to withdraw only if: (1) all persons creating the account die, (2) the beneficiary is then living, and (3) we are not otherwise required by law to make payment to some other person. If two or more beneficiaries are named and survive the death of all persons creating the account, such beneficiaries will own the account and may transact on it according to the Multiple Party Account rules stated above unless otherwise provided by law. Any one account owner or authorized signer may: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the deposit at any time. If two or more of you create such a Pay-On-Death Account, you own the account according to the Multiple Party Account rules stated above until the last of you dies. **Fiduciary Account** - A Fiduciary Account, whether for a consumer or a commercial purpose, is one in which the person controlling the account does so for the benefit of another. Examples of fiduciaries are trustees, executors, conservators, custodians for minors, representative payees and court-appointed guardians. For purposes of this Agreement, guardians such as parents or other relatives who have not been court-appointed or persons who have not complied with necessary provisions of any applicable transfer to minors laws are not fiduciaries. We are not a fiduciary in connection with the account. For fiduciary accounts, we will usually require, in the case of trustees, a trust resolution according to our form, and in all other cases documents evidencing the fiduciary's authority. We have no duty to inspect any will or trust document, and you agree that we will not be bound by any limitations imposed in a will or trust document. You agree that a Fiduciary Account is a general deposit and not a special deposit. **Corporation, Partnership, LLC, Government and other Organizational Accounts** - We will usually require a separate resolution in a form acceptable to us designating the person(s) permitted to make withdrawals from any account in the name of a legal entity such as a partnership, corporation, LLC, governmental entity or other organization.

STOP-PAYMENTS - A stop-payment order must be given in the manner required by law and must be received in time to give us a reasonable opportunity to act on it before our stop-payment cut off time. Our stop-payment cut off time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop-payment are provided by law. A stop-payment order must precisely identify the number, date and amount of the item, and the payee. We will honor a stop-payment request by the person who signed the particular item, and, by any other person, even though such other person did not sign the item, if such other person has an equal or greater right to withdraw from the account than the person who signed the item in question. A release of the stop-payment request may be made only by the person who initiated the stop-payment.

AMENDMENTS AND TERMINATION - We may change, in whole or in part, any term of this Agreement or any of the disclosures indicated on the signature page or previously given to you. Rules governing changes in interest rates have been provided separately. For other changes we will give you reasonable notice in writing or by any other method permitted by law. We may also close the account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Notice from us to any one of you is notice to all of you unless otherwise provided by law.

STATEMENTS - You must examine your statement of account with reasonable promptness. If you discover (or reasonably should have discovered) any forgeries, unauthorized payments, alterations or disputed transactions, you must promptly notify us of the relevant facts. Even if you do promptly notify us, you still may have to either share the loss with us or bear the loss entirely yourself (depending on whether you exercised ordinary care or substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items forged or altered by the same wrongdoer. You agree that the time you have to examine your statement and report to us will not, in any circumstance, exceed a total of 60 days from when the statement is first made available to you.

You further agree that if you fail to report any unauthorized signatures, alterations, forgeries, unauthorized activity or any other errors or disputed transactions in the account within 60 days of when we make the statement available, you cannot assert a claim against us on any items in that statement, and the loss will be entirely yours.

You also agree to examine your statement with the same reasonable promptness to discover whether any deposit is missing or has been incorrectly credited. If your statement of account contains any error pertaining to any deposit, and if you fail to report such error to us within 60 days of when we make the statement available, you cannot assert a claim against us for such error, and any loss will be entirely yours.

The 60 day limitations set forth in this section are without regard to whether we exercised ordinary care.

If the account is a commercial purpose account, you additionally agree to take advantage of products and services we offer for the detection and prevention of fraud and unauthorized transactions, such as "Positive Pay" cash management products. If you fail to utilize any such product or service, you agree that you will be precluded from asserting any claim against us for any unauthorized transaction which could have been prevented by the proper use of such product or service.

We may require any report of errors on your statement to be put in writing by you and we may additionally require you to furnish us with an affidavit concerning the error on forms acceptable to us. If the account is a commercial purpose account, you agree to exhaust all rights against any insurance coverage you may have before making any claim against us. Our liability to you, if any, will be reduced by the amount of any insurance you are entitled to receive. You agree, upon request by us, to assign to us all insurance rights you may have in connection with any loss on your commercial purpose account.

DIRECT DEPOSITS - If, in connection with a direct deposit plan, we deposit any amount in the account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

TEMPORARY ACCOUNTS - If you intend for the account to be a Multiple Party Account, but all of you are not present at the time the account is opened, we may permit as many of you as are present to open the account either as a Single Party Account or a Multiple Party Account only in the name(s) of those who are present (the "Temporary Account"). At the same time we may permit as many of you as are present to also sign account documentation listing the names of all those intended to be owners of the Multiple Party Account, including those who are not present (the "Permanent Account"). However, we are not required to give effect to the Permanent Account documentation until all owners listed on such documentation have signed it and we have processed it, at which point the Permanent Account documentation shall supersede and replace the Temporary Account documentation. Notwithstanding the foregoing sentence, we may give the Permanent Account documentation retroactive effect to the date on which the Temporary Account was opened. We are not required to give any of you notice that the Permanent Account documentation has taken effect, nor are we required to give any intended owner notice that such intended owner's signature is needed on the Permanent Account documentation. If the Permanent Account documentation is not signed by all intended owners within 30 days following the opening of the Temporary Account, we may discard the Permanent Account documentation and will have no liability for doing so. A Temporary Account is subject to all of the terms and provisions of this Agreement.

SET OFF - You each agree that we may without prior notice to you set off the funds in the account against any due and payable debt owed to us now or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including any balance the due date for which we properly accelerate under the note. This right of set-off applies regardless of the source of the deposit, and you consent that we may exercise this right of set-off against deposits which consist in whole or in part of government payments, including, but not limited to, Social Security and Veterans Administration payments. This right of set-off does not apply to the account if: (a) it is an Individual Retirement Account or other tax deferred retirement account, or (b) the debtor's right of withdrawal arises only in a representative capacity. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against the account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of set-off.

FACSIMILE SIGNATURES - You authorize us, at any time, to charge you for all checks, drafts, or other orders or transactions, for the payment of money, that are drawn on us by facsimile signature, regardless of by whom or by what means the facsimile signature(s) may have been affixed.

AUTHORIZED SIGNERS - An authorized signer is someone you designate to conduct transactions on your behalf, but does not have any ownership or rights in the account unless the authorized signer is also named as a Pay on Death beneficiary, in which case the Pay-On-Death Account rules apply. Otherwise, the rights of an authorized signer cease upon your death but not upon your disability or incapacity; however, you agree that we will not be liable for honoring any transaction by an authorized signer after your death. We reserve the right to limit the number of authorized signers and to decline to permit authorized signers on certain types of accounts.

ACCOUNTS OWNED BY MINORS - If this is a Multiple Party Account and one or more of the account owners is a minor, all adult owners of the account jointly and severally agree that all transactions made on the account by any such minor shall be deemed to have been made by such adult owners, regardless of whether any such transaction may be void or voidable. EACH SUCH ADULT OWNER AGREES TO INDEMNIFY US AND HOLD US HARMLESS FROM ANY LOSS WE INCUR IN CONNECTION WITH ANY TRANSACTION MADE BY ANY SUCH MINOR.

REFUSAL OF DEPOSITS - We may refuse to accept any item, wire or electronic funds transfer for deposit or to send any item for collection, and we will have no liability to you or to any other person for such refusal.

ORDER OF PAYMENT - Unless otherwise provided in the Account Information Statement (see OTHER TERMS section below), if more than one item or order is presented for payment against the account on the same day and the available balance of the account is insufficient to pay them all, we may pay any of them in any order we choose, even if the order we choose results in greater insufficient funds fees than if we had chosen to pay them in some other order. Our payment of any item or order in overdraft does not create any obligation for us to pay any other item or order in overdraft in the future, and you agree that no course of dealing regarding the payment of items or orders in overdraft will be created between us.

ERRORS - If there occurs any error on the account in your favor, such as crediting the account for any amount to which you are not entitled, charging the account for an amount less than the amount of an item or other order, or receipt of any direct deposit to which you are not entitled, you agree that we may adjust this account to correct the error and that, if there are insufficient funds in the account for such adjustment, you will immediately pay us the amount necessary to correct the error. You agree to pay our reasonable attorneys' fees and expenses in the event we sue you to recover the amount necessary to correct the error.

DEPOSITS NOT MADE IN PERSON - We are not responsible for transactions initiated by mail, outside depository or left with us for subsequent processing until we actually record them, and you accept and assume all risks inherent in initiating such transactions. For deposits so initiated, our determination of the amount of the deposit will be conclusive, and you waive any right to contest our determination.

RESTRICTIVE LEGENDS - For your own purposes you may print or write on checks or other items restrictive legends specifying the number of signatures required, the maximum amount for which the check or item is payable, the number of days the check or item is valid and similar restrictions. However, you agree that such restrictions shall not be binding on us, that we may disregard such restrictions and that we will have no liability to you or to any other person for paying any check or other item inconsistently with any restrictive legend that is printed or written thereon.

CHECK CHARACTERISTICS - If you use checks from sources other than vendors approved by us, or if you use check stock, security features or ink color which cause data to disappear or to become obscured when the check is converted into an image, you agree to bear any loss which results. We will not be liable for failing to honor a stop-payment order for an item issued on a check form from sources other than vendors approved by us.

SECURITY INTEREST - In addition to the rights of set-off which we have under this Agreement, you hereby grant to us a security interest in the account to secure payment of any obligation which you now owe us or which you may owe us at any time in the future, including your obligation to pay our attorneys' fees and expenses and your obligation to indemnify us as provided elsewhere in this Agreement. When any such obligation is due and payable to us, we may pay such obligation, or any part thereof, from the account without prior notice to you, and we will not be liable for the dishonor of any item or order which results from such exercise of our security interest. If the account has any pay-on-death beneficiary, the interests of such beneficiary shall be junior to our security interest and shall be subject to our right of set-off, even if we do not exercise our security interest or right of set-off until after your death.

PAYMENT TO BENEFICIARIES - Payment to pay-on-death beneficiaries shall be as provided by law. Notwithstanding anything in the Pay-on-Death Account rules stated above, we may require any pay-on-death beneficiary wishing to continue transactions with us to close the account and open a new account under such beneficiary's signature.

INDEMNIFICATION BY FIDUCIARY - IF THE ACCOUNT IS A FIDUCIARY ACCOUNT (INCLUDING, BUT NOT LIMITED TO, AN ACCOUNT USED AS A CUSTODIAL ACCOUNT OR AS A REPRESENTATIVE PAYEE ACCOUNT TO RECEIVE PAYMENTS FROM THE SOCIAL SECURITY ADMINISTRATION OR ANY OTHER GOVERNMENTAL PAYOR), YOU, THE FIDUCIARY, AGREE IN YOUR INDIVIDUAL CAPACITY TO INDEMNIFY US AND HOLD US HARMLESS FROM ANY LOSS WE INCUR IN CONNECTION WITH THE ACCOUNT, WHETHER RESULTING FROM OVERDRAFT, ERROR IN YOUR FAVOR, RECLAMATION BY ANY GOVERNMENTAL PAYOR, ANY DISPUTE WITHIN THE SCOPE OF THE "ACCOUNT DISPUTE; INDEMNITY; LIMITATION ON LIABILITY" SECTION BELOW OR ANY OTHER REASON. IN THE EVENT OF ANY SUCH LOSS, WE MAY ENFORCE THE FOREGOING INDEMNITY BY SETTING OFF THE AMOUNT OF SUCH LOSS AGAINST (OR BY EXERCISING ANY SECURITY INTEREST WE MAY HAVE IN) ANY OTHER ACCOUNT WITH US IN WHICH YOU, THE FIDUCIARY, HAVE AN INTEREST (UNLESS YOUR INTEREST IN SUCH ACCOUNT IS ONLY AS A FIDUCIARY), AND WE WILL NOT BE LIABLE TO YOU OR TO ANYONE ELSE FOR THE DISHONOR OF ANY ITEM OR ORDER ON SUCH OTHER ACCOUNT WHICH RESULTS FROM SUCH SET-OFF OR EXERCISE OF OUR SECURITY INTEREST.

SIGNATURE BY MARK - If any signature which appears on the signature page is by mark (such as an "X"), then you agree that we will have no liability whatsoever on claims by you or any other person based on forgery, unauthorized signature, alteration or the like.

ACCOUNT DISPUTE; INDEMNITY; LIMITATION ON LIABILITY - IN THE EVENT OF ANY DISPUTE REGARDING THE ACCOUNT, INCLUDING ANY DISPUTE OVER OWNERSHIP OF OR ENTITLEMENT TO THE ACCOUNT OR THE CAPACITY OR AUTHORITY OF ANY PERSON TO TRANSACT ON THE ACCOUNT, YOU AGREE TO PAY OUR REASONABLE ATTORNEYS' FEES AND EXPENSES IN THE EVENT THAT WE BECOME INVOLVED IN ANY PROCEEDING TO RESOLVE SUCH DISPUTE. IN THE EVENT OF SUCH DISPUTE WE MAY PAY THE AVAILABLE BALANCE OF THE ACCOUNT INTO COURT, AND IN THAT EVENT YOU AGREE NOT TO MAKE ANY CLAIM AGAINST US. ADDITIONALLY, TO THE EXTENT PERMITTED BY LAW, YOU AGREE TO INDEMNIFY US, OUR DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS ARISING FROM OR IN ANY WAY RELATING TO ANY SUCH DISPUTE. YOU ALSO AGREE THAT WE SHALL BE ENTITLED TO RECOVER OUR REASONABLE ATTORNEY'S FEES AND EXPENSES IN CONNECTION WITH SUCH PAYMENT INTO COURT AND THAT WE MAY RECOVER SUCH FEES AND EXPENSES FROM THE BALANCE PAID INTO COURT.

IN THE EVENT OF ANY KIND OF CLAIM BY YOU AGAINST US IN CONNECTION WITH THE ACCOUNT, YOU AGREE THAT WE WILL NOT BE LIABLE TO YOU FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES.

GOVERNING LAW; PROCESS; REPRESENTATIVES - With regard to any account established online, this Agreement is governed by the laws of Mississippi and by federal law and regulation. Otherwise, this Agreement is governed by the laws of the state of the location of our branch identified on the signature page and by federal law and regulation. Notwithstanding this, we may honor any levy, attachment, garnishment, execution, subpoena, court order, administrative order (including child support order) or other legal process which names you or which encompasses you, the account or any tax identification number associated with the account, regardless of whether we are subject to the jurisdiction of the issuer of such, regardless of in which state such is served on us and regardless of how such is served on us. We are not required to raise any defense in your behalf. We may also comply with the directions of any executor, administrator, conservator, guardian, receiver, bankruptcy trustee, attorney-in-fact or any other such representative purporting to have authority over the account who furnishes us with apparently authentic copies of documents which confer such authority. We may refuse to deal with any such representative in our sole discretion, and we will not be liable to you for such refusal. You agree that we may place temporary or permanent holds on the balance of the account related to or otherwise in response to any such process or authority and that we shall be fully protected in doing so, even if we later determine that such process or authority is inapplicable to the account. YOU AGREE THAT WE WILL NOT BE LIABLE TO YOU OR TO ANY OTHER PERSON FOR ACTING OR NOT ACTING ON ANY SUCH PROCESS OR FOR ACTING OR NOT ACTING ON THE DIRECTIONS OF ANY SUCH REPRESENTATIVE OR FOR PLACING OR NOT PLACING TEMPORARY OR PERMANENT HOLDS, AND YOU AGREE TO INDEMNIFY US, OUR DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS ARISING FROM OR IN ANY WAY RELATING TO SUCH ACTION OR INACTION.

EFFECT OF TERMINATION OR AMENDMENT - Termination of the account, whether by us or by you, does not relieve you of any obligation you may then owe us. We may accept deposits to the account after it has been closed in order to collect any deficit balance, and such acceptance will not constitute reinstatement of the account. Your use of the account after we give you notice of any amendment to this Agreement constitutes your acceptance of such amendment. No amendment of this Agreement is enforceable against us unless it is in writing and we have authored the writing or have signed it through an employee having authority to do so, such as a regional president. No practice or course of dealing in connection with the account which is at variance with this Agreement shall constitute a modification or amendment of this Agreement.

OTHER TERMS - The account is additionally governed by our Account Information Statement. You acknowledge receipt of a copy of the Account Information Statement and you agree to be bound by its terms, as amended by us from time to time, and to be responsible for all fees and charges set forth therein which apply to the account. You understand that the Account Information Statement does not necessarily set forth all possible fees and charges which apply to the account.

SEVERABILITY - In the event that any part of this Agreement is determined to be unenforceable, such will not affect the other parts of this Agreement, all of which shall remain fully enforceable.

ARBITRATION - IF THE ACCOUNT IS A COMMERCIAL PURPOSE ACCOUNT, THEN YOU AGREE THAT ANY CLAIM, DISPUTE OR CONTROVERSY ("CLAIM") BY EITHER YOU OR US AGAINST THE OTHER, OR AGAINST THE EMPLOYEES, AGENTS OR ASSIGNS OF THE OTHER, ARISING FROM OR RELATING IN ANY WAY TO THIS AGREEMENT, THE ACCOUNT OR ANY TRANSACTION, INCLUDING CLAIMS REGARDING THE APPLICABILITY OF THIS ARBITRATION CLAUSE OR THE VALIDITY OF ALL OR ANY PART OF THIS AGREEMENT, SHALL BE RESOLVED BY BINDING ARBITRATION BY THE NATIONAL ARBITRATION FORUM, UNDER THE CODE OF PROCEDURE IN EFFECT AT THE TIME THE CLAIM IS MADE OR FILED. RULES AND FORMS OF THE NATIONAL ARBITRATION FORUM MAY BE OBTAINED AND CLAIMS MAY BE FILED AT ANY NATIONAL ARBITRATION FORUM OFFICE, WWW.ARBITRATION-FORUM.COM OR POST OFFICE BOX 50191, MINNEAPOLIS, MINNESOTA 55405, TELEPHONE 1-800-474-2371. ANY ARBITRATION HEARING AT WHICH YOU APPEAR WILL TAKE PLACE IN THE CITY WHICH IS THE LOCATION OF OUR BRANCH AT WHICH THE ACCOUNT WAS OPENED. THIS ARBITRATION AGREEMENT IS MADE PURSUANT TO A TRANSACTION INVOLVING INTERSTATE COMMERCE AND SHALL BE GOVERNED BY THE FEDERAL ARBITRATION ACT, 9 U.S.C. SECTIONS 1-16. JUDGMENT UPON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. **IN THE ABSENCE OF THIS ARBITRATION AGREEMENT YOU AND WE MAY OTHERWISE HAVE HAD A RIGHT OR OPPORTUNITY TO LITIGATE CLAIMS THROUGH A COURT AND/OR TO PARTICIPATE OR BE REPRESENTED IN LITIGATION FILED IN COURT BY OTHERS, BUT EXCEPT AS OTHERWISE PROVIDED ABOVE, ALL CLAIMS MUST NOW BE RESOLVED THROUGH ARBITRATION.**

Shane Swift v. BancorpSouth, Inc.

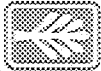
MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 9

**Deposit Account
Terms and Conditions**

Effective January 31, 2009



BancorpSouth
Member FDIC

Right Where You Are

BXS Swift H-007064

Thank you for banking with BancorpSouth.

From time to time, we update the Terms and Conditions which govern your BancorpSouth deposit accounts. Below are new Terms and Conditions which will become effective on January 31, 2009. These new Terms and Conditions replace the Terms and Conditions documents you have received previously. These new Terms and Conditions cover the use of all types of depository accounts you have with us, both consumer and commercial, except for Time Deposit and Individual Retirement Accounts. These new Terms and Conditions do not change the structure of any of your accounts or change any fees applicable to your accounts.

If you have any questions about these new Terms and Conditions, please call your local BancorpSouth office or our toll-free line at 888-797-7711.

YOUR DEPOSIT ACCOUNT TERMS AND CONDITIONS
EFFECTIVE JANUARY 31, 2009

EFFECTIVE JANUARY 31, 2009, THE FOLLOWING TERMS AND CONDITIONS WILL SUPERSEDE AND REPLACE THE TERMS AND CONDITIONS WHICH HAVE PREVIOUSLY COVERED YOUR DEPOSIT ACCOUNTS (OTHER THAN TIME DEPOSIT AND INDIVIDUAL RETIREMENT ACCOUNTS) AT BANCORPSOUTH. YOUR USE OF ANY ACCOUNT IN ANY WAY ON OR AFTER JANUARY 31, 2009, CONSTITUTES YOUR ACCEPTANCE OF AND AGREEMENT TO THE FOLLOWING NEW TERMS AND CONDITIONS.

AGREEMENT -- These terms and conditions (this "Agreement") govern your deposit relationships with us unless variations supplemented in writing by amendment are provided herein. If a term in this Agreement is inconsistent with any other law, regulation or public policy, that term shall be null and void and the remainder of this Agreement shall survive. This document should be construed so that the singular includes the plural and the plural includes the singular. As used in this Agreement, the "account" means each deposit account you maintain with us other than Time Deposit (Certificate of Deposit) Accounts and Individual Retirement Accounts; "we," "our," or "us" mean BancorpSouth Bank; "you" or "your" mean the owner(s) of the account; and "signature page" means the page(s) containing the signatures of the owner(s) of the account. This Agreement applies separately to each account. The account may not be transferred, assigned or assigned without our written consent, and we reserve the right to withhold such consent for any reason.

Each of our relationships with our deposit customers is regulated by state and federal law, especially the law relating to negotiable instruments, the law regulating the methods of transferring property upon death and the rights of surviving spouses and dependents, the law pertaining to estate and other succession taxes, the law regarding electronic funds transfer, and the law regarding the availability of deposited funds. This body of law is too large and complex to be reproduced here. The purpose of this Agreement is to:

- (1) summarize the rules applicable to the more common transactions;
- (2) establish rules to govern transactions or circumstances which the law does not regulate; and
- (3) establish rules for certain events or transactions which the law already regulates but permits variation by agreement.

LIABILITY -- Each of you agrees, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms and conditions set forth in this Agreement and the schedule of charges that may be imposed. You authorize us to debit these charges as accrued directly from the account balance. You also agree to pay additional reasonable charges we may impose for services you request which are not contemplated by this Agreement. Each of you also agrees to be jointly and severally (solidarily) liable for any account deficit resulting from charges or overdrafts, whether caused by you or another authorized to withdraw from the account, and the costs we incur to collect the deficit including our reasonable attorneys' fees.

DEPOSITS -- Any items, other than cash, accepted for deposit (including items drawn "on us") will be given provisional credit only until collection is final (and actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars). Applicable law may require us to make your deposits available for withdrawal before payment becomes final or before the expiration of other banks' deadlines to return your deposited items to us for refund. You agree that our making all or any part of a deposit available to you for withdrawal is not a waiver of our right to charge back to the account any deposited item which is returned to us unpaid or for refund. Instead, we may charge back to the account, and you will be responsible for, all such items. Subject to any other limitations, interest will be paid only on collected funds, unless otherwise provided by law. All transactions received after our daily cut-off time on a business day we are open (a "banking day"), or received on a day in which we are not open for business, will be treated and recorded as if initiated on the next following banking day. Our daily cut-off time varies from location to location and is posted at each of our locations.

WITHDRAWALS -- Any one of you who signs the signature page, including authorized signers, may withdraw or transfer all or any part of the account balance at any time on terms approved by us. However, we reserve the right to limit the amount of any withdrawal in cash where, for example, currency in the amount of the withdrawal is not available at our branch or your withdrawal exceeds the amount we allow via automatic teller machine or if the cash supply of the automatic teller machine is depleted. Each of you authorizes each other person signing the signature page to endorse any item payable to you or your order for deposit to the account or any other transaction with us. You agree that our right to charge a check against the account does not depend on the date of the check. Therefore, we may charge a check against the account

before the date of the check or at any time thereafter, provided, however, that we may, but are not required to, refuse to pay a check which appears on its face to be more than six months old. In any event, we will not be liable to you for charging against the account a check before its date or after it is more than six months old. The fact that we may honor withdrawal requests which overdraw the finally collected account balance does not obligate us to do so. Withdrawals will first be made from collected funds, and we may, unless prohibited by law, refuse any withdrawal request against uncollected funds, even if our general practice is to the contrary. We reserve the right to refuse any withdrawal or transfer request which is attempted by any method not specifically permitted, which is for an amount less than any minimum withdrawal requirement, or which exceeds any frequency limitation. Even if we honor a non-conforming request, we may close the account in the event of repeated abuse of the stated limitations. We will use the date a transaction is completed by us (as opposed to the day you initiate it) to apply the frequency limitations. On interest bearing accounts other than time deposits, we reserve the right to require at least seven days' written notice before any withdrawal or transfer.

ACH, WIRE, AND FUNDS TRANSFERS -- We may decline to process any wire or funds transfer which is not subject to Regulation E or the Electronic Funds Transfer Act until you enter into a separate Funds Transfer Agreement with us. If we process any wire or funds transfer for you before you enter into a separate Funds Transfer Agreement, with respect to each such transfer you will be bound by the terms of this section. You agree to be bound by all rules and regulations governing any system through which any transfer occurs, including, but not limited to, any ACH rules, NACHA rules and the rules and regulations pertaining to Fedwire, the electronic transfer system of the Federal Reserve Banks. We may make wire or funds transfers by any means available to us, including, but not limited to, through our correspondent banks or by internal bank entry. We have no obligation to notify you of incoming wire or funds transfers. Any credit for incoming wire or funds transfers is provisional until we have received final payment. If we do not receive final payment, we may reverse the credit. We may permit any of you or any authorized signer to order wire or other funds transfers from the account by telephone, in person, by written instruction, or by any other means acceptable to us, subject to any time deadlines or other conditions or procedures which we may establish. Wire and funds transfers are made only through the use of identifying numbers for the recipient bank and account, without regard to any names which may be furnished for any recipient bank or account. You must furnish the correct identifying numbers to us in connection with each wire or funds transfer. Funds will be wired or transferred in accordance with the identifying numbers you furnish us (or the identifying numbers which you use, if you are originating an ACH transaction), even if an identifying number is incorrect or is inconsistent with any name you may use or furnish us. In such event, we will not be responsible for your error; the transfer will not be considered an unauthorized transac-

tion, and any loss will be entirely yours. Any instructions you may give us in connection with a wire or funds transfer will not be binding on us unless we have agreed to such instructions in writing. You must strictly observe all deadlines we impose for the processing of wire and funds transfers. We will not be responsible for any delay or other consequences which result from your failure to comply with any of these deadlines. You have no right to cancel or change any wire or funds transfer after you submit it to us. Any attempt by us to cancel or change any wire or funds transfer at your request will not constitute the assumption of any duty by us. You assume all risk associated with international wire or funds transfers. We will not be liable to you in any way in connection with an international wire or funds transfer, whether for failure of delivery, delayed delivery, fluctuations in exchange rates or for any other reason. If any incoming wire or funds transfer is denominated in a foreign currency, you authorize us to convert such to U. S. Dollars according to such exchange rate which we may select at our discretion. You acknowledge and agree that such exchange rate may not be the most favorable rate of exchange published and that you will be bound by our choice of exchange rate. If you provide your account number or any other account identifying information to any third party and such third party originates any funds transfer transaction on the account, you agree that we may treat such transaction as a transaction authorized by you.

OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION -- You intend these rules to apply to the account depending on the form of ownership and beneficiary designation, if any, specified on the signature page. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds. **Single Party Account** is owned by one person. **Multiple Party Account** is owned by two or more persons jointly with right of survivorship and not as tenants in common, regardless of the conjunction ("or", "and") used between the depositors' names. Each of you expressly agrees that the account is not owned as a tenancy by the entireties. Each of you intends that upon your death the balance in the account (subject to any previous pledge to which we have consented) will vest in and belong to the survivor(s) as the separate property and estate of such survivor(s). If two or more of you survive, you will own the balance in the account as joint tenants with survivorship and not as tenants in common. Transactions on Multiple Party Accounts do not require the signatures of all account owners to transact on the account. Instead, any one account owner or authorized signer may transact on the account to the exclusion of the other(s), and each of you authorizes each other of you to do so without further consent. If this Agreement is governed by the laws of the state of Louisiana, the owners of a Multiple Party Account are co-owners of the account, and all or any part of any deposit may be paid to any one of you, whether any other of you is living or not, and any such payment to any of you shall constitute receipt and acquittance and shall fully release and discharge us from the claims of any person to funds of the deceased depositor

for the payment made. **Pay-On-Death Account** Pay-On-Death beneficiaries acquire the right to withdraw only if: (1) all persons creating the account die, (2) the beneficiary is then living, and (3) we are not otherwise required by law to make payment to some other person. If two or more beneficiaries are named and survive the death of all persons creating the account, such beneficiaries will own the account and may transact on it according to the Multiple Party Account rules stated above unless otherwise provided by law. Any one account owner or authorized signer may: (1) change beneficiary, (2) change account types, and (3) withdraw all or part of the deposit at any time. If two or more of you create such a Pay-On-Death Account, you own the account according to the Multiple Party Account rules stated above until the last of you dies.

Fiduciary Account – A Fiduciary Account, whether for a consumer or a commercial purpose, is one in which the person controlling the account does so for the benefit of another. Examples of fiduciaries are trustees, executors, conservators, custodians for minors, representative payees and court-appointed guardians. For purposes of this Agreement, guardians such as parents or other relatives who have not been court-appointed or persons who have not complied with necessary provisions of any applicable transfer to minors laws are not fiduciaries. We are not a fiduciary in connection with the account. For fiduciary accounts, we will usually require, in the case of trustees, a trust resolution according to our form, and in all other cases documents evidencing the fiduciary's authority. We have no duty to inspect any will or trust document, and you agree that we will not be bound by any limitations imposed in a will or trust document. You agree that a Fiduciary Account is a general deposit and not a special deposit. **Corporate, Partnership, LLC, Government and other Organizational Accounts** We will usually require a separate resolution in a form acceptable to us designating the person(s) permitted to make withdrawals from any account in the name of a legal entity such as a partnership, corporation, LLC, governmental entity or other organization.

STOP-PAYMENTS – A stop-payment order must be given in the manner required by law and must be received in time to give us a reasonable opportunity to act on it before our stop-payment cut-off time. Our stop-payment cut-off time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop-payment are provided by law. A stop-payment order must precisely identify the number, date and amount of the item, and the payee. We will honor a stop-payment request by the person who signed the particular item, and, by any other person, even though such other person did not sign the item, if such other person has an equal or greater right to withdraw from the account than the person who signed the item in question. A release of the stop-payment request may be made only by the person who initiated the stop-payment.

AMENDMENTS AND TERMINATION – We may change, in whole or in part, any term of this Agreement or any of the disclosures indicated on the signature page or previously given to you. Rules governing changes in interest rates have been provided separately.

For other changes we will give you reasonable notice in writing or by any other method permitted by law. We may also close the account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Notice from us to any one of you is notice to all of you unless otherwise provided by law.

STATEMENTS – You must examine your statement of account with reasonable promptness. If you discover (or reasonably should have discovered) any forgeries, unauthorized payments, alterations or disputed transactions, you must promptly notify us of the relevant facts. Even if you do promptly notify us, you still may have to either share the loss with us or bear the loss entirely yourself (depending on whether you exercised ordinary care or substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items forged or altered by the same wrongdoer. You agree that the time you have to examine your statement and report to us will not, in any circumstance, exceed a total of 60 days from when the statement is first made available to you. You further agree that if you fail to report any unauthorized signatures, alterations, forgeries, unauthorized activity or any other errors or disputed transactions in the account within 60 days of when we make the statement available, you cannot assert a claim against us on any items in that statement, and the loss will be entirely yours.

You also agree to examine your statement with the same reasonable promptness to discover whether any deposit is missing or has been incorrectly credited. If your statement of account contains any error pertaining to any deposit, and if you fail to report such error to us within 60 days of when we make the statement available, you cannot assert a claim against us for such error, and any loss will be entirely yours.

The 60 day limitations set forth in this section are without regard to whether we exercised ordinary care.

If the account is a commercial purpose account, you additionally agree to take advantage of products and services we offer for the detection and prevention of fraud and unauthorized transactions, such as "Positive Pay" cash management products. If you fail to utilize any such product or service, you agree that you will be precluded from asserting any claim against us for any unauthorized transaction which could have been prevented by the proper use of such product or service.

We may require any report of errors on your statement to be put in writing by you and we may additionally require you to furnish us with an affidavit concerning the error on forms acceptable to us. If the account is a commercial purpose account, you agree to exhaust all rights against any insurance coverage you may have before making any claim against us. Our liability to you, if any, will be reduced by the amount of any insurance you are entitled to receive. You agree, upon request by us, to assign to us all insurance rights you may have in connection with any loss on your commercial purpose account.

IRREVOCABLE DEPOSIT – If, in connection with a direct deposit plan, we deposit any amount in the account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

TEMPORARY ACCOUNTS – If you intend for the account to be a Multiple Party Account, but all of you are not present at the time the account is opened, we may permit as many of you as are present to open the account either as a Single Party Account or a Multiple Party Account only in the name(s) of those who are present (the "Temporary Account"). At the same time we may permit as many of you as are present to also sign account documentation listing the names of all those intended to be owners of the Multiple Party Account, including those who are not present (the "Permanent Account"). However, we are not required to give effect to the Permanent Account documentation until all owners listed on such documentation have signed it and we have processed it, at which point the Permanent Account documentation shall supersede and replace the Temporary Account documentation.

Notwithstanding the foregoing sentence, we may give the Permanent Account documentation retroactive effect to the date on which the Temporary Account was opened. We are not required to give any of you notice that the Permanent Account documentation has taken effect, nor are we required to give any intended owner notice that such intended owner's signature is needed on the Permanent Account documentation. If the Permanent Account documentation is not signed by all intended owners within 30 days following the opening of the Temporary Account, we may discard the Permanent Account documentation and will have no liability for doing so. A Temporary Account is subject to all of the terms and provisions of this Agreement.

SET-OFF – You each agree that we may, without prior notice to you, set off the funds in the account against any due and payable debt owed to us now or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including any balance the due date for which we properly accelerate under the note. This right of set-off applies regardless of the source of the deposit, and you consent that we may exercise this right of set-off against deposits which consist in whole or in part of government payments, including, but not limited to, Social Security and Veterans Administration payments. This right of set-off does not apply to the account if: (a) it is an Individual Retirement Account or other tax-deferred retirement account, or (b) the debtor's right of withdrawal arises only in a representative capacity. We will not be liable for the disbursement of any check when the

disbater occurs because we set off a debt against the account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of set-off.

FACSIMILE SIGNATURES -- You authorize us, at any time, to charge you for all checks, drafts, or other orders or transactions, for the payment of money, that are drawn on us by facsimile signature, regardless of by whom or by what means the facsimile signature(s) may have been affixed.

AUTHORIZED SIGNERS -- An authorized signer is someone you designate to conduct transactions on your behalf, but does not have any ownership or rights in the account unless the authorized signer is also named as a Pay-On-Death beneficiary, in which case the Pay-On-Death Account rules apply. Otherwise, the rights of an authorized signer cease upon your death but not upon your disability or incapacity; however, you agree that we will not be liable for honoring any transaction by an authorized signer after your death. We reserve the right to limit the number of authorized signers and to decline to permit authorized signers on certain types of accounts.

ACCOUNTS OWNED BY MINORS -- If this is a Multiple Party Account and one or more of the account owners is a minor, all adult owners of the account jointly and severally agree that all transactions made on the account by any such minor shall be deemed to have been made by such adult owners, regardless of whether any such transaction may be void or voidable. EACH SUCH ADULT OWNER AGREES TO INDEMNIFY US AND HOLD US HARMLESS FROM ANY LOSS WE INCUR IN CONNECTION WITH ANY TRANSACTION MADE BY ANY SUCH MINOR.

REUSAI OF DEPOSITS -- We may refuse to accept any item, wire or electronic funds transfer for deposit or to send any item for collection, and we will have no liability to you or to any other person for such refusal.

ORDER OF PAYMENT -- Unless otherwise provided in the Account Information Statement (see OTHER TERMS section below), if more than one item or order is presented for payment against the account on the same day and the available balance of the account is insufficient to pay them all, we may pay any of them in any order we choose, even if the order we choose results in greater insufficient funds fees than if we had chosen to pay them in some other order. Our payment of any item or order in overdraft does not create any obligation for us to pay any other item or order in overdraft in the future, and you agree that no course of dealing regarding the payment of items or orders in overdraft will be created between us.

ERRORS -- If there occurs any error on the account in your favor, such as crediting the account for an amount to which you are not entitled, changing the account for an amount less than the amount of an item or other order, or receipt of any direct deposit to which you are not entitled, you agree that we may adjust this

account to correct the error and that, if there are insufficient funds in the account for such adjustment, you will immediately pay us the amount necessary to correct the error. You agree to pay our reasonable attorneys' fees and expenses in the event we sue you to recover the amount necessary to correct the error.

DEPOSITS NOT MADE IN PERSON -- We are not responsible for transactions initiated by mail, outside depository or left with us for subsequent processing until we actually record them, and you accept and assume all risks inherent in initiating such transactions. For deposits so initiated, our determination of the amount of the deposit will be conclusive, and you waive any right to contest our determination.

RESTRICTIVE LEGENDS -- For your own purposes you may print or write on checks or other items restrictive legends specifying the number of signatures required, the maximum amount for which the check or item is payable, the number of days the check or item is valid and similar restrictions. However, you agree that such restrictions shall not be binding on us, that we may disregard such restrictions and that we will have no liability to you or to any other person for paying any check or other item inconsistently with any restrictive legend that is printed or written thereon.

CHECK CHARACTERISTICS -- If you use checks from sources other than vendors approved by us, or if you use check stock, security features or ink color which cause data to disappear or to become obscured when the check is converted into an image, you agree to bear any loss which results. We will not be liable for failing to honor a stop-payment order for an item issued on a check form from sources other than vendors approved by us.

SECURITY INTEREST -- In addition to the rights of set-off which we have under this Agreement, you hereby grant to us a security interest in the account to secure payment of any obligation which you now owe us or which you may owe us at any time in the future, including your obligation to pay our attorneys' fees and expenses and your obligation to indemnify us as provided elsewhere in this Agreement. When any such obligation is due and payable to us, we may pay such obligation, or any part thereof, from the account without prior notice to you, and we will not be liable for the dishonor of any item or order which results from such exercise of our security interest. If the account has any Pay-On-Death beneficiary, the interests of such beneficiary shall be junior to our security interest and shall be subject to our right of set-off, even if we do not exercise our security interest or right of set-off until after your death.

PAYMENT TO BENEFICIARIES -- Payment to pay-on-death beneficiaries shall be as provided by law. Notwithstanding anything in the Pay-on-Death Account rules stated above, we may require any pay-on-death beneficiary wishing to continue transactions with us to close the account and open a new account under such beneficiary's signature.

INDemnIFICATION BY FIDUCIARY -- IF THE ACCOUNT IS A FIDUCIARY ACCOUNT (INCLUDING, BUT NOT LIMITED TO, AN ACCOUNT USED AS A CUSTODIAL ACCOUNT OR AS A REPRESENTATIVE PAYEE ACCOUNT TO RECEIVE PAYMENTS FROM THE SOCIAL SECURITY ADMINISTRATION OR ANY OTHER GOVERNMENTAL PAYOR), YOU, THE FIDUCIARY, AGREE IN YOUR INDIVIDUAL CAPACITY TO INDEMNIFY US AND HOLD US HARMLESS FROM ANY LOSS WE INCUR IN CONNECTION WITH THE ACCOUNT, WHETHER RESULTING FROM OVERDRAFT ERROR IN YOUR FAVOR, RECLAMATION BY ANY GOVERNMENTAL PAYOR, ANY DISPUTE WITHIN THE SCOPE OF THE "ACCOUNT DISPUTE, INDEMNITY, LIMITATION ON LIABILITY" SECTION BELOW OR ANY OTHER REASON. IN THE EVENT OF ANY SUCH LOSS, WE MAY ENFORCE THE FOREGOING INDEMNITY BY SETTING OFF THE AMOUNT OF SUCH LOSS AGAINST (OR BY EXERCISING ANY SECURITY INTEREST WE MAY HAVE IN) ANY OTHER ACCOUNT WITH US IN WHICH YOU, THE FIDUCIARY, HAVE AN INTEREST (UNLESS YOUR INTEREST IN SUCH ACCOUNT IS ONLY AS A FIDUCIARY), AND WE WILL NOT BE LIABLE TO YOU OR TO ANYONE ELSE FOR THE DISHONOR OF ANY ITEM OR ORDER ON SUCH OTHER ACCOUNT WHICH RESULTS FROM SUCH SET-OFF OR EXERCISE OF OUR SECURITY INTEREST.

SIGNATURE BY MARK -- If any signature which appears on the signature page is by mark (such as an "X"), then you agree that we will have no liability whatsoever on claims by you or any other person based on forgery, unauthorized signature, alteration or the like.

ACCOUNT DISPUTE, INDEMNITY, LIMITATION ON LIABILITY -- IN THE EVENT OF ANY DISPUTE REGARDING THE ACCOUNT, INCLUDING ANY DISPUTE OVER OWNERSHIP OF OR ENTITLEMENT TO THE ACCOUNT OR THE CAPACITY OR AUTHORITY OF ANY PERSON TO TRANSACT ON THE ACCOUNT, YOU AGREE TO PAY OUR REASONABLE ATTORNEYS' FEES AND EXPENSES IN THE EVENT THAT WE BECOME INVOLVED IN ANY PROCEEDING TO RESOLVE SUCH DISPUTE. IN THE EVENT OF SUCH DISPUTE WE MAY PAY THE AVAILABLE BALANCE OF THE ACCOUNT INTO COURT, AND IN THAT EVENT YOU AGREE NOT TO MAKE ANY CLAIM AGAINST US. ADDITIONALLY, TO THE EXTENT PERMITTED BY LAW, YOU AGREE TO INDEMNIFY US, OUR DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS ARISING FROM OR IN ANY WAY RELATING TO ANY SUCH DISPUTE. YOU ALSO AGREE THAT WE SHALL BE ENTITLED TO RECOVER OUR REASONABLE ATTORNEYS' FEES AND EXPENSES IN CONNECTION WITH SUCH PAYMENT INTO COURT AND

THAT WE MAY RECOVER SUCH FEES AND EXPENSES FROM THE BALANCE PAID INTO COURT. IN THE EVENT OF ANY KIND OF CLAIM BY YOU AGAINST US IN CONNECTION WITH THE ACCOUNT, YOU AGREE THAT WE WILL NOT BE LIABLE TO YOU FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES.

GOVERNING LAW, PROCESS, REPRESENTATIVES -- With regard to any account established online, this Agreement is governed by the laws of Mississippi and by federal law and regulation. Otherwise, this Agreement is governed by the laws of the state of the location of our branch identified on the signature page and by federal law and regulation. Notwithstanding this, we may honor any levy, attachment, garnishment, execution, subpoena, court order, administrative order (including child support order) or other legal process which names you or which encompasses you, the account or any tax identification number associated with the account, regardless of whether we are subject to the jurisdiction of the issuer of such, regardless of in which state such is served on us and regardless of how such is served on us. We are not required to raise any defense in your behalf. We may also comply with the directions of any executor, administrator, conservator, guardian, receiver, bankruptcy trustee, attorney-in-fact or any other such representative purporting to have authority over the account who furnishes us with apparently authentic copies of documents which confer such authority. We may refuse to deal with any such representative in our sole discretion, and we will not be liable to you for such refusal. You agree that we may place temporary or permanent holds on the balance of the account related to or otherwise in response to any such process or authority and that we shall be fully protected in doing so, even if we later determine that such process or authority is impugnable to the account. YOU AGREE THAT WE WILL NOT BE LIABLE TO YOU OR TO ANY OTHER PERSON FOR ACTING OR NOT ACTING ON ANY SUCH PROCESS OR FOR ACTING OR NOT ACTING ON THE DIRECTIONS OF ANY SUCH REPRESENTATIVE OR FOR PLACING OR NOT PLACING TEMPORARY OR PERMANENT HOLDS, AND YOU AGREE TO INDEMNIFY US, OUR DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS ARISING FROM OR IN ANY WAY RELATING TO SUCH ACTION OR INACTION.

EFFECT OF TERMINATION OR AMENDMENT -- Termination of the account, whether by us or by you, does not relieve you of any obligation you may then owe us. We may accept deposits to the account after it has been closed in order to collect any deficit balance, and such acceptance will not constitute reinstatement of the account. Your use of the account after we give you notice of any amendment to this Agreement constitutes your acceptance of such amendment. No amendment of this Agreement is enforceable against us unless it is in writing and we have

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 10

YOUR DEPOSIT ACCOUNT TERMS AND CONDITIONS AGREEMENT

AGREEMENT - These terms and conditions (this "Agreement") govern your deposit relationships with us unless varied or supplemented in writing by amendment as provided herein. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so that the singular includes the plural and the plural includes the singular. As used in this Agreement, the "account" means each deposit account you maintain with us other than Time Deposit (Certificate of Deposit) accounts and Individual Retirement Accounts; "we," "our," or "us" mean BancorpSouth Bank; "you" or "your" mean the owner(s) of the account; and "signature page" means the page(s) containing the signatures of the owner(s) of the account. This Agreement applies separately to each account. The account may not be transferred, pledged or assigned without our written consent, and we reserve the right to withhold such consent for any reason.

Much of our relationship with our deposit customers is regulated by state and federal law, especially the law relating to negotiable instruments, the law regulating the methods of transferring property upon death and the rights of surviving spouses and dependents, the law pertaining to estate and other succession taxes, the law regarding electronic funds transfer, and the law regarding the availability of deposited funds. This body of law is too large and complex to be reproduced here.

The purpose of this Agreement is to:

- (1) summarize the rules applicable to the more common transactions;
- (2) establish rules to govern transactions or circumstances which the law does not regulate; and
- (3) establish rules for certain events or transactions which the law already regulates but permits variation by agreement.

LIABILITY - Each of you agrees, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms and conditions set forth in this Agreement and the schedule of charges that may be imposed. You authorize us to deduct these charges as accrued directly from the account balance. You also agree to pay additional reasonable charges we may impose for services you request which are not contemplated by this Agreement. Each of you also agrees to be jointly and severally (solidarily) liable for any account deficit resulting from charges or overdrafts, whether caused by you or another authorized to withdraw from the account, and the costs we incur to collect the deficit including our reasonable attorneys' fees.

DEPOSITS - Any items, other than cash, accepted for deposit (including items drawn "on us") will be given provisional credit only until collection is final (and actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars). Applicable law may require us to make your deposits available for withdrawal before payment becomes final or before the expiration of other banks' deadlines to return your deposited items to us for refund. You agree that our making all or any part of a deposit available to you for withdrawal is not a waiver of our right to charge back to the account any deposited item which is returned to us unpaid or for refund; instead, we may charge back to the account, and you will be responsible for, all such items. Subject to any other limitations, interest will be paid only on collected funds, unless otherwise provided by law. All transactions received after our daily cut-off time on a business day we are open (a "banking day"), or received on a day in which we are not open for business, will be treated and recorded as if initiated on the next following banking day. Our daily cut-off time varies from location to location and is posted at each of our locations.

WITHDRAWALS - Any one of you who signs the signature page, including authorized signers, may withdraw or transfer all or any part of the account balance at any time on forms approved by us. However, we reserve the right to limit the amount of any withdrawal in cash where, for example, currency in the amount of the withdrawal is not available at our branch or your withdrawal exceeds the amount we allow via automatic teller machine or if the cash supply of the automatic teller machine is depleted. Each of you authorizes each other person signing the signature page to endorse any item payable to you or your order for deposit to the account or any other transaction with us. You agree that our right to charge a check against the account does not depend on the date of the check. Therefore, we may charge a check against the account before the date of the check or at any time thereafter, provided, however, that we may, but are not required to, refuse to pay a check which appears on its face to be more than six months old. In any event, we will not be liable to you for charging against the

account a check before its date or after it is more than six months old. The fact that we may honor withdrawal requests which overdraw the finally collected account balance does not obligate us to do so. Withdrawals will first be made from collected funds, and we may, unless prohibited by law, refuse any withdrawal request against uncollected funds, even if our general practice is to the contrary. We reserve the right to refuse any withdrawal or transfer request which is attempted by any method not specifically permitted, which is for an amount less than any minimum withdrawal requirement, or which exceeds any frequency limitation. Even if we honor a nonconforming request, we may close the account in the event of repeated abuse of the stated limitations. We will use the date a transaction is completed by us (as opposed to the day you initiate it) to apply the frequency limitations. On interest bearing accounts other than time deposits, we reserve the right to require at least seven days' written notice before any withdrawal or transfer.

ACH, WIRE AND FUNDS TRANSFERS - We may decline to process any wire or funds transfer which is not subject to Regulation E or the Electronic Funds Transfer Act until you enter into a separate Funds Transfer Agreement with us. If we process any wire or funds transfer for you before you enter into a separate Funds Transfer Agreement, with respect to each such transfer you will be bound by the terms of this section. You agree to be bound by all rules and regulations governing any system through which any transfer occurs, including, but not limited to, any ACH rules, NACHA rules and the rules and regulations pertaining to Fedwire, the electronic transfer system of the Federal Reserve Banks. We may make wire or funds transfers by any means available to us, including, but not limited to, through our correspondent banks or by internal book entry. We have no obligation to notify you of incoming wire or funds transfers. Any credit for incoming wire or funds transfers is provisional until we have received final payment. If we do not receive final payment, we may reverse the credit. We may permit any of you or any authorized signer to order wire or other funds transfers from the account by telephone, in person, by written instruction, or by any other means acceptable to us, subject to any time deadlines or other conditions or procedures which we may establish. Wire and funds transfers are made only through the use of identifying numbers for the recipient bank and account, without regard to any names which may be furnished for any recipient bank or account. You must furnish the correct identifying numbers to us in connection with each wire or funds transfer. Funds will be wired or transferred in accordance with the identifying numbers you furnish us (or the identifying numbers which you use, if you are originating an ACH transaction), even if an identifying number is incorrect or is inconsistent with any name you may use or furnish us. In such event, we will not be responsible for your error, the transfer will not be considered an unauthorized transaction, and any loss will be entirely yours. Any instructions you may give us in connection with a wire or funds transfer will not be binding on us unless we have agreed to such instructions in writing. You must strictly observe all deadlines we impose for the processing of wire and funds transfers. We will not be responsible for any delay or other consequences which result from your failure to comply with any of these deadlines. You have no right to cancel or change any wire or funds transfer after you submit it to us. Any attempt by us to cancel or change any wire or funds transfer at your request will not constitute the assumption of any duty by us. You assume all risk associated with international wire or funds transfers. We will not be liable to you in any way in connection with an international wire or funds transfer, whether for failure of delivery, delayed delivery, fluctuations in exchange rates or for any other reason. If any incoming wire or funds transfer is denominated in a foreign currency, you authorize us to convert such to U. S. Dollars according to such exchange rate which we may select at our discretion. You acknowledge and agree that such exchange rate may not be the most favorable rate of exchange published and that you will be bound by our choice of exchange rate. If you provide your account number or any other account identifying information to any third party and such third party originates any funds transfer transaction on the account, you agree that we may treat such transaction as a transaction authorized by you.

OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION - You intend these rules to apply to the account depending on the form of ownership and beneficiary designation, if any, specified on the signature page. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds. **Single Party Account** - is owned by one person. **Multiple Party**

Account - is owned by two or more persons jointly with right of survivorship and not as tenants in common, regardless of the conjunction ("or", "and") used between the depositors' names. Each of you expressly agrees that the account is not owned as a tenancy by the entireties. Each of you intends that upon your death the balance in the account (subject to any previous pledge to which we have consented) will vest in and belong to the survivor(s) as the separate property and estate of such survivor(s). If two or more of you survive, you will own the balance in the account as joint tenants with survivorship and not as tenants in common. Transactions on Multiple Party Accounts do not require the signatures of all account owners to transact on the account. Instead, any one account owner or authorized signer may transact on the account to the exclusion of the other(s), and each of you authorize each other of you to do so without further consent. If this Agreement is governed by the laws of the state of Louisiana, the owners of a Multiple Party Account are co-owners of the account, and all or any part of any deposit may be paid to any one of you, whether any other of you is living or not, and any such payment to any of you shall constitute receipt and acquittance and shall fully release and discharge us from the claims of any person to funds of the deceased depositor for the payment made. **Pay-On-Death Account** - Pay-on-death beneficiaries acquire the right to withdraw only if: (1) all persons creating the account die, (2) the beneficiary is then living, and (3) we are not otherwise required by law to make payment to some other person. If two or more beneficiaries are named and survive the death of all persons creating the account, such beneficiaries will own the account and may transact on it according to the Multiple Party Account rules stated above unless otherwise provided by law. Any one account owner or authorized signer may: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the deposit at any time. If two or more of you create such a Pay-On-Death Account, you own the account according to the Multiple Party Account rules stated above until the last of you dies. **Fiduciary Account** - A Fiduciary Account, whether for a consumer or a commercial purpose, is one in which the person controlling the account does so for the benefit of another. Examples of fiduciaries are trustees, executors, conservators, custodians for minors, representative payees and court-appointed guardians. For purposes of this Agreement, guardians such as parents or other relatives who have not been court-appointed or persons who have not complied with necessary provisions of any applicable transfer to minors laws are not fiduciaries. We are not a fiduciary in connection with the account. For fiduciary accounts, we will usually require, in the case of trustees, a trust resolution according to our form, and in all other cases documents evidencing the fiduciary's authority. We have no duty to inspect any will or trust document, and you agree that we will not be bound by any limitations imposed in a will or trust document. You agree that a Fiduciary Account is a general deposit and not a special deposit. **Corporation, Partnership, LLC, Government and other Organizational Accounts** - We will usually require a separate resolution in a form acceptable to us designating the person(s) permitted to make withdrawals from any account in the name of a legal entity such as a partnership, corporation, LLC, governmental entity or other organization.

STOP-PAYMENTS - A stop-payment order must be given in the manner required by law and must be received in time to give us a reasonable opportunity to act on it before our stop-payment cut off time. Our stop-payment cut off time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop-payment are provided by law. A stop-payment order must precisely identify the number, date and amount of the item, and the payee. We will honor a stop-payment request by the person who signed the particular item, and, by any other person, even though such other person did not sign the item, if such other person has an equal or greater right to withdraw from the account than the person who signed the item in question. A release of the stop-payment request may be made only by the person who initiated the stop-payment.

AMENDMENTS AND TERMINATION - We may change, in whole or in part, any term of this Agreement or any of the disclosures indicated on the signature page or previously given to you. Rules governing changes in interest rates have been provided separately. For other changes we will give you reasonable notice in writing or by any other method permitted by law. We may also close the account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Notice from us to any one of you is notice to all of you unless otherwise provided by law.

STATEMENTS - You must examine your statement of account with reasonable promptness. If you discover (or reasonably should have discovered) any forgeries, unauthorized payments, alterations or disputed transactions, you must promptly notify us of the relevant facts. Even if you do promptly notify us, you still may have to either share the loss with us or bear the loss entirely yourself (depending on whether you exercised ordinary care or substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items forged or altered by the same wrongdoer.

You agree that the time you have to examine your statement and report to us will not, in any circumstance, exceed a total of 60 days from when the statement is first made available to you.

You further agree that if you fail to report any unauthorized signatures, alterations, forgeries, unauthorized activity or any other errors or disputed transactions in the account within 60 days of when we make the statement available, you cannot assert a claim against us on any items in that statement, and the loss will be entirely yours.

You also agree to examine your statement with the same reasonable promptness to discover whether any deposit is missing or has been incorrectly credited. If your statement of account contains any error pertaining to any deposit, and if you fail to report such error to us within 60 days of when we make the statement available, you cannot assert a claim against us for such error, and any loss will be entirely yours.

The 60 day limitations set forth in this section are without regard to whether we exercised ordinary care.

If the account is a commercial purpose account, you additionally agree to take advantage of products and services we offer for the detection and prevention of fraud and unauthorized transactions, such as "Positive Pay" cash management products. If you fail to utilize any such product or service, you agree that you will be precluded from asserting any claim against us for any unauthorized transaction which could have been prevented by the proper use of such product or service.

We may require any report of errors on your statement to be put in writing by you and we may additionally require you to furnish us with an affidavit concerning the error on forms acceptable to us. If the account is a commercial purpose account, you agree to exhaust all rights against any insurance coverage you may have before making any claim against us. Our liability to you, if any, will be reduced by the amount of any insurance you are entitled to receive. You agree, upon request by us, to assign to us all insurance rights you may have in connection with any loss on your commercial purpose account.

DIRECT DEPOSITS - If, in connection with a direct deposit plan, we deposit any amount in the account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

TEMPORARY ACCOUNTS - If you intend for the account to be a Multiple Party Account, but all of you are not present at the time the account is opened, we may permit as many of you as are present to open the account either as a Single Party Account or a Multiple Party Account only in the name(s) of those who are present (the "Temporary Account"). At the same time we may permit as many of you as are present to also sign account documentation listing the names of all those intended to be owners of the Multiple Party Account, including those who are not present (the "Permanent Account"). However, we are not required to give effect to the Permanent Account documentation until all owners listed on such documentation have signed it and we have processed it, at which point the Permanent Account documentation shall supersede and replace the Temporary Account documentation. Notwithstanding the foregoing sentence, we may give the Permanent Account documentation retroactive effect to the date on which the Temporary Account was opened. We are not required to give any of you notice that the Permanent Account documentation has taken effect, nor are we required to give any intended owner notice that such intended owner's signature is needed on the Permanent Account documentation. If the Permanent Account documentation is not signed by all intended owners within 30 days following the opening of the Temporary Account, we may discard the Permanent Account documentation and will have no liability for doing so. A Temporary Account is subject to all of the terms and provisions of this Agreement.

SETOFF - You each agree that we may, without prior notice to you, set off the funds in the account against any due and payable debt owed to us now or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including any balance the due date for which we properly accelerate under the note. This right of setoff applies regardless of the source of the deposit, and you consent that we may exercise this right of setoff against deposits which consist in whole or in part of government payments, including, but not limited to, Social Security and Veterans Administration payments. This right of setoff does not apply to the account if: (a) it is an Individual Retirement Account or other tax deferred retirement account, or (b) the debtor's right of withdrawal arises only in a representative capacity. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against the account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of setoff.

FACSIMILE SIGNATURES - You authorize us, at any time, to charge you for all checks, drafts, or other orders or transactions, for the payment of money, that are drawn on us by facsimile signature, regardless of by whom or by what means the facsimile signature(s) may have been affixed.

AUTHORIZED SIGNERS - An authorized signer is someone you designate to conduct transactions on your behalf, but does not have any ownership or rights in the account unless the authorized signer is also named as a pay-on-death beneficiary, in which case the Pay-On-Death Account rules apply. Otherwise, the rights of an authorized signer cease upon your death but not upon your disability or incapacity; however, you agree that we will not be liable for honoring any transaction by an authorized signer after your death. We reserve the right to limit the number of authorized signers and to decline to permit authorized signers on certain types of accounts.

ACCOUNTS OWNED BY MINORS - If this is a Multiple Party Account and one or more of the account owners is a minor, all adult owners of the account jointly and severally agree that all transactions made on the account by any such minor shall be deemed to have been made by such adult owners, regardless of whether any such transaction may be void or voidable. EACH SUCH ADULT OWNER AGREES TO INDEMNIFY US AND HOLD US HARMLESS FROM ANY LOSS WE INCUR IN CONNECTION WITH ANY TRANSACTION MADE BY ANY SUCH MINOR.

REFUSAL OF DEPOSITS - We may refuse to accept any item, wire or electronic funds transfer for deposit or to send any item for collection, and we will have no liability to you or to any other person for such refusal.

ORDER OF PAYMENT - Unless otherwise provided in the Account Information Statement (see OTHER TERMS section below), if more than one item or order is presented for payment against the account on the same day and the available balance of the account is insufficient to pay them all, we may pay any of them in any order we choose, even if the order we choose results in greater insufficient funds fees than if we had chosen to pay them in some other order. Our payment of any item or order in overdraft does not create any obligation for us to pay any other item or order in overdraft in the future, and you agree that no course of dealing regarding the payment of items or orders in overdraft will be created between us.

ERRORS - If there occurs any error on the account in your favor, such as crediting the account for any amount to which you are not entitled, charging the account for an amount less than the amount of an item or other order, or receipt of any direct deposit to which you are not entitled, you agree that we may adjust this account to correct the error and that, if there are insufficient funds in the account for such adjustment, you will immediately pay us the amount necessary to correct the error. You agree to pay our reasonable attorneys' fees and expenses in the event we sue you to recover the amount necessary to correct the error.

DEPOSITS NOT MADE IN PERSON - We are not responsible for transactions initiated by mail, outside depository or left with us for subsequent processing until we actually record them, and you accept and assume all risks inherent in initiating such transactions. For deposits so initiated, our determination of the amount of the deposit will be conclusive, and you waive any right to contest our determination.

RESTRICTIVE LEGENDS - For your own purposes you may print or write on checks or other items restrictive legends specifying the number of signatures required, the maximum amount for which the check or item is payable, the number of days the check or item is valid and similar restrictions. However, you agree that such restrictions shall not be binding on us, that we may disregard such restrictions and that we will have no liability to you or to any other person for paying any check or other item inconsistently with any restrictive legend that is printed or written thereon.

CHECK CHARACTERISTICS - If you use checks from sources other than vendors approved by us, or if you use check stock, security features or ink color which cause data to disappear or to become obscured when the check is converted into an image, you agree to bear any loss which results. We will not be liable for failing to honor a stop-payment order for an item issued on a check form from sources other than vendors approved by us.

SECURITY INTEREST - In addition to the rights of setoff which we have under this Agreement, you hereby grant to us a security interest in the account to secure payment of any obligation which you now owe us or which you may owe us at any time in the future, including your obligation to pay our attorneys' fees and expenses and your obligation to indemnify us as provided elsewhere in this Agreement. When any such obligation is due and payable to us, we may pay such obligation, or any part thereof, from the account without prior notice to you, and we will not be liable for the dishonor of any item or order which results from such exercise of our security interest. If the account has any pay-on-death beneficiary, the interests of such beneficiary shall be junior to our security interest and shall be subject to our right of setoff, even if we do not exercise our security interest or right of setoff until after your death.

PAYMENT TO BENEFICIARIES - Payment to pay-on-death beneficiaries shall be as provided by law. Notwithstanding anything in the Pay-On-Death Account rules stated above, we may require any pay-on-death beneficiary wishing to continue transactions with us to close the account and open a new account under such beneficiary's signature.

INDEMNIFICATION BY FIDUCIARY - IF THE ACCOUNT IS A FIDUCIARY ACCOUNT (INCLUDING, BUT NOT LIMITED TO, AN ACCOUNT USED AS A CUSTODIAL ACCOUNT OR AS A REPRESENTATIVE PAYEE ACCOUNT TO RECEIVE PAYMENTS FROM THE SOCIAL SECURITY ADMINISTRATION OR ANY OTHER GOVERNMENTAL PAYOR), YOU, THE FIDUCIARY, AGREE IN YOUR INDIVIDUAL CAPACITY TO INDEMNIFY US AND HOLD US HARMLESS FROM ANY LOSS WE INCUR IN CONNECTION WITH THE ACCOUNT, WHETHER RESULTING FROM OVERDRAFT, ERROR IN YOUR FAVOR, RECLAMATION BY ANY GOVERNMENTAL PAYOR, ANY DISPUTE WITHIN THE SCOPE OF THE "ACCOUNT DISPUTE; INDEMNITY; LIMITATION ON LIABILITY" SECTION BELOW OR ANY OTHER REASON. IN THE EVENT OF ANY SUCH LOSS, WE MAY ENFORCE THE FOREGOING INDEMNITY BY SETTING OFF THE AMOUNT OF SUCH LOSS AGAINST (OR BY EXERCISING ANY SECURITY INTEREST WE MAY HAVE IN) ANY OTHER ACCOUNT WITH US IN WHICH YOU, THE FIDUCIARY, HAVE AN INTEREST (UNLESS YOUR INTEREST IN SUCH ACCOUNT IS ONLY AS A FIDUCIARY), AND WE WILL NOT BE LIABLE TO YOU OR TO ANYONE ELSE FOR THE DISHONOR OF ANY ITEM OR ORDER ON SUCH OTHER ACCOUNT WHICH RESULTS FROM SUCH SETOFF OR EXERCISE OF OUR SECURITY INTEREST.

SIGNATURE BY MARK - If any signature which appears on the signature page is by mark (such as an "X"), then you agree that we will have no liability whatsoever on claims by you or any other person based on forgery, unauthorized signature, alteration or the like.

ACCOUNT DISPUTE; INDEMNITY; LIMITATION ON LIABILITY - IN THE EVENT OF ANY DISPUTE REGARDING THE ACCOUNT, INCLUDING ANY DISPUTE OVER OWNERSHIP OF OR ENTITLEMENT TO THE ACCOUNT OR THE CAPACITY OR AUTHORITY OF ANY PERSON TO TRANSACT ON THE ACCOUNT, YOU AGREE TO PAY OUR REASONABLE ATTORNEYS' FEES AND EXPENSES IN THE EVENT THAT WE BECOME INVOLVED IN ANY PROCEEDING TO RESOLVE SUCH DISPUTE. IN THE EVENT OF SUCH DISPUTE WE MAY PAY THE AVAILABLE BALANCE OF THE ACCOUNT INTO COURT, AND IN THAT EVENT YOU AGREE NOT TO MAKE ANY CLAIM AGAINST US. ADDITIONALLY, TO THE EXTENT PERMITTED BY LAW, YOU AGREE TO INDEMNIFY US, OUR DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS ARISING FROM OR IN ANY WAY RELATING TO ANY SUCH DISPUTE. YOU ALSO AGREE THAT WE SHALL BE ENTITLED TO RECOVER OUR REASONABLE ATTORNEYS' FEES AND EXPENSES IN CONNECTION WITH SUCH PAYMENT INTO COURT AND THAT WE MAY RECOVER SUCH FEES AND EXPENSES FROM THE BALANCE PAID INTO COURT.

IN THE EVENT OF ANY KIND OF CLAIM BY YOU AGAINST US IN CONNECTION WITH THE ACCOUNT, YOU AGREE THAT WE WILL NOT BE LIABLE TO YOU FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES.

GOVERNING LAW; PROCESS; REPRESENTATIVES - With regard to any account established online, this Agreement is governed by the laws of Mississippi and by federal law and regulation. Otherwise, this Agreement is governed by the laws of the state of the location of our branch identified on the signature page and by federal law and regulation. Notwithstanding this, we may honor any levy, attachment, garnishment, execution, subpoena, court order, administrative order (including child support order) or other legal process which names you or which encompasses you, the account or any tax identification number associated with the account, regardless of whether we are subject to the jurisdiction of the issuer of such, regardless of in which state such is served on us and regardless of how such is served on us. We are not required to raise any defense in your behalf. We may also comply with the directions of any executor, administrator, conservator, guardian, receiver, bankruptcy trustee, attorney-in-fact or any other such representative purporting to have authority over the account who furnishes us with apparently authentic copies of documents which confer such authority. We may refuse to deal with any such representative in our sole discretion, and we will not be liable to you for such refusal. You agree that we may place temporary or permanent holds on the balance of the account related to or otherwise in response to any such process or authority and that we shall be fully protected in doing so, even if we later determine that such process or authority is inapplicable to the account. YOU AGREE THAT WE WILL NOT BE LIABLE TO YOU OR TO ANY OTHER PERSON FOR ACTING OR NOT ACTING ON ANY SUCH PROCESS OR FOR ACTING OR NOT ACTING ON THE DIRECTIONS OF ANY SUCH REPRESENTATIVE OR FOR PLACING OR NOT PLACING TEMPORARY OR PERMANENT HOLDS, AND YOU AGREE TO INDEMNIFY US, OUR DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS ARISING FROM OR IN ANY WAY RELATING TO SUCH ACTION OR INACTION.

EFFECT OF TERMINATION OR AMENDMENT - Termination of the account, whether by us or by you, does not relieve you of any obligation you may then owe us. We may accept deposits to the account after it has been closed in order to collect any deficit balance, and such acceptance will not constitute reinstatement of the account. Your use of the account after we give you notice of any amendment to this Agreement constitutes your acceptance of such amendment. No amendment of this Agreement is enforceable against us unless it is in writing and we have authored the writing or have signed it through an employee having authority to do so, such as a regional president. No practice or course of dealing in connection with the account which is at variance with this Agreement shall constitute a modification or amendment of this Agreement.

OTHER TERMS - The account is additionally governed by our Account Information Statement. You acknowledge receipt of a copy of the Account Information Statement and you agree to be bound by its terms, as amended by us from time to time, and to be responsible for all fees and charges set forth therein which apply to the account. You understand that the Account Information Statement does not necessarily set forth all possible fees and charges which apply to the account.

SEVERABILITY - In the event that any part of this Agreement is determined to be unenforceable, such will not affect the other parts of this Agreement, all of which shall remain fully enforceable.

ARBITRATION - IF THE ACCOUNT IS A COMMERCIAL PURPOSE ACCOUNT, THEN YOU AGREE THAT ANY CLAIM, DISPUTE OR CONTROVERSY ("CLAIM") BY EITHER YOU OR US AGAINST THE OTHER, OR AGAINST THE EMPLOYEES, AGENTS OR ASSIGNS OF THE OTHER, ARISING FROM OR RELATING IN ANY WAY TO THIS AGREEMENT, THE ACCOUNT OR ANY TRANSACTION, INCLUDING CLAIMS REGARDING THE APPLICABILITY OF THIS ARBITRATION CLAUSE OR THE VALIDITY OF ALL OR ANY PART OF THIS AGREEMENT, SHALL BE RESOLVED BY BINDING ARBITRATION BY THE NATIONAL ARBITRATION FORUM, UNDER THE CODE OF PROCEDURE IN EFFECT AT THE TIME THE CLAIM IS MADE OR FILED. RULES AND FORMS OF THE NATIONAL ARBITRATION FORUM MAY BE OBTAINED AND CLAIMS MAY BE FILED AT ANY NATIONAL ARBITRATION FORUM OFFICE, WWW.ARBITRATION-FORUM.COM OR POST OFFICE BOX 50191, MINNEAPOLIS, MINNESOTA 55405, TELEPHONE 1-800-474-2371. ANY ARBITRATION HEARING AT WHICH YOU APPEAR WILL TAKE PLACE IN THE CITY WHICH IS THE LOCATION OF OUR BRANCH AT WHICH THE ACCOUNT WAS OPENED. THIS ARBITRATION AGREEMENT IS MADE PURSUANT TO A TRANSACTION INVOLVING INTERSTATE COMMERCE AND SHALL BE GOVERNED BY THE FEDERAL ARBITRATION ACT, 9 U.S.C. SECTIONS 1-16. JUDGMENT UPON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. **IN THE ABSENCE OF THIS ARBITRATION AGREEMENT YOU AND WE MAY OTHERWISE HAVE HAD A RIGHT OR OPPORTUNITY TO LITIGATE CLAIMS THROUGH A COURT AND/OR TO PARTICIPATE OR BE REPRESENTED IN LITIGATION FILED IN COURT BY OTHERS, BUT EXCEPT AS OTHERWISE PROVIDED ABOVE, ALL CLAIMS MUST NOW BE RESOLVED THROUGH ARBITRATION.**

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 11

YOUR DEPOSIT ACCOUNT TERMS AND CONDITIONS AGREEMENT

AGREEMENT - These terms and conditions (this "Agreement") govern your deposit relationships with us unless varied or supplemented in writing by amendment as provided herein. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so that the singular includes the plural and the plural includes the singular. As used in this Agreement, the "account" means each deposit account you maintain with us other than Time Deposit (Certificate of Deposit) accounts and Individual Retirement Accounts; "we," "our," or "us" mean BancorpSouth Bank; "you" or "your" mean the owner(s) of the account; and "signature page" means the page(s) containing the signatures of the owner(s) of the account. This Agreement applies separately to each account. The account may not be transferred, pledged or assigned without our written consent, and we reserve the right to withhold such consent for any reason.

Much of our relationship with our deposit customers is regulated by state and federal law, especially the law relating to negotiable instruments, the law regulating the methods of transferring property upon death and the rights of surviving spouses and dependents, the law pertaining to estate and other succession taxes, the law regarding electronic funds transfer, and the law regarding the availability of deposited funds. This body of law is too large and complex to be reproduced here.

The purpose of this Agreement is to:

- (1) summarize the rules applicable to the more common transactions;
- (2) establish rules to govern transactions or circumstances which the law does not regulate; and
- (3) establish rules for certain events or transactions which the law already regulates but permits variation by agreement.

LIABILITY - Each of you agrees, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms and conditions set forth in this Agreement and the schedule of charges that may be imposed. You authorize us to deduct these charges as accrued directly from the account balance. You also agree to pay additional reasonable charges we may impose for services you request which are not contemplated by this Agreement. Each of you also agrees to be jointly and severally (solidarily) liable for any account deficit resulting from charges or overdrafts, whether caused by you or another authorized to withdraw from the account, and the costs we incur to collect the deficit including our reasonable attorneys' fees.

DEPOSITS - Any items, other than cash, accepted for deposit (including items drawn "on us") will be given provisional credit only until collection is final (and actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars). Applicable law may require us to make your deposits available for withdrawal before payment becomes final or before the expiration of other banks' deadlines to return your deposited items to us for refund. You agree that our making all or any part of a deposit available to you for withdrawal is not a waiver of our right to charge back to the account any deposited item which is returned to us unpaid or for refund; instead, we may charge back to the account, and you will be responsible for, all such items. Subject to any other limitations, interest will be paid only on collected funds, unless otherwise provided by law. All transactions received after our daily cut-off time on a business day we are open (a "banking day"), or received on a day in which we are not open for business, will be treated and recorded as if initiated on the next following banking day. Our daily cut-off time varies from location to location and is posted at each of our locations.

WITHDRAWALS - Any one of you who signs the signature page, including authorized signers, may withdraw or transfer all or any part of the account balance at any time on forms approved by us. However, we reserve the right to limit the amount of any withdrawal in cash where, for example, currency in the amount of the withdrawal is not available at our branch or your withdrawal exceeds the amount we allow via automatic teller machine or if the cash supply of the automatic teller machine is depleted. Each of you authorizes each other person signing the signature page to endorse any item payable to you or your order for deposit to the account or any other transaction with us. You agree that our right to charge a check against the account does not depend on the date of the check. Therefore, we may charge a check against the account before the date of the check or at any time thereafter, provided, however, that we may, but are not required to, refuse to pay a check which appears on its face to be more than six months old. In any event, we will not be liable to you for charging against the

account a check before its date or after it is more than six months old. The fact that we may honor withdrawal requests which overdraw the finally collected account balance does not obligate us to do so. Withdrawals will first be made from collected funds, and we may, unless prohibited by law, refuse any withdrawal request against uncollected funds, even if our general practice is to the contrary. We reserve the right to refuse any withdrawal or transfer request which is attempted by any method not specifically permitted, which is for an amount less than any minimum withdrawal requirement, or which exceeds any frequency limitation. Even if we honor a nonconforming request, we may close the account in the event of repeated abuse of the stated limitations. We will use the date a transaction is completed by us (as opposed to the day you initiate it) to apply the frequency limitations. On interest bearing accounts other than time deposits, we reserve the right to require at least seven days' written notice before any withdrawal or transfer.

ACH, WIRE AND FUNDS TRANSFERS - We may decline to process any wire or funds transfer which is not subject to Regulation E or the Electronic Funds Transfer Act until you enter into a separate Funds Transfer Agreement with us. If we process any wire or funds transfer for you before you enter into a separate Funds Transfer Agreement, with respect to each such transfer you will be bound by the terms of this section. You agree to be bound by all rules and regulations governing any system through which any transfer occurs, including, but not limited to, any ACH rules, NACHA rules and the rules and regulations pertaining to Fedwire, the electronic transfer system of the Federal Reserve Banks. We may make wire or funds transfers by any means available to us, including, but not limited to, through our correspondent banks or by internal book entry. We have no obligation to notify you of incoming wire or funds transfers. Any credit for incoming wire or funds transfers is provisional until we have received final payment. If we do not receive final payment, we may reverse the credit. We may permit any of you or any authorized signer to order wire or other funds transfers from the account by telephone, in person, by written instruction, or by any other means acceptable to us, subject to any time deadlines or other conditions or procedures which we may establish. Wire and funds transfers are made only through the use of identifying numbers for the recipient bank and account, without regard to any names which may be furnished for any recipient bank or account. You must furnish the correct identifying numbers to us in connection with each wire or funds transfer. Funds will be wired or transferred in accordance with the identifying numbers you furnish us (or the identifying numbers which you use, if you are originating an ACH transaction), even if an identifying number is incorrect or is inconsistent with any name you may use or furnish us. In such event, we will not be responsible for your error, the transfer will not be considered an unauthorized transaction, and any loss will be entirely yours. Any instructions you may give us in connection with a wire or funds transfer will not be binding on us unless we have agreed to such instructions in writing. You must strictly observe all deadlines we impose for the processing of wire and funds transfers. We will not be responsible for any delay or other consequences which result from your failure to comply with any of these deadlines. You have no right to cancel or change any wire or funds transfer after you submit it to us. Any attempt by us to cancel or change any wire or funds transfer at your request will not constitute the assumption of any duty by us. You assume all risk associated with international wire or funds transfers. We will not be liable to you in any way in connection with an international wire or funds transfer, whether for failure of delivery, delayed delivery, fluctuations in exchange rates or for any other reason. If any incoming wire or funds transfer is denominated in a foreign currency, you authorize us to convert such to U. S. Dollars according to such exchange rate which we may select at our discretion. You acknowledge and agree that such exchange rate may not be the most favorable rate of exchange published and that you will be bound by our choice of exchange rate. If you provide your account number or any other account identifying information to any third party and such third party originates any funds transfer transaction on the account, you agree that we may treat such transaction as a transaction authorized by you.

OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION - You intend these rules to apply to the account depending on the form of ownership and beneficiary designation, if any, specified on the signature page. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds. **Single Party Account** - is owned by one person. **Multiple Party**

Account - is owned by two or more persons jointly with right of survivorship and not as tenants in common, regardless of the conjunction ("or", "and") used between the depositors' names. Each of you expressly agrees that the account is not owned as a tenancy by the entireties. Each of you intends that upon your death the balance in the account (subject to any previous pledge to which we have consented) will vest in and belong to the survivor(s) as the separate property and estate of such survivor(s). If two or more of you survive, you will own the balance in the account as joint tenants with survivorship and not as tenants in common. Transactions on Multiple Party Accounts do not require the signatures of all account owners to transact on the account. Instead, any one account owner or authorized signer may transact on the account to the exclusion of the other(s), and each of you authorize each other of you to do so without further consent. If this Agreement is governed by the laws of the state of Louisiana, the owners of a Multiple Party Account are co-owners of the account, and all or any part of any deposit may be paid to any one of you, whether any other of you is living or not, and any such payment to any of you shall constitute receipt and acquittance and shall fully release and discharge us from the claims of any person to funds of the deceased depositor for the payment made. **Pay-On-Death Account** - Pay-on-death beneficiaries acquire the right to withdraw only if: (1) all persons creating the account die, (2) the beneficiary is then living, and (3) we are not otherwise required by law to make payment to some other person. If two or more beneficiaries are named and survive the death of all persons creating the account, such beneficiaries will own the account and may transact on it according to the Multiple Party Account rules stated above unless otherwise provided by law. Any one account owner or authorized signer may: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the deposit at any time. If two or more of you create such a Pay-On-Death Account, you own the account according to the Multiple Party Account rules stated above until the last of you dies. **Fiduciary Account** - A Fiduciary Account, whether for a consumer or a commercial purpose, is one in which the person controlling the account does so for the benefit of another. Examples of fiduciaries are trustees, executors, conservators, custodians for minors, representative payees and court-appointed guardians. For purposes of this Agreement, guardians such as parents or other relatives who have not been court-appointed or persons who have not complied with necessary provisions of any applicable transfer to minors laws are not fiduciaries. We are not a fiduciary in connection with the account. For fiduciary accounts, we will usually require, in the case of trustees, a trust resolution according to our form, and in all other cases documents evidencing the fiduciary's authority. We have no duty to inspect any will or trust document, and you agree that we will not be bound by any limitations imposed in a will or trust document. You agree that a Fiduciary Account is a general deposit and not a special deposit. **Corporation, Partnership, LLC, Government and other Organizational Accounts** - We will usually require a separate resolution in a form acceptable to us designating the person(s) permitted to make withdrawals from any account in the name of a legal entity such as a partnership, corporation, LLC, governmental entity or other organization.

STOP-PAYMENTS - A stop-payment order must be given in the manner required by law and must be received in time to give us a reasonable opportunity to act on it before our stop-payment cut off time. Our stop-payment cut off time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop-payment are provided by law. A stop-payment order must precisely identify the number, date and amount of the item, and the payee. We will honor a stop-payment request by the person who signed the particular item, and, by any other person, even though such other person did not sign the item, if such other person has an equal or greater right to withdraw from the account than the person who signed the item in question. A release of the stop-payment request may be made only by the person who initiated the stop-payment.

AMENDMENTS AND TERMINATION - We may change, in whole or in part, any term of this Agreement or any of the disclosures indicated on the signature page or previously given to you. Rules governing changes in interest rates have been provided separately. For other changes we will give you reasonable notice in writing or by any other method permitted by law. We may also close the account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Notice from us to any one of you is notice to all of you unless otherwise provided by law.

STATEMENTS - You must examine your statement of account with reasonable promptness. If you discover (or reasonably should have discovered) any forgeries, unauthorized payments, alterations or disputed transactions, you must promptly notify us of the relevant facts. Even if you do promptly notify us, you still may have to either share the loss with us or bear the loss entirely yourself (depending on whether you exercised ordinary care or substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items forged or altered by the same wrongdoer.

You agree that the time you have to examine your statement and report to us will not, in any circumstance, exceed a total of 60 days from when the statement is first made available to you.

You further agree that if you fail to report any unauthorized signatures, alterations, forgeries, unauthorized activity or any other errors or disputed transactions in the account within 60 days of when we make the statement available, you cannot assert a claim against us on any items in that statement, and the loss will be entirely yours.

You also agree to examine your statement with the same reasonable promptness to discover whether any deposit is missing or has been incorrectly credited. If your statement of account contains any error pertaining to any deposit, and if you fail to report such error to us within 60 days of when we make the statement available, you cannot assert a claim against us for such error, and any loss will be entirely yours.

The 60 day limitations set forth in this section are without regard to whether we exercised ordinary care.

If the account is a commercial purpose account, you additionally agree to take advantage of products and services we offer for the detection and prevention of fraud and unauthorized transactions, such as "Positive Pay" cash management products. If you fail to utilize any such product or service, you agree that you will be precluded from asserting any claim against us for any unauthorized transaction which could have been prevented by the proper use of such product or service.

We may require any report of errors on your statement to be put in writing by you and we may additionally require you to furnish us with an affidavit concerning the error on forms acceptable to us. If the account is a commercial purpose account, you agree to exhaust all rights against any insurance coverage you may have before making any claim against us. Our liability to you, if any, will be reduced by the amount of any insurance you are entitled to receive. You agree, upon request by us, to assign to us all insurance rights you may have in connection with any loss on your commercial purpose account.

DIRECT DEPOSITS - If, in connection with a direct deposit plan, we deposit any amount in the account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

TEMPORARY ACCOUNTS - If you intend for the account to be a Multiple Party Account, but all of you are not present at the time the account is opened, we may permit as many of you as are present to open the account either as a Single Party Account or a Multiple Party Account only in the name(s) of those who are present (the "Temporary Account"). At the same time we may permit as many of you as are present to also sign account documentation listing the names of all those intended to be owners of the Multiple Party Account, including those who are not present (the "Permanent Account"). However, we are not required to give effect to the Permanent Account documentation until all owners listed on such documentation have signed it and we have processed it, at which point the Permanent Account documentation shall supersede and replace the Temporary Account documentation. Notwithstanding the foregoing sentence, we may give the Permanent Account documentation retroactive effect to the date on which the Temporary Account was opened. We are not required to give any of you notice that the Permanent Account documentation has taken effect, nor are we required to give any intended owner notice that such intended owner's signature is needed on the Permanent Account documentation. If the Permanent Account documentation is not signed by all intended owners within 30 days following the opening of the Temporary Account, we may discard the Permanent Account documentation and will have no liability for doing so. A Temporary Account is subject to all of the terms and provisions of this Agreement.

SETOFF - You each agree that we may, without prior notice to you, set off the funds in the account against any due and payable debt owed to us now or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including any balance the due date for which we properly accelerate under the note. This right of setoff applies regardless of the source of the deposit, and you consent that we may exercise this right of setoff against deposits which consist in whole or in part of government payments, including, but not limited to, Social Security and Veterans Administration payments. This right of setoff does not apply to the account if: (a) it is an Individual Retirement Account or other tax deferred retirement account, or (b) the debtor's right of withdrawal arises only in a representative capacity. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against the account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of setoff.

FACSIMILE SIGNATURES - You authorize us, at any time, to charge you for all checks, drafts, or other orders or transactions, for the payment of money, that are drawn on us by facsimile signature, regardless of by whom or by what means the facsimile signature(s) may have been affixed.

AUTHORIZED SIGNERS - An authorized signer is someone you designate to conduct transactions on your behalf, but does not have any ownership or rights in the account unless the authorized signer is also named as a pay-on-death beneficiary, in which case the Pay-On-Death Account rules apply. Otherwise, the rights of an authorized signer cease upon your death but not upon your disability or incapacity; however, you agree that we will not be liable for honoring any transaction by an authorized signer after your death. We reserve the right to limit the number of authorized signers and to decline to permit authorized signers on certain types of accounts.

ACCOUNTS OWNED BY MINORS - If this is a Multiple Party Account and one or more of the account owners is a minor, all adult owners of the account jointly and severally agree that all transactions made on the account by any such minor shall be deemed to have been made by such adult owners, regardless of whether any such transaction may be void or voidable. EACH SUCH ADULT OWNER AGREES TO INDEMNIFY US AND HOLD US HARMLESS FROM ANY LOSS WE INCUR IN CONNECTION WITH ANY TRANSACTION MADE BY ANY SUCH MINOR.

REFUSAL OF DEPOSITS - We may refuse to accept any item, wire or electronic funds transfer for deposit or to send any item for collection, and we will have no liability to you or to any other person for such refusal.

INTERNET GAMBLING TRANSACTIONS - You may not use the account in connection with any business of placing, receiving or otherwise knowingly transmitting bets or wagers by any means which involves the use, at least in part, of the Internet, or for any other transaction which is prohibited by Federal Reserve Regulation GG.

ORDER OF PAYMENT - Unless otherwise provided in the Account Information Statement (see OTHER TERMS section below), if more than one item or order is presented for payment against the account on the same day and the available balance of the account is insufficient to pay them all, we may pay any of them in any order we choose, even if the order we choose results in greater insufficient funds fees than if we had chosen to pay them in some other order. Our payment of any item or order in overdraft does not create any obligation for us to pay any other item or order in overdraft in the future, and you agree that no course of dealing regarding the payment of items or orders in overdraft will be created between us.

ERRORS - If there occurs any error on the account in your favor, such as crediting the account for any amount to which you are not entitled, charging the account for an amount less than the amount of an item or other order, or receipt of any direct deposit to which you

are not entitled, you agree that we may adjust this account to correct the error and that, if there are insufficient funds in the account for such adjustment, you will immediately pay us the amount necessary to correct the error. You agree to pay our reasonable attorneys' fees and expenses in the event we sue you to recover the amount necessary to correct the error.

DEPOSITS NOT MADE IN PERSON - We are not responsible for transactions initiated by mail, outside depository or left with us for subsequent processing until we actually record them, and you accept and assume all risks inherent in initiating such transactions. For deposits so initiated, our determination of the amount of the deposit will be conclusive, and you waive any right to contest our determination.

RESTRICTIVE LEGENDS - For your own purposes you may print or write on checks or other items restrictive legends specifying the number of signatures required, the maximum amount for which the check or item is payable, the number of days the check or item is valid and similar restrictions. However, you agree that such restrictions shall not be binding on us, that we may disregard such restrictions and that we will have no liability to you or to any other person for paying any check or other item inconsistently with any restrictive legend that is printed or written thereon.

CHECK CHARACTERISTICS - If you use checks from sources other than vendors approved by us, or if you use check stock, security features or ink color which cause data to disappear or to become obscured when the check is converted into an image, you agree to bear any loss which results. We will not be liable for failing to honor a stop-payment order for an item issued on a check form from sources other than vendors approved by us.

SECURITY INTEREST - In addition to the rights of setoff which we have under this Agreement, you hereby grant to us a security interest in the account to secure payment of any obligation which you now owe us or which you may owe us at any time in the future, including your obligation to pay our attorneys' fees and expenses and your obligation to indemnify us as provided elsewhere in this Agreement. When any such obligation is due and payable to us, we may pay such obligation, or any part thereof, from the account without prior notice to you, and we will not be liable for the dishonor of any item or order which results from such exercise of our security interest. If the account has any pay-on-death beneficiary, the interests of such beneficiary shall be junior to our security interest and shall be subject to our right of setoff, even if we do not exercise our security interest or right of setoff until after your death.

PAYMENT TO BENEFICIARIES - Payment to pay-on-death beneficiaries shall be as provided by law. Notwithstanding anything in the Pay-On-Death Account rules stated above, we may require any pay-on-death beneficiary wishing to continue transactions with us to close the account and open a new account under such beneficiary's signature.

INDEMNIFICATION BY FIDUCIARY - IF THE ACCOUNT IS A FIDUCIARY ACCOUNT (INCLUDING, BUT NOT LIMITED TO, AN ACCOUNT USED AS A CUSTODIAL ACCOUNT OR AS A REPRESENTATIVE PAYEE ACCOUNT TO RECEIVE PAYMENTS FROM THE SOCIAL SECURITY ADMINISTRATION OR ANY OTHER GOVERNMENTAL PAYOR), YOU, THE FIDUCIARY, AGREE IN YOUR INDIVIDUAL CAPACITY TO INDEMNIFY US AND HOLD US HARMLESS FROM ANY LOSS WE INCUR IN CONNECTION WITH THE ACCOUNT, WHETHER RESULTING FROM OVERDRAFT, ERROR IN YOUR FAVOR, RECLAMATION BY ANY GOVERNMENTAL PAYOR, ANY DISPUTE WITHIN THE SCOPE OF THE "ACCOUNT DISPUTE; INDEMNITY; LIMITATION ON LIABILITY" SECTION BELOW OR ANY OTHER REASON. IN THE EVENT OF ANY SUCH LOSS, WE MAY ENFORCE THE FOREGOING INDEMNITY BY SETTING OFF THE AMOUNT OF SUCH LOSS AGAINST (OR BY EXERCISING ANY SECURITY INTEREST WE MAY HAVE IN) ANY OTHER ACCOUNT WITH US IN WHICH YOU, THE FIDUCIARY, HAVE AN INTEREST (UNLESS YOUR INTEREST IN SUCH ACCOUNT IS ONLY AS A FIDUCIARY), AND WE WILL NOT BE LIABLE TO YOU OR TO ANYONE ELSE FOR THE DISHONOR OF ANY ITEM OR ORDER ON SUCH OTHER ACCOUNT WHICH RESULTS FROM SUCH SETOFF OR EXERCISE OF OUR SECURITY INTEREST.

SIGNATURE BY MARK - If any signature which appears on the signature page is by mark (such as an "X"), then you agree that we will have no liability whatsoever on claims by you or any other person based on forgery, unauthorized signature, alteration or the like.

ACCOUNT DISPUTE; INDEMNITY; LIMITATION ON LIABILITY - IN THE EVENT OF ANY DISPUTE REGARDING THE ACCOUNT, INCLUDING ANY DISPUTE OVER OWNERSHIP OF OR ENTITLEMENT TO THE ACCOUNT OR THE CAPACITY OR AUTHORITY OF ANY PERSON TO TRANSACT ON THE ACCOUNT, YOU AGREE TO PAY OUR REASONABLE ATTORNEYS' FEES AND EXPENSES IN THE EVENT THAT WE BECOME INVOLVED IN ANY PROCEEDING TO RESOLVE SUCH DISPUTE. IN THE EVENT OF SUCH DISPUTE WE MAY PAY THE AVAILABLE BALANCE OF THE ACCOUNT INTO COURT, AND IN THAT EVENT YOU AGREE NOT TO MAKE ANY CLAIM AGAINST US. ADDITIONALLY, TO THE EXTENT PERMITTED BY LAW, YOU AGREE TO INDEMNIFY US, OUR DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS ARISING FROM OR IN ANY WAY RELATING TO ANY SUCH DISPUTE. YOU ALSO AGREE THAT WE SHALL BE ENTITLED TO RECOVER OUR REASONABLE ATTORNEYS' FEES AND EXPENSES IN CONNECTION WITH SUCH PAYMENT INTO COURT AND THAT WE MAY RECOVER SUCH FEES AND EXPENSES FROM THE BALANCE PAID INTO COURT.

IN THE EVENT OF ANY KIND OF CLAIM BY YOU AGAINST US IN CONNECTION WITH THE ACCOUNT, YOU AGREE THAT WE WILL NOT BE LIABLE TO YOU FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES.

GOVERNING LAW; PROCESS; REPRESENTATIVES - With regard to any account established online, this Agreement is governed by the laws of Mississippi and by federal law and regulation. Otherwise, this Agreement is governed by the laws of the state of the location of our branch identified on the signature page and by federal law and regulation. Notwithstanding this, we may honor any levy, attachment, garnishment, execution, subpoena, court order, administrative order (including child support order) or other legal process which names you or which encompasses you, the account or any tax identification number associated with the account, regardless of whether we are subject to the jurisdiction of the issuer of such, regardless of in which state such is served on us and regardless of how such is served on us. We are not required to raise any defense in your behalf. We may also comply with the directions of any executor, administrator, conservator, guardian, receiver, bankruptcy trustee, attorney-in-fact or any other such representative purporting to have authority over the account who furnishes us with apparently authentic copies of documents which confer such authority. We may refuse to deal with any such representative in our sole discretion, and we will not be liable to you for such refusal. You agree that we may place temporary or permanent holds on the balance of the account related to or otherwise in response to any such process or authority and that we shall be fully protected in doing so, even if we later determine that such process or authority is inapplicable to the account. YOU AGREE THAT WE WILL NOT BE LIABLE TO YOU OR TO ANY OTHER PERSON FOR ACTING OR NOT ACTING ON ANY SUCH PROCESS OR FOR ACTING OR NOT ACTING ON THE DIRECTIONS OF ANY SUCH REPRESENTATIVE OR FOR PLACING OR NOT PLACING TEMPORARY OR PERMANENT HOLDS, AND YOU AGREE TO INDEMNIFY US, OUR DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS ARISING FROM OR IN ANY WAY RELATING TO SUCH ACTION OR INACTION.

EFFECT OF TERMINATION OR AMENDMENT - Termination of the account, whether by us or by you, does not relieve you of any obligation you may then owe us. We may accept deposits to the account after it has been closed in order to collect any deficit balance, and such acceptance will not constitute reinstatement of the account. Your use of the account after we give you notice of any amendment to this Agreement constitutes your acceptance of such amendment. No amendment of this Agreement is enforceable against us unless it is in writing and we have authored the writing or have signed it through an employee having authority to do so, such as a regional president. No practice or course of dealing in connection with the account which is at variance with this Agreement shall constitute a modification or amendment of this Agreement.

OTHER TERMS - The account is additionally governed by our Account Information Statement. You acknowledge receipt of a copy of the Account Information Statement and you agree to be bound by its terms, as amended by us from time to time, and to be responsible for all fees and charges set forth therein which apply to the account. You understand that the Account Information Statement does not necessarily set forth all possible fees and charges which apply to the account.

SEVERABILITY - In the event that any part of this Agreement is determined to be unenforceable, such will not affect the other parts of this Agreement, all of which shall remain fully enforceable.

ARBITRATION - IF THE ACCOUNT IS A COMMERCIAL PURPOSE ACCOUNT, THEN YOU AGREE THAT ANY CLAIM, DISPUTE OR CONTROVERSY ("CLAIM") BY EITHER YOU OR US AGAINST THE OTHER, OR AGAINST THE EMPLOYEES, AGENTS OR ASSIGNS OF THE OTHER, ARISING FROM OR RELATING IN ANY WAY TO THIS AGREEMENT, THE ACCOUNT OR ANY TRANSACTION, INCLUDING CLAIMS REGARDING THE APPLICABILITY OF THIS ARBITRATION CLAUSE OR THE VALIDITY OF ALL OR ANY PART OF THIS AGREEMENT, SHALL BE RESOLVED BY BINDING ARBITRATION BY THE NATIONAL ARBITRATION FORUM, UNDER THE CODE OF PROCEDURE IN EFFECT AT THE TIME THE CLAIM IS MADE OR FILED. RULES AND FORMS OF THE NATIONAL ARBITRATION FORUM MAY BE OBTAINED AND CLAIMS MAY BE FILED AT ANY NATIONAL ARBITRATION FORUM OFFICE, WWW.ARBITRATION-FORUM.COM OR POST OFFICE BOX 50191, MINNEAPOLIS, MINNESOTA 55405, TELEPHONE 1-800-474-2371. ANY ARBITRATION HEARING AT WHICH YOU APPEAR WILL TAKE PLACE IN THE CITY WHICH IS THE LOCATION OF OUR BRANCH AT WHICH THE ACCOUNT WAS OPENED. THIS ARBITRATION AGREEMENT IS MADE PURSUANT TO A TRANSACTION INVOLVING INTERSTATE COMMERCE AND SHALL BE GOVERNED BY THE FEDERAL ARBITRATION ACT, 9 U.S.C. SECTIONS 1-16. JUDGMENT UPON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. IN THE ABSENCE OF THIS ARBITRATION AGREEMENT YOU AND WE MAY OTHERWISE HAVE HAD A RIGHT OR OPPORTUNITY TO LITIGATE CLAIMS THROUGH A COURT AND/OR TO PARTICIPATE OR BE REPRESENTED IN LITIGATION FILED IN COURT BY OTHERS, BUT EXCEPT AS OTHERWISE PROVIDED ABOVE, ALL CLAIMS MUST NOW BE RESOLVED THROUGH ARBITRATION.

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 12

❑ **Christmas Club**

Christmas Club accounts earn interest at a competitive rate determined solely by the Bank and is subject to change weekly. Interest is calculated on the daily ledger balance using the daily balance method. Interest is accrued daily and credited yearly in November when a check for the balance is issued to the customer. If you close your Christmas Club account before the interest is credited, you will not receive the accrued interest for the period. Partial withdrawals from your Christmas Club account are not permitted. Your account must have a \$250 balance at maturity to earn interest. Balances below \$250 forfeit any accrued interest.

MISCELLANEOUS CHARGES

Check Printing Charges	Charges will vary based on check design
Official Checks	\$5.00
Each Overdraft/Insufficient Item	\$25.00
Each Stop Payment	\$25.00
Each Returned Deposit Item	\$2.00
Research Fees:	
Research Per Hour	\$20.00
Photocopies (each)	\$1.00
Location Item Fee	\$2.00 per item plus \$.20 per \$100 with a \$20.00 maximum

❑ **MASTERMONEY™**

BancorpSouth MasterMoney is the convenient plastic card that looks like a credit card but works like a check, reducing your purchases from your checking account. MasterMoney is good for cash purchases anywhere MasterCard® is accepted. Plus, you get a receipt with every transaction so there is no problem keeping track of what you have spent. Monthly, all transactions are reported on your checking account statement along with any checks you have written. A MasterMoney card serves as your ATM card, so you only have one “checking account card” to carry with you.

MasterMoney fee No Charge

There is a fee of \$1.00 per transaction when you use your MasterMoney card at an ATM that belongs to **another** bank or financial services company.

❑ **24-Hour Banking**

You may access your BancorpSouth checking account day and night at literally thousands of ATMs across the United

States with our automated teller card. At BancorpSouth ATM locations you may make deposits as well as withdrawals, loan payments and transfers between accounts.

24-Hour Banking card fee\$1.00 per month

There is a fee of \$1.00 per transaction when you use your 24-Hour Banking card at an ATM that belongs to **another** bank or financial services company.

❑ **Certificates of Deposit**

BancorpSouth Certificates of Deposit offer excellent returns on investments that can be tailored to fit your exact needs. Early withdrawal penalties apply to all Certificates of Deposit and are fully detailed in the Certificate of Deposit Disclosure available at all BancorpSouth offices. Minimum Opening Balance\$1,000.00

POINTS OF SPECIAL EMPHASIS

- * Overdrawn accounts are subject to a monthly charge not to exceed 5% above the current Federal Reserve Discount Rate.
- * If you close your Premium Access Checking Account before interest is credited, you will receive the accrued interest through the date of closing.
- * If you close your Classic Savings Account prior to the interest being credited, you will receive the interest through the date of closing.
- * If you close your Premium Access Money Market or Money Market Investment Account prior to the interest being credited, you will receive the interest through the date of closing.
- * The Daily Balance Method of paying interest uses the daily balance in calculating the interest on your account. This method applies a daily periodic rate to the principal in the account each day. When you deposit checks into any account at BancorpSouth, interest begins to accrue no later than the business day we receive credit for the item.
- * The Daily Ledger Balance reflects all deposits and withdrawals regardless of actual collection of funds.
- * Overdraft protection is available on checking accounts.
- * On interest bearing checking accounts, federal regulations allow the bank to create checking and savings sub-accounts which exist only on the books of the bank and which allow the bank to make transfers at the close of each working day. This puts the bank in a more favorable position concerning reserve requirements, and ultimately allows us to maintain the most competitive rates we can pay on your interest bearing checking account. The activity

of the sub-accounts will not be reflected on your bank statement and will not affect your account balance or the interest, fees and features of your interest bearing checking account.

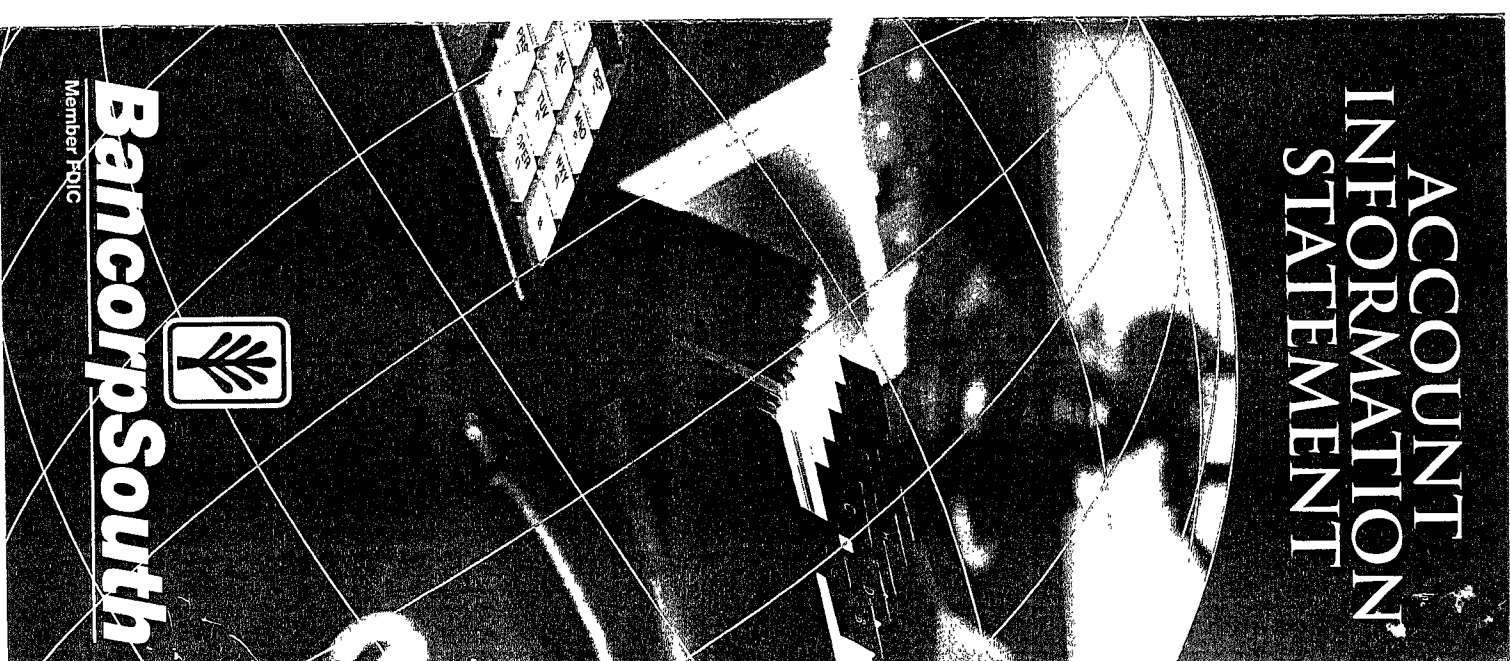
- * Electronic debits such as Automatic Teller Machine and MasterMoney™ debits along with Infoline transfers are not included in your debit item count for calculating service charges.
- * When multiple debit transactions are presented for payment from your account on a given banking day, your account may be debited in various categories of transactions in a descending order by the greatest dollar amount debit transaction to the least dollar amount debit transaction. This may result in more items being returned and/or paid into overdraft, thus causing you to incur fees for each such item. Since you, as customer and drawer, have drawn all checks, you should have funds available to meet all checks drawn by you, therefore you have no basis for urging one item paid before another. Further, the bank has the right to first pay items owed to itself or due to itself and pay items for which it is itself liable ahead of those for which it is not. A description of the categories, method, and order of posting/payment is available upon request.

For Account Information
Every Hour! Every Day! Everywhere!

Toll-Free
1-888-797-7711
Infoline
“The One Number In Banking!”

BRC004

As of January 1, 2001



BXS Swift H-006918

Dear Customer:

Thank you for choosing BancorpSouth. We are dedicated to providing world-class financial personal service to our customers and the communities we serve. We hope you think of us as your friend as well as your bank.

This brochure is a full disclosure of the fees and charges that apply to the accounts at BancorpSouth. We think it is important for you to have a full understanding of these fees and charges. At the end of this disclosure notice is a section entitled "Points of Special Emphasis."

We welcome your questions in person or by phone. The answers are as close as your nearest BancorpSouth office or by using Infoline, 1-888-797-7711, our 24-hour account information line.

NON-INTEREST CHECKING

The minimum balance required to open any BancorpSouth non-interest bearing checking account is \$100.

Crown Services

Crown Services is BancorpSouth's premium checking package, including many popular features such as unlimited checking, discounts on loans, accidental death and dismemberment insurance, and travel cash dividends: Monthly membership fee for individuals\$8.50 Monthly membership for family coverage\$10.00

Regular Checking Account

An \$800 minimum daily ledger balance avoids any monthly service charge. When the minimum daily ledger balance falls below \$800 during a statement cycle, the monthly service charge will be \$8.00.

Checking for People Over 65

Service charges on checking NONE
Optional Benefits for People Over 65

Monthly membership for Crown Services for the individual\$4.25

Monthly membership for Crown Services for family coverage\$5.00

Absolutely Free Checking for Students*

Students love this account because there is no minimum balance requirement, no monthly service charge, and no per check charge... It's "Absolutely Free."
No annual charge for your 24-hour banking card.

Value Check*

This account is especially popular with young people out

on their own who write only a few checks per month or customers with low activity and low balance.

Monthly maintenance fee\$3.50
First 15 checks or debits NO CHARGE
More than 15 checks or debits\$.25 each

*Accounts receive a monthly statement. Checks and deposit slips remain on file at the bank. However, copies may be requested with no charge for the first five (5) items. In excess of five, per item copy charge is \$1.00.

INTEREST BEARING CHECKING ACCOUNTS

Interest is paid on the collected balance in the account using the daily balance method of interest calculation. This means that all the collected funds in your account earn interest each day. The minimum balance required to open BancorpSouth interest checking accounts varies by account type. See individual account descriptions for details.

Heritage Checking

Heritage Checking is BancorpSouth's preferred services account for our friends who are 50 and over. Heritage

Checking accounts earn interest at a competitive rate which is determined solely by the Bank and is subject to change weekly. Interest is earned daily on the collected balance using the daily balance method and is credited and compounded monthly. If you close your Heritage Checking account before the interest is credited, you will not receive the accrued interest for that period. In addition to earning interest, Heritage Checking accounts include accidental death insurance and travel cash dividends.

Minimum opening balance\$100.00
Monthly Service Charge with a minimum daily ledger balance of: \$500 or more NONE
Below \$500\$8.00

Checking+Plus:

Personal & Household Checking

Personal and household checking accounts earn interest at a competitive interest rate which is determined solely by the Bank and is subject to change weekly. Interest is earned on the collected balance using the daily balance method and is credited and compounded monthly. If you close your Checking+Plus account before the interest is credited, you will not receive the accrued interest for that period.

Minimum opening balance\$1,000.00
Monthly Service Charge with a balance of: \$1,000 or more NONE
Below \$1,000\$10.00

Per item charges:
First 40 checks or debits NONE
In excess of 40 checks or debits\$.20 each

First 20 items deposited NONE
In excess of 20 items deposited\$.08 each

Premium Access Checking

You can earn a premium rate on your checking account balance, plus write all the checks you like without incurring a service charge. With Premium Access Checking, you earn a premium rate on your checking account balance of \$5,000 or more. You may open an account with a minimum balance of \$5,000 and earn interest each day your collected balance is \$5,000 or more. A premium rate is established January 1 and July 1 and will not change during the six month period.

Premium Access Checking Fee NONE if ledger balance does not fall below \$5,000
Should your ledger balance fall below \$5,000, a minimum balance fee of \$10 is charged for that statement cycle.

SAVINGS ACCOUNTS

Interest is paid on the collected balance in the account using the daily balance method of interest calculation. This means that all the collected funds in your account earn interest each day. The minimum balance required to open a BancorpSouth savings account varies by account type. See individual account descriptions for details.

Premium Access Money Market Account

Premium Access Money Market Account is a tiered rate money market account. The interest rate tiers are as follows:

Balances less than \$2,500
Balances between \$2,500 and \$9,999
Balances between \$10,000 and \$49,999
Balances between \$50,000 and \$99,999
Balances \$100,000 and above

Your account earns a competitive rate of interest determined solely by the Bank and is subject to change weekly. Interest is paid on the collected balance using the daily balance method. Should the daily collected balance fall below \$2,500, interest will not be paid. Interest is paid on a daily basis and compounded monthly. If you close

your Premium Access Money Market Account before the interest is credited you will receive the interest through the date of closing. Minimum balance required to open a Premium Access Money Market Account is \$1,000. A total of six withdrawals may be made each month, of which three may be by check or debit to third parties.

Monthly Service Charge with a minimum daily ledger balance of: \$1,000 or more NONE
Below \$1,000\$10.00

Personal Money Market Investment Account

Personal Money Market Investment Accounts earn interest at a competitive rate determined solely by the Bank and is subject to change weekly. Interest is paid on the collected balance using the daily balance method. Should the daily collected balance fall below \$1,000, the rate of interest will be the Checking+Plus rate. Interest is available on a daily basis and is credited and compounded monthly. If you close your Money Market Investment Account before the interest is credited you will receive the interest through the date of closing. Minimum balance required to open a Money Market Account is \$1,000.

A total of six withdrawals may be made each month, of which three may be by check or debit to third parties.

Monthly Service Charge with a minimum daily ledger balance of: \$1,000 or more NONE
Below \$1,000\$10.00

Classic Savings

A competitive interest rate is paid on the collected balance using the daily balance method. The rate of interest is determined solely by the Bank and is subject to change on a weekly basis. Interest is compounded daily and credited semiannually. Deposits and withdrawals can be made at any time. If you close your account prior to the interest being credited, you will receive interest through the closing date. Minimum balance required to open a Classic Savings Account is \$100.

Classic Savings Fees to Which You May Be Subject:
* There will be a \$1.00 charge for each withdrawal in excess of six during any six-month cycle, excluding ATM withdrawals.

* If your balance remains below \$25 for 180 consecutive days with no activity in the account, there will be a \$7.50 maintenance charge.

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Plaintiff's Exhibit No. 13

to a withdrawal penalty. Your account must have a \$250 balance at maturity to earn interest. Balances below \$250 forfeit any accrued interest.

Withdrawal Penalty (per withdrawal)\$5.00

SERVICE FEES

Check Printing Charges Charges will vary based on check design

Official Checks\$6.00

Each Overdraft/Insufficient Item\$29.00

Each Stop Payment\$29.00

Each Returned Deposit Item\$4.00

Special Statement\$5.00

Research Fees:

Research Per Hour\$20.00

Photocopies (each)\$1.00

Collection Item Fee\$2.00 per item

plus \$.20 per \$100 with a \$20.00 maximum

Inactive Account Charges

Checking accounts with no activity and balances below \$200 for 90 consecutive days are subject to a \$10.00 maintenance charge.

Savings accounts with no activity and balances below \$200 for 180 consecutive days are subject to a \$10.00 maintenance charge.

Dormant Account Charges

A \$10 per month fee will be charged on dormant accounts in addition to regular applicable fees. No interest will be paid on dormant accounts. "Dormant Accounts" are defined by individual state statutes.

Wire Transfer Fees:

Outgoing\$12.00

Incoming\$10.00

Foreign\$50.00

Telephone Funds Transfers:

Automated via InfoLine NO CHARGE

Assisted by branch personnel\$3.00

Overdraft Protection Fee (per transfer other than credit card transfer)\$5.00

Credit Card Overdraft Protection

If you have overdraft protection coverage via either a BancorpSouth MasterCard or VISA account, all applicable credit card fees and interest charges will apply to any amounts charged to your credit card account and transferred to your checking account. The standard cash advance transaction fees apply to those transfers (3% of the amount of the transfer, with a minimum of \$5.00 and a maximum of \$29.00).

Safe Deposit Box Key Replacement\$60.00

Safe Deposit Box Drilling Fee\$120.00

Safe Deposit Box Invoice Fee\$10.00

Legal Processing (including levies and garnishments)\$25.00

MASTERMONEY™

BancorpSouth MasterMoney is the convenient plastic card that looks like a credit card but works like a check, deducting your purchases from your checking account. MasterMoney is good for cash purchases anywhere MasterCard® is accepted. Plus, you get a receipt with every transaction so there is no problem keeping track of what you have spent. Monthly, all transactions are reported on your checking account statement along with any checks you have written. A MasterMoney card serves as your ATM card, so you only have one "checking account card" to carry with you.

MasterMoney fee NO CHARGE

There is a fee of \$1.50 per transaction when you use your MasterMoney card at an ATM that belongs to another bank or financial services company.

24-Hour Banking

You may access your BancorpSouth checking account day and night at literally thousands of ATMs across the United States with our automated teller card. At BancorpSouth ATM locations you may make deposits as well as withdrawals, loan payments and transfers between accounts.

24-Hour Banking card fee\$1.00 per month
There is a fee of \$1.50 per transaction when you use your 24-Hour Banking card at an ATM that belongs to another bank or financial services company.

Certificates of Deposit

BancorpSouth Certificates of Deposit offer competitive returns on investments that can be tailored to fit your exact needs. Early withdrawal penalties apply to all Certificates of Deposit and are fully detailed in the Certificate of Deposit Disclosure available at all BancorpSouth offices.
Minimum Opening Balance\$1,000.00

POINTS OF SPECIAL EMPHASIS

- * If you close your Premium Access Checking Account before interest is credited, you will receive the accrued interest through the date of closing.
- * If you close your Classic Savings Account prior to the interest being credited, you will receive the interest through the date of closing.
- * If you close your Premium Access Money Market or Money Market Investment Account prior to the interest being credited, you will receive the interest through the date of closing.

* The Daily Balance Method of paying interest uses the daily balance in calculating the interest on your account. This method applies a daily periodic rate to the principal in the account each day. When you deposit checks into any account at BancorpSouth, interest begins to accrue no later than the business day we receive credit for the item.

* The Daily Ledger Balance reflects all deposits and withdrawals regardless of actual collection of funds.

* Overdraft protection is available on checking accounts.

* When multiple debit transactions are presented for payment from your account on a given banking day, your account may be debited in various categories of transactions in a descending order by the greatest dollar amount debit transaction to the least dollar amount debit transaction. This may result in more items being returned and/or paid into overdraft, thus causing you to incur fees for each such item. Since you, as customer and drawer, have drawn all checks, you should have funds available to meet all checks drawn by you, therefore you have no basis for urging one item paid before another. Further, the bank has the right to first pay items owed to itself or due to itself and pay items for which it is itself liable ahead of those for which it is not.

* On interest bearing checking accounts, federal regulations allow the bank to create checking and savings sub-accounts which exist only on the books of the bank and which allow the bank to make transfers at the close of each working day. This puts the bank in a more favorable position concerning reserve requirements, and ultimately allows us to maintain the most competitive rates we can pay on your interest bearing checking account. The activity of the sub-accounts will not be reflected on your bank statement and will not affect your account balance or the interest, fees and features of your interest bearing checking account.

* Electronic debits such as Automated Teller Machine and MasterMoney™ debits along with InfoLine transfers are not included in your debit item count for calculating service charges.

* All fees and charges are subject to respective state statutes.

Account Information Statement



Effective Date: May 1, 2003



Get there from here.

As of May 1, 2003

BXS Swift H-006906

Dear Customer:

Thank you for choosing BancorpSouth. We are dedicated to providing world-class financial personal service to our customers and the communities we serve.

This brochure is a full disclosure of the fees and charges that apply to the accounts at BancorpSouth. We think it is important for you to have a full understanding of these fees and charges.

We welcome your questions in person or by phone. The answers as close as your nearest BancorpSouth office or by using toll-free, 1-888-797-7711, our 24-hour account information line.

NON-INTEREST CHECKING

The minimum balance required to open any BancorpSouth non-interest bearing checking account is \$100.

Crown Services

Crown Services is BancorpSouth's premium checking package, including many popular features such as unlimited checking, discounts on loans, accidental death and dismemberment insurance, and travel cash dividends:

Monthly membership fee for individuals \$8.50
Monthly membership for family coverage \$10.00

Regular Checking Account

An \$800 minimum daily ledger balance avoids any monthly service charge. When the minimum daily ledger balance falls below \$800 during a statement cycle, the monthly service charge will be \$8.50.

For customers in Arkansas and T exarkana, Texas, a \$600 minimum daily ledger balance avoids any monthly service charge. When the minimum daily ledger balance falls below \$600 during a statement cycle, the monthly service charge will be \$6.50.

Checking for People Over 65

Service charges on checking NONE
Optional Benefits for People Over 65

Monthly membership for Crown Services for the individual \$4.25
Monthly membership for Crown Services for family coverage.....\$5.00

Absolutely Free Checking for Students*

Students love this account because there is no minimum balance requirement, no monthly service charge, and no per check charge... It's "Absolutely Free" through age 24. No annual charge for your 24-hour banking card.

Value Check*

This account is especially popular with young people out on their own who write only a few checks per month or customers with low activity and low balance.

Monthly maintenance fee.....\$4.00

First 15 checks or debits NO CHARGE
More than 15 checks or debits \$.25 each

*Accounts receive a monthly statement. Checks and deposit slips remain on file at the bank. However, copies may be requested with no charge for the first five (5) items. In excess of five, per item copy charge is \$1.00.

INTEREST BEARING CHECKING ACCOUNTS

Interest is paid on the collected balance in the account using the daily balance method of interest calculation. This means that all the collected funds in your account earn interest each day. The minimum balance required to open BancorpSouth interest checking accounts varies by account type. See individual account descriptions for details.

Heritage Checking

Heritage Checking is BancorpSouth's preferred services account for our friends who are 50 and over. Heritage Checking accounts earn interest at a competitive rate which is determined solely by the Bank and is subject to change weekly. Interest is earned daily on the collected balance using the daily balance method and is credited and compounded monthly. If you close your Heritage Checking account before the interest is credited, you will not receive the accrued interest for that period. In addition to earning interest, Heritage Checking accounts include common carrier accidental death insurance as well as discounts and special savings.

Minimum opening balance \$100.00
Monthly Service Charge with a minimum daily ledger balance of: NONE
\$500 or more..... NONE
Below \$500\$8.00

Heritage Checking Plus

Receive all of the features and benefits of Heritage Checking plus FREE special membership checks, \$10,000 Accidental Death Insurance, a Medical Emergency Data Card, hotel room rate savings up to 50%, discount pharmaceuticals through the Rx Advantage™ Drug Program, savings on eyewear with Coast-to-Coast Vision and other bonuses.

Minimum opening balance \$100.00
Monthly Service Charge.....\$5.00

Checking+Plus: Personal & Household Checking

Personal and household checking accounts earn interest at a competitive interest rate which is determined solely by the Bank and is subject to change weekly. Interest is earned on the collected balance using the daily balance method and is credited and compounded monthly. If you close your Checking+ Plus account before the interest is credited, you will not receive the accrued interest for that period.

Minimum opening balance.....\$1,000.00
Monthly Service Charge with a balance of:
\$1,000 or more..... NONE

Below \$1,000\$10.00

Per item charges:

First 40 checks or debits NONE
In excess of 40 checks or debits \$.20 each
First 20 items deposited NONE
In excess of 20 items deposited..... \$.08 each

Premium Access Checking

You can earn a premium rate on your checking account balance, plus write all the checks you like without incurring a service charge. With Premium Access Checking, you earn a premium rate on your checking account balance of \$5,000 or more. You may open an account with a minimum balance of \$5,000 and earn interest each day your collected balance is \$5,000 or more. A competitive rate is determined solely by the Bank and is subject to change weekly.

Premium Access Checking Fee NONE if ledger balance does not fall below \$5,000
Should your ledger balance fall below \$5,000, a minimum balance fee of \$10 is charged for that statement cycle.

SAVINGS ACCOUNTS

Interest is paid on the collected balance in the account using the daily balance method of interest calculation. This means that all the collected funds in your account earn interest each day. The minimum balance required to open a BancorpSouth savings account varies by account type. See individual account descriptions for details.

Premium Access Money Market Account

Premium Access Money Market Account is a tiered rate money market account. The interest rate tiers are as follows:
Balances between \$2,500 and \$9,999
Balances between \$10,000 and \$49,999
Balances between \$50,000 and \$99,999
Balances \$100,000 and above

Your account earns a competitive rate of interest determined solely by the Bank and is subject to change weekly. Interest is paid on the collected balance using the daily balance method. Should the daily collected balance fall below \$2,500, interest will not be paid. Interest is paid on a daily basis and compounded monthly. If you close your Premium Access Money Market Account before the interest is credited you will receive the interest through the date of closing. Minimum balance required to open a Premium Access Money Market Account is \$1,000. A total of six withdrawals may be made each month, of which three may be by check or debit to third parties.

Monthly Service Charge with a minimum daily ledger balance of:

\$1,000 or more NONE
Below \$1,000\$10.00
Excessive Withdrawal Fee (per withdrawal)\$10.00

Personal Money Market Investment Account

Personal Money Market Investment Accounts earn interest at a competitive rate determined solely by the Bank and is subject to change weekly. Interest is paid on the collected balance using the daily balance method. Should the daily collected balance fall below \$1,000, the rate of interest will be the Checking+Plus rate. Interest is available on a daily basis and is credited and compounded monthly. If you close your Money Market Investment Account before the interest is credited you will receive the interest through the date of closing. Minimum balance required to open a Money Market Account is \$1,000. A total of six withdrawals may be made each month, of which three may be by check or debit to third parties.

Monthly Service Charge with a minimum daily ledger balance of:
\$1,000 or more NONE
Below \$1,000\$10.00
Excessive Withdrawal Fee (per withdrawal)\$10.00

Classic Savings

A competitive interest rate is paid on the collected balance using the daily balance method. The rate of interest is determined solely by the Bank and is subject to change on a weekly basis. Interest is compounded daily and credited semiannually. Deposits and withdrawals can be made at any time. If you close your account prior to the interest being credited, you will receive interest through the closing date. Minimum balance required to open a Classic Savings Account is \$100.

Classic Savings Account is \$100.
Classic Savings Fees to Which You May Be Subject:
* There will be a \$5.00 charge for each withdrawal in excess of six during any six-month cycle, excluding ATM withdrawals.

Christmas Club

Christmas Club accounts earn interest at a competitive rate determined solely by the Bank and is subject to change weekly. Interest is calculated on the daily ledger balance using the daily balance method. Interest is accrued daily and credited yearly in November when a check for the balance is issued to the customer. If you close your Christmas Club account before the interest is credited, you will not receive the accrued interest for the period. Partial withdrawals from your Christmas Club account are subject

Continued on Back

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Special Statement	\$5.00
Debit Card Replacement Fee	\$5.00
Research Fees:	
Research Per Hour	\$20.00
Photocopies (each)	\$1.00
Collection Item Fee	\$2.00 per item
plus \$.20 per \$100.00 with a \$20.00 maximum	
Dormant Checking Account Charges	
An \$8.50 per month fee will be charged on dormant checking accounts in addition to regular applicable fees. "Dormant Accounts" are defined by applicable law.	
Wire Transfer Fees:	
Cable Transfer	\$12.00
Telex Transfer	\$10.00
Telexphone Funds Transfers:	
Automated via Infol Line	NO CHARGE
Assisted by branch personnel	\$3.00
Overdraft Transfer Fee (per transfer)	\$5.00
Overdraft Equity Credit Line Fee (per overdraft)	\$5.00
Safe Deposit Box Drilling Fee	\$40.00
Legal Processing (including levies and garnishments)	\$25.00

ABOUT OVERDRAFTS

An "overdraft" occurs any time a check or other transaction is presented for payment against an account and the available balance of the account is insufficient to pay the check or transaction. When an overdraft occurs, we may, at our discretion, return the check and refuse the transaction, or, alternatively, we may choose to pay the check or transaction, in which case a negative account balance will result. If we return the check and refuse the transaction, you will be charged an Insufficient Funds (NSF) Item fee for each returned check and refused transaction. If we pay the check or transaction, you will be charged an Overdraft (OD) Item fee for each check or transaction paid in overdraft.

Determining whether to pay a check or other transaction in overdraft is strictly discretionary with us. We are not required to pay any check or other transaction in overdraft, even if we have paid overdrafts many times previously and even if we have permitted an account to remain in an overdrawn status for an extended period. Also, if more than one check or other transaction is presented for payment against your account on the same banking day and the available balance is insufficient to pay them all, we may pay any of them in any order we choose, even if the order we choose results in greater Overdraft Item or Insufficient Funds Item fees than if we had chosen to pay them in some other order. We may also choose to not pay checks or other transactions which are payable to BancorpSouth and our affiliates.

You may avoid Overdraft Item and Insufficient Funds Item fees on checking accounts through Overdraft Protection.

Credit Card Overdraft Protection works by charging your BancorpSouth MasterCard or VISA credit card for cash advances in the amounts of checks or other transactions drawn against insufficient funds, with resulting deposits of the cash advance amounts into your account to cover such checks or other transactions, up to the credit limit of your credit card. Credit card fees, interest charges and cash advance charges will be assessed to your credit card account in accordance with the terms of your credit card terms and conditions. You may also avoid Overdraft Item and Insufficient Funds Item fees on checking accounts by establishing a BancorpSouth Equity Credit Line, which is a personal line of credit. In the event of an overdraft, the bank transfers the amount of the overdraft into your account and charges the amount as an advance on your Equity Credit Line, up to the limit of your credit line. An Overdraft Equity Credit Line fee will be charged to your checking account for each check or other transaction which is paid by Equity Credit Line Overdraft Protection. Ask your BancorpSouth customer service representative about Overdraft Protection. Also, ask a customer service representative for a copy of our brochure, "How to Avoid Paying Bank Fees."

MasterMoney™

BancorpSouth MasterMoney is the convenient plastic card that looks like a credit card but works like a check, deducting your purchases from your checking account. MasterMoney is good for cash purchases anywhere MasterCard® is accepted. Plus, you get a receipt with every transaction so there is no problem keeping track of what you have spent. Monthly, all transactions are reported on your checking account statement along with any checks you have written. A MasterMoney card serves as your ATM card, so you only have one "checking account card" to carry with you.

MasterMoney fee

There is a fee of \$.50 per transaction when you use your MasterMoney card at an ATM that belongs to another bank or financial services company. Such other bank or financial services company may also charge your account a fee for a MasterMoney transaction made at its ATM.

24-Hour Banking

You may access your BancorpSouth checking account day and night at literally thousands of ATMs across the United States with our automated teller card. At BancorpSouth ATM locations you may make deposits as well as withdrawals, loan payments and transfers between accounts.

24-Hour Banking card fee

There is a fee of \$1.50 per transaction when you use your 24-Hour Banking card at an ATM that belongs to another bank or financial services company. Such other bank or financial services company may also charge your account a fee for a 24-Hour Banking card transaction made at its ATM.

Certificate of Deposit

BancorpSouth Certificates of Deposit offer competitive returns on investments that can be tailored to fit your exact needs. Early withdrawal penalties apply to all Certificates of Deposit and are fully detailed in the Certificate of Deposit Disclosure available at all BancorpSouth offices.

Minimum Opening Balance

OTHER IMPORTANT INFORMATION

■ The Daily Balance Method of paying interest uses the daily balance in calculating the interest on your account. This method applies a daily periodic rate to the principal in the account each day. When you deposit checks into any account at BancorpSouth, interest begins to accrue no later than the business day we receive credit for the item.

■ The Daily Ledger Balance reflects all deposits and withdrawals regardless of actual collection of funds.

■ On interest bearing checking accounts, federal regulations allow the bank to create checking and savings sub-accounts which exist only on the books of the bank and which allow the bank to make transfers at the close of each working day. This puts the bank in a more favorable position concerning reserve requirements, and ultimately allows us to maintain the most competitive rate we can pay on your interest bearing checking account. The activity of the sub-accounts will not be reflected on your bank statement and will not affect your account balance or the interest, fees and features of your interest bearing checking account.

■ Electronic debits such as Automated Teller Machine and MasterMoney™ debits along with Infol Line transfers are not included in your debit item count for calculating service charges.

■ All fees and charges are subject to applicable law.

■ If your account is made subject to garnishment, execution, levy or any similar legal process, or if your account is made subject to any legal proceeding in which the Bank is required to respond, appear or provide records, we may charge you for each such garnishment, execution levy or proceeding a fee of \$25.00. This fee is in addition to any costs and expenses, including attorney's fees, to which we are entitled under your Account Terms and Conditions or applicable law.

Account Information Statement



Effective Date: September 1, 2004

Dear Customer:

Thank you for choosing BancorpSouth. We are dedicated to providing world-class financial personal service to our customers and the communities we serve.

This brochure is a disclosure of the fees and charges that apply to accounts at BancorpSouth. We think it is important for you to have a full understanding of these fees and charges.

We welcome your questions in person or by phone. The answers are as close as your nearest BancorpSouth office or by using Infocall, 1-888-797-7711, our 24-hour account information line. **Red text** in the following indicates changes from the last edition of this brochure.

NON-INTEREST CHECKING ACCOUNTS

The minimum balance required to open any BancorpSouth non-interest bearing checking account is \$100.00.

Crown Services

Crown Services is BancorpSouth's premium checking package, including many popular features such as unlimited checking, discounts on loans, accidental death and dismemberment insurances, and travel cash dividends:

Monthly membership fee for individuals\$8.50
Monthly membership fee for family coverage\$10.00

Regular Checking

At \$800.00 minimum daily ledger balance avoids any monthly service charge. When the minimum daily ledger balance falls below \$800.00 during a statement cycle, the monthly service charge will be \$8.50.

Checking for People Over 65

Service charges on checking NONE
Optional Benefits for People Over 65\$4.25
Monthly membership for Crown Services for the Individual\$4.25
Monthly membership for Crown Services for Family coverage\$5.00

Absolutely Free Checking for Students*

Students love this account because there is no minimum balance requirement, no monthly service charge, and no per check charge... it's "Absolutely Free" through age 24. No annual change for your 24-hour banking card.

Value Check*

This account is especially popular with young people out on their own who write only a few checks per month or customers with low activity and low balance.

Monthly maintenance fee

First 15 checks or debits\$4.00
More than 15 checks or debits NO CHARGE
.....\$.25 each

*Accounts receive a monthly statement. Copies of checks and deposit slips remain on file at the bank. Copies may be requested with no charge for the first five (5) items. In excess of five per

INTEREST BEARING CHECKING ACCOUNTS

Interest is paid on the collected balance in the account using the daily balance method of interest calculation. This means that all the collected funds in your account earn interest each day. The minimum balance required to open BancorpSouth interest checking accounts varies by account type. See individual account descriptions for details.

Heritage Checking

Heritage Checking is BancorpSouth's preferred services account for our friends who are 50 and over. Heritage Checking accounts earn interest at a competitive rate, which is determined solely by the Bank and is subject to change weekly. Interest is earned daily on the collected balance using the daily balance method and is credited and compounded monthly. If you close your Heritage Checking account before the interest is credited, you will not receive the accrued interest for that period. In addition to earning interest, Heritage Checking accounts include common carrier accidental death insurance as well as discounts and special savings.

Minimum opening balance\$100.00
Monthly Service Charge with a minimum daily ledger balance of: \$500.00 or more NONE
Below \$500.00\$8.00

Heritage Plus Checking

Receive all of the features and benefits of Heritage Checking plus FREE special membership checks, \$10,000 Accidental Death Insurance, a Medical Emergency Data Card, hotel room rate savings up to 50%, discount pharmaceuticals through the Rx Advantage™ Drug Program, savings on eyewear with Coast-to-Coast Vision and other bonuses.

Minimum opening balance\$100.00
Monthly Service Charge\$5.00

Checking+Plus: Personal & Household Checking

Personal and household checking accounts earn interest at a competitive interest rate, which is determined solely by the Bank and is subject to change weekly. Interest is earned on the collected balance using the daily balance method and is credited and compounded monthly. If you close your Checking+Plus account before the interest is credited, you will not receive the accrued interest for that period.

Minimum opening balance\$1,000.00
Monthly Service Charge with a balance of: \$1,000.00 or more NONE
Below \$1,000.00\$10.00
Per item charges:
First 40 checks or debits NONE
In excess of 40 checks or debits\$.20 each
First 20 items deposited NONE
In excess of 20 items deposited\$.08 each

Premium Access Checking

With Premium Access Checking, you earn a premium rate on your checking account balance of \$5,000.00 or more, plus you can write all the checks you like without incurring a service charge. You may open an account with a minimum balance of \$5,000.00 and earn interest each day your collected balance is \$5,000.00 or more. A competitive rate is determined solely by the Bank and is subject to change weekly. Interest is earned on the collected balance using the daily balance method and is credited and compounded monthly. **If you close your Premium Access Checking account before the interest is credited, you will receive the accrued interest for that period.**

Premium Access Checking fee NONE
if ledger balance does not fall below \$5,000.00
Should your ledger balance fall below \$5,000.00, a minimum balance fee of \$10.00 is charged for that statement cycle.

SAVINGS ACCOUNTS

Interest is paid on the collected balance in the account using the daily balance method of interest calculation. This means that all the collected funds in your account earn interest each day. The minimum balance required to open a BancorpSouth savings account varies by account type. See individual account descriptions for details.

Premium Access Money Market Account

Premium Access Money Market Account is a tiered rate money market account. The interest rate tiers are as follows:

Balances between \$2,500 and \$9,999
Balances between \$10,000 and \$49,999
Balances between \$50,000 and \$99,999
Balances \$100,000 and above

Your account earns a competitive rate of interest determined solely by the Bank and is subject to change weekly. Interest is **accrued** on the collected balance using the daily balance method. Should the daily collected balance fall below \$2,500.00, interest will not be paid. Interest is accrued on a daily basis and **is credited** and compounded monthly. If you close your Premium Access Money Market Account before the interest is credited, you will receive the interest through the date of closing. Minimum balance required to open a Premium Access Money Market Account is \$1,000.00. A total of six withdrawals may be made each month, of which three may be by check or debit to third parties. Monthly Service Charge with a minimum daily ledger balance of:

\$1,000.00 or more NONE
Below \$1,000.00\$10.00
Excessive Withdrawal Fee (per withdrawal)\$10.00

Personal Money Market Investment Account

Personal Money Market Investment Accounts earn interest at a competitive rate determined solely by the Bank and is subject to change weekly. Interest is accrued on the collected balance using the daily balance method. Should the daily collected balance fall

below \$1,000.00, the rate of interest will be the Checking+Plus rate. Interest is accrued on a daily basis and is credited and compounded monthly. If you close your Money Market Investment Account before the interest is credited, you will receive the interest through the date of closing. Minimum balance required to open a Money Market Investment Account is \$1,000.00. A total of six withdrawals may be made each month, of which three may be by check or debit to third parties. Monthly Service Charge with a minimum daily ledger balance of:

\$1,000.00 or more NONE
Below \$1,000.00\$10.00
Excessive Withdrawal Fee (per withdrawal)\$10.00

Classic Savings

A competitive interest rate is paid on the collected balance using the daily balance method. The rate of interest is determined solely by the Bank and is subject to change on a weekly basis. Interest is compounded daily and credited semiannually. Deposits and withdrawals can be made at any time. If you close your account prior to the interest being credited, you will receive interest through the closing date. Minimum balance required to open a Classic Savings account is \$100.00.

Classic Savings Fees to which you may be subject:
There will be a \$5.00 charge for each withdrawal in excess of six during any six-month cycle, excluding ATM withdrawals.

Christmas Club

Christmas Club accounts earn interest at a competitive rate determined solely by the Bank and is subject to change weekly. Interest is calculated on the daily ledger balance using the daily balance method. Interest is accrued daily and credited yearly in November when a check for the balance is issued to you. If you close your Christmas Club account before the interest is credited, you forfeit all accrued interest. If the principal balance of your Christmas Club account is \$250.00 or less on the day designated by the Bank for crediting interest to Christmas Club accounts, you forfeit all accrued interest. If you make a withdrawal from your Christmas Club account prior to the date in November when a check for the balance of the account is issued to you, you will be charged a fee of \$5.00 for each such withdrawal.

SERVICE FEES

Check Printing Charges Charges will vary based on check design
Official Checks\$6.00
Each Overdraft (OD) Item\$29.00
Each Insufficient (NSF) Funds Item\$29.00
Each Stop Payment\$29.00
Each Returned Deposit Item\$4.00
Each Returned Check Redeposited\$3.00
Each Returned Check Special Handling\$6.00
Each Deposit Correction\$3.00

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Plaintiff's Exhibit No. 15

Each Stop Payment\$30.00
Each Returned Deposit Item.....\$4.00
Each Returned Check Redeposited\$3.00
Each Returned Check Special Handling\$6.00
Each Deposit Correction\$3.00
Special Statement\$5.00
Debit Card Replacement Fee\$5.00
Research Fees:

Research Per Hour.....\$20.00
Photocopies (each).....\$1.00
Collection Item Fee\$2.00 per item
plus \$.20 per \$100.00 with a \$20.00 maximum

Dormant Checking Account Charges
An \$.50 per month fee will be charged on dormant checking accounts in addition to regular applicable fees. "Dormant Accounts" are defined by applicable law.

Dormant Saving Account Charges
A savings account with a balance below \$100 will be charged an \$.50 monthly fee if dormant in excess of 730 days.

Wire Transfer Fees:
Outgoing.....\$15.00
Incoming.....\$12.00
Foreign\$50.00

Telephone Funds Transfers:
Automated via InfoLine.....NO CHARGE
Assisted by branch personnel.....\$3.00

Overdraft Transfer Fee (per transfer)\$5.00
Overdraft Equity Credit Line Fee (per transfer)\$5.00
Safe Deposit Box Drilling Fee\$40.00
Legal Processing (including levies and garnishments)\$25.00

ABOUT OVERDRAFTS
An "overdraft" occurs any time a check or other transaction is presented for payment against an account and the available balance of the account is insufficient to pay the check or transaction.

When an overdraft occurs, we may, at our discretion, return the check and refuse the transaction, or, alternatively, we may choose to pay the check or transaction, in which case a negative account balance will result. If we return the check and refuse the transaction, you will be charged an Insufficient Funds (NSF) Item fee for each returned check and refused transaction. If we pay the check or transaction, you will be charged an Overdraft (OD) Item fee for each check or transaction paid in overdraft.

Determining whether to pay a check or other transaction in overdraft is strictly discretionary with us. We are not required to pay any check or other transaction in overdraft, even if we have paid overdrafts many times previously and even if we have permitted an account to remain in an overdrawn status for an extended period. Also, if more than one check or other transaction is presented for payment against your account on the same banking day and the available balance is insufficient to pay them

all, we may pay any of them in any order we choose, even if the order we choose results in greater Overdraft Item or Insufficient Funds Item fees than if we had chosen to pay them in some other order. We may also choose to first pay checks or other transactions which are payable to BancorpSouth and our affiliates.

You may avoid Overdraft Item and Insufficient Funds Item fees on checking accounts through Overdraft Protection. Credit Card Overdraft Protection works by charging your BancorpSouth MasterCard or VISA credit card for cash advances in the amounts of checks or other transactions drawn against insufficient funds, with resulting deposits of the cash advance amounts into your account to cover such checks or other transactions, up to the credit limit of your credit card.

Credit card fees, interest charges and cash advance charges will be assessed to your credit card account in accordance with the terms of your credit card terms and conditions. You may also avoid Overdraft Item and Insufficient Funds Item fees on checking accounts by establishing a BancorpSouth Equity Credit Line, which is a line of credit. In the event of an overdraft, the bank transfers the amount of the overdraft into your account and charges the amount as an advance on your Equity Credit Line, up to the limit of your credit line. An Overdraft Equity Credit Line fee will be charged to your checking account in accordance with the terms of your equity credit line overdraft protection agreement.

Ask your BancorpSouth customer service representative about Overdraft Protection. Also, ask a customer service representative for a copy of our brochure, "How to Avoid Paying Bank Fees."

MasterMoney™
BancorpSouth MasterMoney is the convenient plastic card that looks like a credit card but works like a check, deducting your purchases from your checking account. MasterMoney is good for cash purchases anywhere MasterCard® is accepted. Plus, you get a receipt with every transaction so there is no problem keeping track of what you have spent.

Monthly, all transactions are reported on your checking account statement along with any checks you have written. A MasterMoney card serves as your ATM card, so you only have one "checking account card" to carry with you.

MasterMoney fee NO CHARGE
There is a fee of \$1.50 per transaction when you use your MasterMoney card at an ATM that belongs to another bank or financial services company. Such other bank or financial services company may also charge your account a fee for a MasterMoney transaction made at its ATM.

24-Hour Banking
You may access your BancorpSouth checking account day and night at literally thousands of ATMs across the United States with our automated teller card. At BancorpSouth ATM locations you may make deposits as well as withdrawals, loan payments and transfers between accounts.

24 Hour Banking card fee\$1.00 per month
There is a fee of \$1.50 per transaction when you use your 24-

Hour Banking card at an ATM that belongs to another bank or financial services company. Such other bank or financial services company may also charge your account a fee for a 24-Hour Banking card transaction made at its ATM.

Certificate of Deposit
BancorpSouth Certificates of Deposit offer competitive returns on investments that can be tailored to fit your exact needs. Early withdrawal penalties apply to all Certificates of Deposit and are fully detailed in the Certificate of Deposit Disclosure available at all BancorpSouth offices.

Minimum opening deposit\$1,000.00

OTHER IMPORTANT INFORMATION

The Daily Balance Method of paying interest uses the daily balance in calculating the interest on your account. This method applies a daily periodic rate to the principal in the account each day. When you deposit checks into any account at BancorpSouth, interest begins to accrue no later than the business day we receive credit for the item.

The Daily Ledger Balance reflects all deposits and withdrawals regardless of actual collection of funds.

On interest bearing checking accounts, federal regulations allow the bank to create checking and savings sub-accounts which exist only on the books of the bank and which allow the bank to make transfers at the close of each working day. This puts the bank in a more favorable position concerning reserve requirements, and ultimately allows us to maintain the most competitive rate we can pay on your interest bearing checking account. The activity of the sub-accounts will not be reflected on your bank statement and will not affect your account balance or the interest, fees and features of your interest bearing checking account.

Electronic debits such as Automated Teller Machine and MasterMoney™ debits along with InfoLine transfers are not included in your debit item count for calculating service charges.

All fees and charges are subject to applicable law.

If your account is made subject to garnishment, execution, levy or any similar legal process, or if your account is made subject to any legal proceeding in which the Bank is required to respond, appear or provide records, we may charge you for each such garnishment, execution levy or proceeding a fee of \$25.00. This fee is in addition to any costs and expenses, including attorney's fees, to which we are entitled under your Account Terms and Conditions or applicable law.

Account Information Statement



Effective Date: February 1, 2005



Get there from here.

As of February 1, 2005

BXS Swift H-006902

Dear Customer:

Thank you for choosing BancorpSouth. We are dedicated to providing world-class financial personal service to our customers and the communities we serve.

This brochure is a disclosure of the fees and charges that apply to accounts at BancorpSouth. We think it is important for you to have full understanding of these fees and charges.

We welcome your questions in person or by phone. The answers are as close as your nearest BancorpSouth office or by using 1-888-797-7711, our 24-hour account information line. **Hold text** in the following indicates changes from the last edition of the brochure.

NON-INTEREST CHECKING ACCOUNTS

The minimum deposit required to open any BancorpSouth non-interest bearing checking account is \$100.00.

Crown Services

Crown Services is BancorpSouth's premium checking package, including many popular features such as unlimited checking, discounts on loans, accidental death and dismemberment insurance, and travel cash dividends:

Monthly membership fee for individuals\$8.50
Monthly membership fee for family coverage\$10.00

Regular Checking

An \$800.00 minimum daily ledger balance avoids any monthly service charge. When the minimum daily ledger balance falls below \$800.00 during a statement cycle, the monthly service charge will be \$8.50.

Free Checking*

BancorpSouth's Free Checking account has no monthly maintenance fee, no per check charge, and no minimum monthly balance requirement.

Checking for People Over 65*

Monthly service charges on checking NONE
Optional Benefits for People Over 65
Monthly membership for Crown Services

for the Individual\$4.25

Monthly membership for Crown Services
for Family coverage\$5.00

Free Checking for Students*

Students love this account because there is no minimum balance requirement, no monthly service charge, and no per check charge ... it's Free through age 24. No annual charge for your 24-hour banking card.

Value Check*

This account is especially popular with young people out on their own who write only a few checks per month or customers with low activity and low balance.

Monthly maintenance fee\$4.00
First 15 checks or debits NO CHARGE
More than 15 checks or debits\$.25 each

*Accounts receive a monthly statement. Copies of checks and deposit slips remain on file at the bank. Copies may be requested with no charge for the first five (5) items. In excess of five, per item copy charge is \$1.00.

INTEREST BEARING CHECKING ACCOUNTS

Interest is paid on the collected balance in the account using the daily balance method of interest calculation. This means that all the collected funds in your account earn interest each day. The minimum deposit required to open BancorpSouth interest checking accounts varies by account type. See individual account descriptions for details.

Heritage Checking

Heritage Checking is BancorpSouth's preferred services account for our friends who are 50 and over. Heritage Checking accounts earn interest at a competitive rate, which is determined solely by the Bank and is subject to change weekly. Interest is earned daily on the collected balance using the daily balance method and is credited and compounded monthly. If you close your Heritage Checking account before the interest is credited, you will not receive the accrued interest for that period. In addition to earning interest, Heritage Checking accounts include common carrier accidental death insurance as well as discounts and special savings.

Minimum opening deposit\$100.00
Monthly Service Charge with a minimum daily ledger balance of \$500.00 or more NONE
Below \$500.00\$8.00

Heritage Plus Checking

Receive all of the features and benefits of Heritage Checking plus FREE special membership checks, \$10,000 Accidental Death Insurance, a Medical Emergency Data Card, hotel room rate savings up to 50%, discount pharmaceuticals through the Rx Advantage™ Drug Program, savings on eyewear with Coast-to-Coast Vision and other bonuses.

Minimum opening deposit\$100.00
Monthly Service Charge\$5.00

Checking+Plus: Personal & Household Checking

Personal and household checking accounts earn interest at a competitive interest rate, which is determined solely by the Bank and is subject to change weekly. Interest is earned on the collected balance using the daily balance method and is credited and compounded monthly. If you close your Checking+Plus account before the interest is credited, you will not receive the accrued interest for that period.

Minimum opening deposit\$1,000.00
Monthly Service Charge with a balance of:
\$1,000.00 or more NONE
Below \$1,000.00\$10.00
Per item charges:
First 40 checks or debits NONE

In excess of 40 checks or debits\$.20 each
First 20 items deposited NONE
In excess of 20 items deposited\$.08 each

Premium Access Checking

With Premium Access Checking, you earn a premium rate on your checking account deposit of \$5,000.00 or more, plus you can write all the checks you like without incurring a service charge. You may open an account with a minimum deposit of \$5,000.00 and earn interest each day your collected balance is \$5,000.00 or more. A competitive rate is determined solely by the Bank and is subject to change weekly. Interest is earned on the collected balance using the daily balance method and is credited and compounded monthly. If you close your Premium Access Checking account before the interest is credited, you will receive the accrued interest for that period.

Premium Access Checking fee NONE
If ledger balance does not fall below \$5,000.00
Should your ledger balance fall below \$5,000.00, a minimum balance fee of \$10.00 is charged for that statement cycle.

SAVINGS ACCOUNTS

Interest is paid on the collected balance in the account using the daily balance method of interest calculation. This means that all the collected funds in your account earn interest each day. The minimum deposit required to open a BancorpSouth savings account varies by account type. See individual account descriptions for details.

Premium Access Money Market Account

Premium Access Money Market Account is a tiered rate money market account. The interest rate tiers are as follows:
Balances between \$2,500.00 and \$9,999.00
Balances between \$10,000.00 and \$49,999.00
Balances between \$50,000.00 and \$99,999.00
Balances \$100,000.00 and above

Your account earns a competitive rate of interest determined solely by the Bank and is subject to change weekly. Interest is accrued on the collected balance using the daily balance method. Should the daily collected balance fall below \$2,500.00, interest will not be paid. Interest is accrued on a daily basis and is credited and compounded monthly. If you close your Premium Access Money Market Account before the interest is credited, you will receive the interest through the date of closing. Minimum deposit required to open a Premium Access Money Market Account is \$1,000.00. A total of six withdrawals may be made each month, of which three may be by check or debit to third parties.

Monthly Service Charge with a minimum daily ledger balance of:
\$1,000.00 or more NONE
Below \$1,000.00\$10.00
Excessive Withdrawal Fee (per withdrawal)\$10.00

Personal Money Market Investment Account

Personal Money Market Investment Accounts earn interest at a competitive rate determined solely by the Bank and is subject to change weekly. Interest is accrued on the collected balance using the daily balance method. Should the daily collected balance fall below \$1,000.00, the rate of interest will be the Checking+Plus rate. Interest is accrued on a daily basis and is credited and compounded monthly. If you close your Money Market Investment Account before the interest is credited, you will receive the interest through the date of closing. Minimum deposit required to open a Money Market Investment Account is \$1,000.00. A total of six withdrawals may be made each month, of which three may be by check or debit to third parties.

Monthly Service Charge with a minimum daily ledger balance of:
\$1,000.00 or more NONE
Below \$1,000.00\$10.00
Excessive Withdrawal Fee (per withdrawal)\$10.00

Classic Savings

A competitive interest rate is paid on the collected balance using the daily balance method. The rate of interest is determined solely by the Bank and is subject to change on a weekly basis. Interest is compounded daily and credited semiannually. Deposits and withdrawals can be made at any time. If you close your account prior to the interest being credited, you will receive interest through the closing date. Minimum deposit required to open a Classic Savings account is \$100.00.

Classic Savings Fees to which you may be subject:

There will be a \$3.00 charge for each withdrawal in excess of six during any six-month cycle, excluding ATM withdrawals.

Christmas Club

Christmas Club accounts earn interest at a competitive rate determined solely by the Bank and is subject to change weekly. Interest is calculated on the daily ledger balance using the daily balance method. Interest is accrued daily and credited yearly in November when a check for the balance is issued to you. If you close your Christmas Club account before the interest is credited, you forfeit all accrued interest. If the principal balance of your Christmas Club account is \$250.00 or less on the day designated by the Bank for crediting interest to Christmas Club accounts, you forfeit all accrued interest. If you make a withdrawal from your Christmas Club account prior to the date in November when a check for the balance of the account is issued to you, you will be charged a fee of \$5.00 for each such withdrawal.

SERVICE FEES

Check Printing Charges Charges will vary based on check design
Official Checks.....\$6.00
Each Overdraft (OD) Item\$30.00
Each Insufficient (NSF) Funds Item\$30.00

Continued on Back

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 16

ABOUT OVERDRAFTS

An "overdraft" occurs any time a check or other transaction is presented for payment against an account and the available balance of the account is insufficient to pay the check or transaction. When an overdraft occurs, we may, at our discretion, return the check and refuse the transaction, or, alternatively, we may choose to pay the check or transaction, in which case a negative account balance will result. If we return the check and refuse the transaction, you will be charged an Insufficient Funds (NSF) item fee for each returned check and refused transaction. If we pay the check or transaction, you will be charged an Overdraft (OD) item fee for each check or transaction paid in overdraft.

Determining whether to pay a check or other transaction in overdraft is strictly discretionary with us. We are not required to pay any check or other transaction in overdraft, even if we have paid overdrafts many times previously and even if we have permitted an account to remain in an overdrawn status for an extended period. Also, if more than one check or other transaction is presented for payment against your account on the same banking day and the available balance is insufficient to pay them all, we may pay any of them in any order we choose, even if the order we choose results in greater Overdraft Item or Insufficient Funds Item fees than if we had chosen to pay them in some other order. We may also choose to first pay checks or other transactions which are payable to Bancorpsouth and our affiliates.

You may avoid Overdraft Item and Insufficient Funds Item fees on checking accounts through Overdraft Protection. Credit Card Overdraft Protection works by charging your Bancorpsouth MasterCard or VISA credit card for cash advances in the amounts of checks or other transactions drawn against insufficient funds, with resulting deposits of the cash advance amounts into your account to cover such checks or other transactions, up to the credit limit of your credit card. An Overdraft Protection credit card transfer fee of 3% of the transfer amount, minimum \$5.00 and maximum \$30.00, will be charged for each transfer. Credit card fees, interest charges and cash advance charges will be assessed to your credit card account in accordance with your credit card terms and conditions. You may also avoid Overdraft Item and Insufficient Funds Item fees on checking accounts by establishing a Bancorpsouth Equity Credit Line, which is a line of credit. In the event of an overdraft, the bank transfers the amount of the overdraft into your account and charges the amount as an advance on your Equity Credit Line, up to the limit of your credit line. An Overdraft Protection Equity Credit Line transfer fee of \$5.00 will be charged for each transfer amount unless secured by Real Estate. Equity Credit Line Overdraft Protection may not be available in Texas. Standard interest charges apply to all transfers from the date posted to your account. Ask your Bancorpsouth customer service representative about Overdraft Protection. Also, ask a customer service representative for a copy of our brochure "How to Avoid Paying Bank Fees."

MasterMoney™

Bancorpsouth MasterMoney is the convenient plastic card that looks like a credit card but works like a check, deducting your purchases from your checking account. MasterMoney is good for cash purchases anywhere MasterCard® is accepted. Plus, you get a receipt with every transaction so there is no problem keeping track of what you have spent. Monthly, all

transactions are reported on your checking account statement along with any checks you have written. A MasterMoney card serves as your ATM card, so you only have one "checking account card" to carry with you.

MasterMoney fee: NO CHARGE

There is a fee of \$1.50 per transaction when you use your MasterMoney card at an ATM that belongs to another bank or financial services company. Such other bank or financial services company may also charge your account a fee for a MasterMoney transaction made at its ATM.

There is a fee of one percent (1%) of the transaction amount if you use your MasterMoney card for a transaction in a foreign country. If your transaction in a foreign country is in a currency other than U.S. Dollars, the rate used for converting the transaction to U.S. Dollars will be the wholesale market rate or any government-mandated rate in effect on the date that MasterCard processes the transaction or any other rate or method prescribed by the then-current MasterCard regulations. Currency conversion may occur on a date other than the date of the transaction, and the conversion rate may be affected accordingly.

Internet Banking and Bill Pay

HomeSite Internet Banking is free with any personal Bancorpsouth Checking or Money Market account. HomeSite Internet Banking allows you to access balance inquiries, view your statement information and your canceled checks (even if your statement doesn't have check images), transfer between accounts, and make payments on your Bancorpsouth line of credit or loan.

Free Bill Pay is also available with any personal Bancorpsouth checking account when you sign up for HomeSite Internet Banking if you have a combination of either E-mail Statement and Debit Card, or Direct Deposit and Debit Card. A \$4.99 monthly service charge will be assessed for Bill Pay if the combination is not in effect at statement time. To receive Bill Pay, you need to enroll in HomeSite Internet Banking, and then sign up for Bill Pay through HomeSite Internet Banking. (The Free Bill Pay option listed above is standard for all customers who register for Bill Pay after August 21, 2006. If you currently have Bill Pay and would like to change your billing method, please ask your local customer service representative or call our InfoLine at 1-888-797-7711.)

24-Hour Banking

You may access your Bancorpsouth checking account day and night at literally thousands of ATMs across the United States with our automated teller card. At Bancorpsouth ATM locations you may make deposits as well as withdrawals, loan payments and transfers between accounts.

24-Hour Banking card fee: \$1.00 per month

There is a fee of \$1.50 per transaction when you use your 24-Hour Banking card at an ATM that belongs to another bank or financial services company. Such other bank or financial services company may also charge your account a fee for a 24-Hour Banking card transaction made at its ATM.

Certificate of Deposit

Bancorpsouth Certificates of Deposit offer competitive returns on investments that can be tailored to fit your exact needs. Early withdrawal

penalties apply to all Certificates of Deposit and are fully detailed in the Certificate of Deposit Disclosure available at all Bancorpsouth offices.

Minimum opening deposit:\$1,000.00

Plus Package

The Plus Package is a package of benefits and savings which may be added to any Bancorpsouth personal checking account. A fee of \$4.50 for individuals less than 60 years of age or \$3.50 for individuals 60 and better applies and will be deducted from your Bancorpsouth personal checking account on a monthly basis. If you have previously enrolled in the program and are being charged a fee of \$4.50 per month, please notify a Bancorpsouth representative upon attaining the age of 60, and we will gladly adjust your monthly fee to the appropriate rate.

OTHER IMPORTANT INFORMATION

- The Daily Balance Method of paying interest uses the daily balance in calculating the interest on your account. This method applies a daily periodic rate to the principal in the account each day. When you deposit checks into any account at Bancorpsouth, interest begins to accrue no later than the business day we receive credit for the item.
- The Daily Ledger Balance reflects all deposits and withdrawals regardless of actual collection of funds.
- On checking accounts, federal regulations allow the bank to create transaction and savings sub-accounts which exist only on the books of the bank and which allow the bank to make transfers at the close of each working day. This puts the bank in a more favorable position concerning reserve requirements, and ultimately allows us to maintain the most competitive pricing on your checking account. The activity of the sub-accounts will not be reflected on your bank statement and will not affect your account balance or the interest, fees and features of your checking account.
- Electronic debits such as Automated Teller Machine and MasterMoney™ debits along with InfoLine transfers are not included in your debit item count for calculating service charges.
- All fees and charges are subject to applicable law.
- If your account is made subject to garnishment, execution, levy or any similar legal process, or if your account is made subject to any legal proceeding in which the Bank is required to respond, appear or provide records, we may charge you for each such garnishment, execution, levy or proceeding a fee of up to \$125.00. This fee is in addition to any cost and expenses, including reasonable attorney's fees, which we incur in connection with any of the foregoing.

Account Information Statement



Effective Date: February 1, 2007



As of February 1, 2007

BRC004T – 11/06

BXS Swift H-006894

Dear Customer:

Thank you for choosing BancorpSouth. We are dedicated to providing world-class financial, personal service to our customers and the community we serve.

This brochure is a disclosure of the fees and charges that apply to accounts at BancorpSouth. We think it is important for you to have a full understanding of these fees and charges.

We welcome your questions in person or by phone. The answers are as close as your nearest BancorpSouth office or by using Infoline, 1-888-788-7711, our 24-hour account information line.

Read text in the following indicates changes from the last edition of the brochure.

NON-INTEREST CHECKING ACCOUNTS

The minimum deposit required to open any BancorpSouth non-interest checking account is \$50.00.

Regular Checking

An \$800.00 minimum daily ledger balance avoids any monthly service charge. When the minimum daily ledger balance falls below \$800.00 during a statement cycle, the monthly service charge will be \$8.50.

BancorpSmart Free Checking

The BancorpSmart Free Checking account has no monthly maintenance fee, no per check charge and no minimum monthly balance. Combined with a savings account, free HomeSite Internet Banking, e-mail statements, combined statements and other services, BancorpSmart Free Checking is a complete bundle of products positioned to help you start your relationship with BancorpSouth. To receive Bill Pay free of charge, you must have a combination of either e-mail statement and debit card or direct deposit and debit card. A \$4.99 monthly service charge will be assessed for Bill Pay if the combination is not in effect at statement time. To receive Bill Pay, you need to enroll in HomeSite Internet Banking and then sign up for Bill Pay. It is not required that you have HomeSite or Bill Pay to receive BancorpSmart Free Checking.

Free Checking for Students*

Students love this account because there is no minimum balance requirement, no monthly service charge, and no per check charge. ... it's "Free" through age 24. No annual charge for your 24-hour banking card. *Accounts receive a monthly statement. Checks and deposit slips remain on file at the bank. Copies may be requested with no charge for the first five (5) items. In excess of five, per item copy charge is \$1.00.

INTEREST BEARING CHECKING ACCOUNTS

Interest is paid on the collected balance in the account using the daily balance method of interest calculation. This means that all the collected funds in your account earn interest each day. The minimum deposit required to open BancorpSouth interest checking accounts varies by account type. See individual account descriptions for details.

Heritage Checking

Heritage Checking is BancorpSouth's preferred services account for our friends who are 50 and over. Heritage Checking accounts earn interest at a competitive rate, which is determined solely by the Bank and is subject to change weekly. Interest is earned daily on the collected balance using the daily balance method and is credited and compounded monthly. If

you close your Heritage Checking account before the interest is credited, you will not receive the accrued interest for that period. In addition to earning interest, Heritage Checking accounts include common carrier accidental death insurance as well as discounts and special savings.

Minimum opening deposit.....	\$100.00
Monthly Service Charge with a minimum daily ledger balance of \$500.00 or more	NONE
Below \$500.00	\$8.00

Interest Plus Checking

The Interest Plus Checking account is a tiered-rate checking account. The interest rate tiers are as follows:

Balances between \$0-\$4,999	
Balances between \$5,000-\$9,999	
Balances between \$10,000-\$24,999	
Balances between \$25,000-\$49,999	
Balances between \$50,000-\$99,999	
Balances between \$100,000 and above	

Your account has unlimited transactions at no extra cost and earns interest at a competitive rate determined solely by the Bank and is subject to change weekly. Interest is calculated based on simple interest and applied to the daily collected balance. Interest is credited at statement time, and is not available for early withdrawal.

Minimum opening deposit	\$1,000.00
Monthly service charge with a balance of:	
Below \$1,000.00 or more	NONE
\$1,000.00 or more	\$10.00

Monthly statements are itemized and include imaged checks.

SAVINGS ACCOUNTS

Interest is paid on the collected balance in the account using the daily balance method of interest calculation. The minimum deposit required to open a BancorpSouth savings account varies by account type. See individual account descriptions for details.

Money Market Select

The Money Market Select account is a tiered-rate money market account. The interest rate-tiers are as follows:

Balances between \$0-\$9,999	
Balances between \$10,000-\$24,999	
Balances between \$25,000-\$49,999	
Balances between \$50,000-\$99,999	
Balances between \$100,000-\$149,999	
Balances between \$150,000-\$499,999	
Balances between \$500,000 and above	

The Money Market Select account earns interest at a competitive rate determined solely by the Bank and is subject to change. Interest is calculated based on simple interest and applied to the daily collected balance. Interest is credited at statement time; however, the accrued interest is available for closing withdrawals.

Minimum opening deposit	\$1,000.00
Minimum balance	\$10,000.00
Monthly service charge with a balance of:	
\$10,000.00 or more	NONE
Below \$10,000.00	\$10.00

There will be a \$10.00 charge for each withdrawal in excess of six per month, excluding ATM withdrawals and over-the-counter transactions. Monthly statements are itemized and include imaged checks. A BancorpSouth Checking account is required to open this account.

Personal Money Market

The Personal Money Market account is a tiered rate money market account. The interest rate tiers are as follows:

Balances between \$0-\$2,499	
Balances between \$2,500-\$4,999	
Balances between \$5,000 and above	

The Personal Money Market account earns interest at a competitive rate determined solely by the Bank and is subject to change. Interest is calculated based on simple interest and applied to the daily collected balance. Interest is credited at statement time; however, the accrued interest is available for closing withdrawals.

Minimum opening deposit	\$1,000.00
Monthly service charge with a balance of:	
Below \$1,000.00 or more	NONE
\$1,000.00 or more	\$10.00

There will be a \$10.00 charge for each withdrawal in excess of six per month, excluding ATM withdrawals and over-the-counter transactions. Monthly statements are itemized and include imaged checks.

Classic Savings

A competitive interest rate is paid on the collected balance using the daily balance method. The rate of interest is determined solely by the Bank and is subject to change on a weekly basis. Interest is compounded daily and credited semiannually. Deposits and withdrawals can be made at any time. If you close your account prior to the interest being credited, you will receive interest through the closing date. Minimum deposit required to open a Classic Savings account is \$100.00. Only a \$25.00 opening deposit is required for children 15 and under to open a "Savings Bug" (classic savings) account. All other account details apply.

Select Savings Account

The Select Savings account earns interest at a competitive rate determined solely by the Bank and is subject to change. Interest is calculated based on semiannual compound and credited semiannually. Accrued interest is available for early closing withdrawals. A BancorpSouth checking account is required to open this account. This account is not available for businesses.

Minimum opening deposit	\$1,000.00
Semiannual service charge with a balance of:	
\$1,000.00 or more	NONE
Below \$1,000.00	\$15.00

Additional information and fees for Classic and Select

Savings Accounts:

Additional "Memo" statements will be produced if the account has an EFT transaction during the month. This is a snapshot statement and will reflect all activity since the last scheduled semiannual statement. There will be a \$5.00 charge for each withdrawal in excess of six during any six-month cycle, excluding ATM withdrawals or over-the-counter transactions. Additional deposits can be made at any time.

Christmas Club

Christmas Club accounts earn interest at a competitive rate determined solely by the Bank and is subject to change weekly. Interest is calculated on the daily ledger balance using the daily balance method. Interest is accrued daily and credited yearly in November, when a check for the balance is issued to you. If you close your Christmas Club account before the interest is credited, you forfeit all accrued interest. If the principal balance of your Christmas Club account is \$250.00 or less on the day designated by the Bank for crediting interest to Christmas Club accounts, you forfeit all accrued interest. If you make a withdrawal from your Christmas Club account prior to the date in November when a check for the balance of the account is issued to you, you will be charged a fee of \$5.00 for each such withdrawal.

SERVICE FEES

Check Printing Charges Charges will vary based on check design

Official Checks	\$6.00
Each Overdraft (OD) Item	\$32.00
Each Insufficient (NSF) Funds Item	\$32.00
Each Stop Payment	\$32.00
Each Returned Deposit Item	\$5.00
Each Returned Check Redeposited	\$3.00
Each Returned Check Special Handling	\$7.50
Each Deposit Correction	\$3.00
Special Statement	\$7.50
Debit Card Replacement Fee	\$5.00

Research Fees:

Research Per Hour	\$20.00
Photocopies (each)	\$2.00 per item
Collection Item Fee	\$2.00 per item plus \$.20 per \$100.00 with a \$20.00 maximum

Dormant Checking Account Charges

An \$8.50 per month fee will be charged on dormant checking accounts in addition to regular applicable fees. "Dormant Accounts" are defined by applicable law.

Dormant Saving Account Charges

A savings account with a balance below \$100 will be charged an \$8.50 monthly fee if dormant in excess of 730 days.

Account Closure Fee	\$25.00
(for checking accounts closed within 90 days of opening)	

Wire Transfer Fees:

Outgoing	\$15.00
Incoming	\$12.00
Foreign	\$50.00

Telephone Funds Transfers:

Automated via Infoline	NO CHARGE
Assisted by branch personnel	\$3.00
Overdraft Protection Equity Credit Line Transfer Fee (Unless secured by Real Estate)	\$5.00
Overdraft Protection Credit Card Transfer Fee	3%

Safe Deposit Box Drilling Fee

Legal Processing (including levies and garnishments)

(see other Important Information Section)

Continued on Back

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 17

Plus Package
The Plus Package is a package of benefits and savings which may be added to any BancorpSouth personal checking account. A fee of \$4.50 for individuals less than 60 years of age or \$.50 for individuals 60 and better applies and will be deducted from your BancorpSouth personal checking account on a monthly basis. If you have previously enrolled in the program and are being charged a fee of \$4.50 per month, please notify a BancorpSouth representative upon attaining the age of 60, and we will gladly adjust your monthly fee to the appropriate rate.

OTHER IMPORTANT INFORMATION

The Daily Balance Method of paying interest uses the daily balance in calculating the interest on your account. This method applies a daily periodic rate to the principal in the account each day. When you deposit checks into any account at BancorpSouth, interest begins to accrue no later than the business day we receive credit for the item.

The Daily Ledger Balance reflects all deposits and withdrawals regardless of actual collection of funds.

On checking accounts, federal regulations allow the bank to create transaction and savings sub-accounts which exist only on the books of the bank and which allow the bank to make transfers at the close of each working day. This puts the bank in a more favorable position concerning reserve requirements and ultimately allows us to maintain the most competitive pricing on your checking account. The activity of the sub-accounts will not be reflected on your bank statement and will not affect your account balance or the interest, fees and features of your checking account.

Electronic debits such as Automated Teller Machine and MasterCard® Debit Card along with Infoline transfers are not included in your debit item count for calculating service charges.

All fees and charges are subject to applicable law.

If your account is made subject to garnishment, execution, levy or any similar legal process, or if your account is made subject to any legal proceeding in which the Bank is required to respond, appear or provide records, we may charge you for each such garnishment, execution, levy or proceeding a fee of up to \$125.00. This fee is in addition to any cost and expenses, including reasonable attorney's fees, which we incur in connection with any of the foregoing.

You may not use your account in connection with any business of placing, receiving or otherwise knowingly transmitting bets or wagers by any means which involves the use, at least in part, of the internet, or for any other transaction which is prohibited by Federal Reserve Regulation GG.

Pre Sorted
First-Class Mail
U.S. Postage Paid
Jackson, MS
Permit No.1005

Account Information Statement



Effective Date: May 10, 2010



period continues. There is no limit to the amount of Overdraft Item, Insufficient Funds Item or Continuous Overdraft fees (collectively, "Overdraft-related Fees") which you may incur.

Order of Payment

If more than one Transaction (whether check, ACH, ATM, debit card, bank fee, overdraft-related fee or any other transaction) is presented for payment against your account on the same banking day and the available balance is insufficient to pay them all, we may decide to pay any or all of them in any order we choose. When we pay Transactions, we generally choose to pay the largest Transaction first and the smallest Transaction last. Our choosing this order of payment for Transactions may result in greater Overdraft-related Fees than if we had chosen to pay them in some other order or had chosen not to pay them. We may also choose to first pay Transactions which are payable to BancorpSouth and our affiliates.

Avoiding Overdraft-related Fees

The best way to avoid Overdraft-related Fees is to manage your account so that you do not overdraw it. Otherwise, you may avoid Overdraft-related Fees through one of the Overdraft Protection products offered by BancorpSouth. Credit Card Overdraft Protection works by charging your BancorpSouth MasterCard® or VISA® credit card for cash advances in the amounts of Transactions drawn against insufficient funds, with resulting deposits of the cash advance amounts into your account to cover such Transactions, up to the available cash advance limit of your credit card. Credit card fees, interest charges, and cash advance charges will be assessed to your credit card account in accordance with your credit card terms and conditions. You may also avoid Overdraft-related Fees by establishing a BancorpSouth Equity Credit Line, which is a line of credit. This form of Overdraft Protection works by charging your Equity Credit Line in the amounts of Transactions drawn against insufficient funds, with resulting deposits of these amounts into your account to cover such Transactions, up to the available credit limit of your Equity Credit Line. An Overdraft Equity Credit Line fee and interest charges will be charged to your Equity Credit Line in accordance with the terms of your Equity Credit Line agreement. You may also avoid Overdraft-related Fees by linking your account to another checking or savings account you have with BancorpSouth. This form of Overdraft Protection works by debiting from your other account the amounts of Transactions drawn against insufficient funds, with resulting deposits of these amounts into your account to cover such Transactions, up to the available balance of your other account. A transfer fee will be charged. It is still possible for your account to become overdrawn and to incur Overdraft-related Fees even if you use an Overdraft Protection product, such as when your credit card or Equity Credit Line reaches its applicable limit or the available balance of your linked account is depleted and you continue to make Transactions on your account. Call a BancorpSouth customer service representative at 1-888-797-7711 to ask about our Overdraft Protection products. Also, ask a customer service representative for a copy of our flier, "How to Avoid Paying Bank Fees."

MasterCard® Debit Card

BancorpSouth MasterCard® Debit Card is the convenient plastic card that looks like a credit card but works like a check, deducting your purchases from your checking account. MasterCard® Debit Card is good

for cash purchases anywhere debit MasterCard® is accepted. Plus, you get a receipt with every transaction so there is no problem keeping track of what you have spent. Monthly, all transactions are reported on your checking account statement along with any checks you have written. A MasterCard® Debit Card serves as your ATM card, so you only have one "checking account card" to carry with you.

MasterCard® Debit Card Fee NO CHARGE
There is a fee of \$1.50 per transaction when you use your MasterCard® Debit Card at an ATM that belongs to another bank or financial services company. Such other bank or financial services company may also charge your account a fee for a MasterCard® Debit Card transaction made at its ATM. There is a fee of one percent (1%) of the transaction amount if you use your MasterCard® Debit Card for a transaction in a foreign country. If your transaction in a foreign country is in a currency other than U.S. dollars, the rate used for converting the transaction to U.S. dollars will be the wholesale market rate or any government-mandated rate in effect on the date that MasterCard processes the transaction or any other rate or method prescribed by the then-current MasterCard regulations. Currency conversion may occur on a date other than the date of the transaction, and the conversion rate may be affected accordingly.

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Internet Banking is free with any personal BancorpSouth checking or Money Market account. Internet Banking allows you to access balance inquiries, view your statement information and your canceled checks (even if your statement doesn't have check images), transfer between accounts, and make payments on your BancorpSouth line of credit or loan.

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There is a fee of \$1.50 per transaction when you use your 24-Hour Banking card at an ATM that belongs to another bank or financial services company. Such other bank or financial services company may also charge your account a fee for a 24-Hour Banking card transaction made at its ATM.

Certificate of Deposit

BancorpSouth Certificates of Deposit offer competitive returns on investments that can be tailored to fit your exact needs. Early withdrawal penalties apply to all Certificates of Deposit.
Minimum opening deposit.....\$1,000.00

This disclosure of fees and charges applies to accounts at BancorpSouth. We think it is important for you to have a full understanding of these fees and charges.

We welcome your questions in person or by phone. The answers are as close as your nearest BancorpSouth office or by using InfoLine, 1-888-797-7711, our 24-hour account information line.

Bold text in the following indicates changes from the last edition of the Account Information Statement.

NON-INTEREST CHECKING ACCOUNTS

The minimum deposit required to open any BancorpSouth non-interest bearing checking account is \$50.00.

Regular Checking

An \$800.00 minimum daily ledger balance avoids any monthly service charge. When the minimum daily ledger balance falls below \$800.00 during a statement cycle, the monthly service charge will be \$8.50.

BancSmart Free Checking

The BancSmart Free Checking account has no monthly maintenance fee, no per check charge and no minimum monthly balance. Combined with a savings account, free Internet Banking, online statements, combined statements and other services, BancSmart Free Checking is a complete bundle of products positioned to help you start your relationship with BancorpSouth. To receive Bill Pay Free of charge, you must have a combination of either online statement and debit card or direct deposit and debit card. A \$4.99 monthly service charge will be assessed for Bill Pay if the combination is not in effect at statement time. To receive Bill Pay, you need to enroll in Internet Banking and then sign up for Bill Pay. It is not required that you have Internet Banking or Bill Pay to receive BancSmart Free Checking.

Free Checking for Students*

Students love this account because there is no minimum balance requirement, no monthly service charge, and no per check charge... it's "Free" through age 24.

Second Chance Checking*

Second Chance Checking is a special checking account for those individuals who may not have a perfect check-writing history with ChexSystems. (If you've ever had a checking account that was overdrawn when it was closed or have written bad checks in the past, your name may appear on the national ChexSystems list used by banks to approve individuals for checking accounts.) BancorpSouth doesn't approve everyone for a Second Chance Checking account, only those individuals that don't have a significant ChexSystems history.

Second Chance Checking helps you to build your good check writing history and work toward a standard BancorpSouth checking account - many without a monthly fee. If your account is in good standing after one year (no overdrafts or bad checks), you may request a standard BancorpSouth checking account.

Second Chance Checking gives you unlimited check-writing privileges with a standard monthly service charge and is subject to BancorpSouth's standard deposit policies and fees and may be closed anytime for any reason of delinquency (bad check writing, overdrafts, etc.) or fraud.

Monthly service charge regardless of balance\$6.99

*Accounts receive a monthly statement. Check images remain on file

at the bank. Copies may be requested with no charge for the first five (5) items. In excess of five, per item copy charge is \$1.00.

INTEREST BEARING CHECKING ACCOUNTS

Interest is paid on the collected balance in the account using the daily balance method of interest calculation. This means that all the collected funds in your account earn interest each day. The minimum deposit required to open BancorpSouth interest checking accounts varies by account type. See individual account descriptions for details.

Performance Checking

Performance Checking is our special rate bonus checking account which earns a Bonus Rate on your balance from \$0-\$30,000 and special ATM benefits when you meet each of the following 4 requirements during your statement period on your Performance Checking account:

1. Have at least 1 ACH debit or credit.
2. Have at least 12 debit card purchase transactions;
3. Be enrolled in online statement;
4. Be enrolled in Internet Banking.

If you meet all 4 of the requirements during a statement period, then your Performance Checking account balance from \$0 to \$30,000 will earn a Bonus Rate Annual Percentage Yield (APY) and that portion of your Performance Checking account balance in excess of \$30,000 will earn a Standard Rate APY. Additionally, if you meet all 4 of the requirements at all times during a statement period, then at the end of each statement period, for the first 5 ATM transactions you make at a non-BancorpSouth ATM during that period, we will refund the \$1.50 non-BancorpSouth ATM fee and will credit your account an additional \$2.00 against charges imposed by the owner of the non-BancorpSouth ATM (a total of \$3.50 in refunds and credits for the first 5 such transactions during the statement period). ATM fee refunds and credits will never exceed \$17.50 in any statement period. If you do not meet all 4 of these requirements at all times during the statement period, then you will earn the Standard Rate on all balances. Personal accounts only. Rates are subject to change at the bank's discretion without notice.

Fees may reduce earnings.

Minimum opening deposit\$50.00

Unlimited Deposits and Withdrawals

No minimum balance or monthly service charge

Heritage Checking

Heritage Checking is BancorpSouth's preferred services account for our friends who are 50 and over. Heritage Checking accounts earn interest at a competitive rate, which is determined solely by the Bank and is subject to change weekly. Interest is earned daily on the collected balance using the daily balance method and is credited and compounded monthly. If you close your Heritage Checking account before the interest is credited, you will not receive the accrued interest for that period. In addition to earning interest, Heritage Checking accounts include common carrier accidental death insurance as well as discounts and special savings.

Minimum opening deposit\$50.00

Monthly Service Charge with a minimum daily ledger balance of: \$500.00 or more NONE

Below \$500.00\$8.00

Interest Plus Checking

The Interest Plus Checking account is a tiered-rate checking account. The interest rate tiers are as follows:

Balances between \$0-\$4,999

Balances between \$5,000-\$9,999

Balances between \$10,000-\$24,999	Below \$1,000.00
Balances between \$25,000-\$49,999	There will be a \$10.00 charge for each withdrawal in excess of six per month. Monthly statements are itemized and include imaged checks.
Balances between \$50,000-\$99,999	
Balances \$100,000 and above	

Your account has unlimited transactions at no extra cost and earns interest at a competitive rate determined solely by the Bank and is subject to change weekly. Interest is calculated based on simple interest and applied to the daily collected balance. Interest is credited at statement time and is not available for early withdrawal.

Minimum opening deposit	\$1,000.00
Monthly service charge with a balance of:	
\$1,000.00 or more	NONE
Below \$1,000.00	\$10.00
Monthly statements are itemized and include imaged checks.	

SAVINGS ACCOUNTS

Interest is paid on the collected balance in the account using the daily balance method of interest calculation. The minimum deposit required to open a BancorpSouth savings account varies by account type. See individual account descriptions for details.

Money Market Select

The Money Market Select account is a tiered-rate money market account. The interest rate tiers are as follows:

Balances between \$0-\$9,999	Balances between \$1,000.00
Balances between \$10,000-\$24,999	Balances between \$25,000-\$49,999
Balances between \$25,000-\$49,999	Balances between \$50,000-\$99,999
Balances between \$50,000-\$99,999	Balances between \$100,000-\$149,999
Balances between \$100,000-\$149,999	Balances between \$150,000-\$499,999
Balances between \$150,000-\$499,999	Balances \$500,000 and above

The Money Market Select account earns interest at a competitive rate determined solely by the Bank and is subject to change. Interest is calculated based on simple interest and applied to the daily collected balance. Interest is credited at statement time; however, the accrued interest is available for closing withdrawals.

Minimum opening deposit	\$1,000.00
Minimum balance	\$10,000.00
Monthly service charge with a balance of:	NONE
\$10,000.00 or more	Below \$10,000.00
Below \$10,000.00	There will be a \$10.00 charge for each withdrawal in excess of six per month. Monthly statements are itemized and include imaged checks. A BancorpSouth checking account is required to open this account.

Personal Money Market

The Personal Money Market account is a tiered-rate money market account. The interest rate tiers are as follows:

Balances between \$0-\$2,499	Balances between \$2,500-\$4,999
Balances between \$2,500-\$4,999	Balances \$5,000 and above
Balances \$5,000 and above	The Personal Money Market account earns interest at a competitive rate determined solely by the Bank and is subject to change. Interest is calculated based on simple interest and applied to the daily collected balance. Interest is credited at statement time; however, the accrued interest is available for closing withdrawals.

Minimum opening deposit	\$1,000.00
Monthly service charge with a balance of:	NONE
\$1,000.00 or more	

Below \$1,000.00	There will be a \$10.00 charge for each withdrawal in excess of six per month. Monthly statements are itemized and include imaged checks.

Classic Savings

Interest is paid on the collected balance using the daily balance method. The rate of interest is determined solely by the Bank and is subject to change on a weekly basis. Interest is compounded daily and credited semiannually. Deposits and withdrawals can be made at any time. If you close your account prior to the interest being credited, you will receive interest through the closing date. Minimum deposit required to open a Classic Savings account is \$50.00. Only a \$25.00 opening deposit is required for children 15 and under to open a "Savings Bug" (Classic Savings) account. All other account details apply. There will be a \$5.00 charge for each withdrawal in excess of six during any six-month cycle.

Select Savings Account

The Select Savings account earns interest at a rate determined solely by the Bank and is subject to change. Interest is calculated based on semi-annual compound and credited semiannually. Accrued interest is available for early closing withdrawals. A BancorpSouth checking account is required to open this account. This account is not available for businesses.

Minimum opening deposit	\$1,000.00
Minimum service charge with a balance of:	NONE
\$1,000.00 or more	Below \$1,000.00
Below \$1,000.00	Additional information and fees for Classic and Select Savings Accounts:

Additional "Memo" statements will be produced if the account has an EFT transaction during the month. This is a snapshot statement and will reflect all activity since the last scheduled semiannual statement. There will be a \$5.00 charge for each withdrawal in excess of six during any six-month cycle.

Performance Savings

Performance Savings is our special rate bonus savings account which earns a Bonus Rate on your entire balance when you meet each of the following requirements during your interest cycle on your Performance Savings account:

- Transfer at least \$50 into your Performance Savings account each interest cycle electronically via ACH or Internet Banking Transfer.
- Combine your Performance Savings statement with your BancorpSouth Checking account statement (you will no longer receive a separate statement for your Performance Savings account).

If you meet both the requirements above during your statement period, your entire balance for that interest cycle will earn the Bonus Rate Annual Percentage Yield (APY). Performance Savings not only pays you a Bonus Rate, but also helps you save with the \$50 per interest cycle transfer requirement. A Performance Checking account is required to open as part of our "Performance Banking" package of services. Interest is paid monthly on the collected balance in the account using the daily balance method of interest calculation. Rates are subject to change at the bank's discretion without notice. Fees may reduce earnings.

Minimum opening deposit	\$50.00
Minimum monthly balance	\$50.00
Monthly service charge if balance falls below minimum	\$2.50

There will be a \$5.00 charge for each withdrawal in excess of six during the monthly interest cycle.

Christmas Club

Christmas Club accounts earn interest at a rate determined solely by the Bank and is subject to change weekly. Interest is calculated on the daily ledger balance using the daily balance method. Interest is accrued daily and credited yearly in November when a check for the balance is issued to you. If you close your Christmas Club account before the interest is credited, you forfeit all accrued interest. If the principal balance of your Christmas Club account is \$250.00 or less on the day designated by the Bank for crediting interest to Christmas Club accounts, you forfeit all accrued interest. If you make a withdrawal from your Christmas Club account prior to the date in November when a check for the balance of the account is issued to you, you will be charged a fee of \$5.00 for each such withdrawal.

SERVICE FEES

Check Printing Charges	Charges will vary based on check design
Official Checks	\$6.00
Each Overdraft (OD) Item	\$35.00
Each Insufficient (NSF) Funds Item	\$35.00
Continuous Overdraft Fee	\$25.00
for each period of ten (10) days or longer that your account is continuously in overdraft, charged on the tenth (10th) day	
Overdraft Equity Credit Line Fee	\$7.50 per transfer
Overdraft Transfer Fee from Credit Card	See your credit card agreement
Overdraft Transfer Fee from Eligible Deposit Account	\$7.50 per transfer

Each Stop Payment\$35.00
Each ACH Stop Payment of Future Items\$35.00
and then a \$5.00 monthly charge for each month after the sixth month in which stop payment remains in effect

Each Returned Deposit Item	\$7.00
Each Returned Check Redeposited	\$3.00
Each Returned Check Special Handling	\$7.50
Each Deposit Correction	\$3.00
Special Statement	\$7.50
Debit Card Replacement Fee	\$5.00

Research Fees:

Research Per Hour	\$20.00
Photocopies (each)	\$1.00
Collection Item Fee	the cost of processing the collection letter with a \$20 minimum.

Domiant Checking Account Charges\$8.50

An \$8.50 per month fee will be charged on dormant accounts.

Domiant Accounts" are defined by applicable law.

Domiant Savings Account Charges\$8.50

An \$8.50 per month fee will be charged on dormant accounts.

Domiant Accounts" are defined by applicable law.

90 Day Account Closure Fee\$25.00

(Fee charged on checking accounts closed within 90 days of opening.)

Wire Transfer Fees:

Ongoing	\$15.00

Incoming	\$12.00
Foreign	\$50.00
Telephone Funds Transfers:	
Automated via Infoline	NONE
Assisted by branch or Infoline personnel	\$3.00
Safe Deposit Box Drilling Fee - Missouri	\$85.00
All other states	\$75.00
Legal Processing	Up to \$125.00
(see Other Important Information section)	

Legal Processing Up to \$125.00
(see Other Important Information section)

ABOUT OVERDRAFTS

An "overdraft" occurs any time a check, ACH, ATM, debit card, bank fee (including any overdraft-related fee) or any other transaction (collectively, a "Transaction") is presented for payment against an account and the available balance of the account is insufficient to pay the Transaction. When an overdraft occurs, we may, at our discretion, refuse the Transaction, or alternatively, we may choose to pay the Transaction, in which case a negative account balance will result.

Overdraft Payment Service

BancorpSouth's Overdraft Payment Service is a service whereby we determine whether to pay a Transaction in overdraft. This determination is strictly discretionary with us. Our Overdraft Payment Service is not a contract or agreement with you. We are not required to pay any Transaction in overdraft, even if we have paid overdrafts many times previously and even if we have permitted an account to remain in an overdraft status for an extended period. We use a variety of factors in determining whether to pay a Transaction in overdraft, including, but not necessarily limited to, how long your account has been open, how many times and in what amounts your account has been previously overdrawn, how much money you have in your account on average, whether your account is or has been subject to garnishment or other legal action, and whether you have defaulted on any agreements with us (including loan agreements). You may remove your account from our Overdraft Payment Service in which case we will refuse to pay most Transactions drawn against insufficient funds. Removing your account from our Overdraft Payment Service does not guarantee that your account cannot be overdrawn. For example, certain Transactions such as pre authorized electronic debits and bank fees may continue to be paid from your account and may cause your account to be overdrawn. Call a BancorpSouth customer service representative at 1-888-797-7711 to ask about removing your account from our Overdraft Payment Service.

Overdraft-related Fees

Certain fees apply to our Overdraft Payment Service and to account which otherwise become overdrawn. If we decide to pay a Transaction in overdraft, you will be charged an Overdraft (OD) Item fee for each such Transaction. If we decide not to pay a Transaction into overdraft, you will be charged an Insufficient Fund (NSF) Item fee for each refused Transaction. If your account remain in overdraft for ten (10) consecutive days, then on the tenth (10th) day you will be charged a Continuous Overdraft fee. Only one Continuous Overdraft fee will be charged for each continuous period of overdraft of ten (10) days or more, regardless of how long such

Continued on Back

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 18

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION**

Case No. 1:09-MD-02036-JLK

IN RE: CHECKING ACCOUNT	)
OVERDRAFT LITIGATION	)
	)
MDL No. 2036	)
Fourth Tranche	)
_____	)
THIS DOCUMENT RELATES TO:	)
	)
Shane Swift v. BancorpSouth, Inc.,	)
S.D. Fla. Case No. 1:10-cv-23872-JLK	)
_____	)

**DEFENDANT BANCORPSOUTH BANK'S
FIRST SUPPLEMENTAL RESPONSES AND OBJECTIONS
TO PLAINTIFF'S FIRST SET OF INTERROGATORIES**

Pursuant to Rules 26 and 33 of the Federal Rules of Civil Procedure, defendant BancorpSouth Bank ("BancorpSouth") hereby submits its First Supplemental Responses and Objections to Plaintiff's First Set of Interrogatories (the "Responses").

GENERAL RESPONSES AND OBJECTIONS

BancorpSouth hereby incorporates its General Responses and Objections from its Responses and Objections to Plaintiff's First Set of Interrogatories as if fully set forth herein. BancorpSouth incorporates each of its general responses and objections into its specific responses and objections whether or not the general response and objection is specifically mentioned in a response to a specific interrogatory.

SUPPLEMENTAL RESPONSES TO INTERROGATORIES

INTERROGATORY NO. 11: On an annual basis for each year since 2002 and for each State in which you maintain consumer accounts, state (a) the aggregate total amount of overdraft fees based on debit card and/or ATM transactions you assessed against your customers'

accounts; (b) the aggregate total dollar amount of overdraft fees based on debit card and/or ATM transactions assessed against customer accounts that you have forgiven, waived, reversed or otherwise not collected; and (c) the number of your customers' accounts that have been assessed more than one overdraft fee based on debit card and/or ATM transactions on a single day.

SUPPLEMENTAL RESPONSE TO INTERROGATORY NO. 11:

BancorpSouth objects to Interrogatory No. 11 on the grounds that it is overly broad, unduly burdensome, seeks information that is neither relevant to any claim or defense nor reasonably calculated to lead to the discovery of admissible evidence, and falls outside the applicable statute of limitations. BancorpSouth also objects to the use of the vague and undefined phrase "overdraft fees based on debit card and/or ATM transactions." Subject to and without waiving the foregoing general and specific objections, BancorpSouth responds as follows:

(a): The aggregate total dollar amount of insufficient funds fees and overdraft fees, combined, assessed on BancorpSouth accounts, arising from all types of BancorpSouth customer transactions (including both consumer and commercial accounts) for the year 2002 was \$40,763,457. The aggregate total dollar amount of insufficient funds fees and overdraft fees, combined, assessed on BancorpSouth accounts, arising from all types of BancorpSouth customer transactions (including both consumer and commercial accounts) for the year 2003 was \$54,793,392. The aggregate total dollar amount of insufficient funds fees and overdraft fees, combined, assessed on BancorpSouth accounts, arising from all types of BancorpSouth customer transactions (including both consumer and commercial accounts) for the year 2004 was \$56,510,653. The aggregate total dollar amount of insufficient funds fees and overdraft fees, combined, assessed on BancorpSouth accounts, arising from all types of BancorpSouth customer transactions (including both consumer and commercial accounts) for the year 2005 was \$57,765,358. The aggregate total dollar amount of insufficient funds fees and overdraft fees, combined, assessed on BancorpSouth accounts, arising from all types of

BancorpSouth customer transactions (including both consumer and commercial accounts) for the year 2006 was \$63,815,789. The aggregate total dollar amount of insufficient funds fees and overdraft fees, combined, assessed on BancorpSouth accounts, arising from all types of BancorpSouth customer transactions (including both consumer and commercial accounts) for the year 2007 was \$70,347,449. The aggregate total dollar amount of insufficient funds fees and overdraft fees, combined, assessed on BancorpSouth accounts, arising from all types of BancorpSouth customer transactions (including both consumer and commercial accounts) for the year 2008 was \$70,102,889. The aggregate total dollar amount of insufficient funds fees and overdraft fees, combined, assessed on BancorpSouth accounts, arising from all types of BancorpSouth customer transactions (including both consumer and commercial accounts) for the year 2009 was \$64,464,528. The aggregate total dollar amount of insufficient funds fees and overdraft fees, combined, assessed on BancorpSouth accounts, arising from all types of BancorpSouth customer transactions (including both consumer and commercial accounts) for the year 2010 was \$61,630,927. The aggregate total dollar amount of continuous overdraft fees for the year 2010 was \$1,652,900.

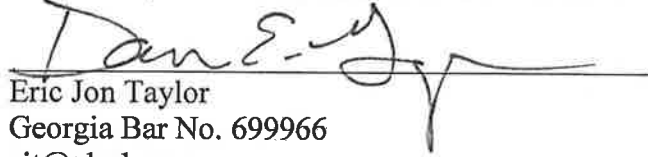
(b): The aggregate total dollar amount of insufficient funds fees and overdraft fees combined (including both commercial and consumer accounts) that BancorpSouth refunded, waived or charged off for the year 2002 was \$5,273,563. The aggregate total dollar amount of insufficient funds fees and overdraft fees combined (including both commercial and consumer accounts) that BancorpSouth refunded, waived or charged off for the year 2003 was \$6,666,754. The aggregate total dollar amount of insufficient funds fees and overdraft fees combined (including both commercial and consumer accounts) that BancorpSouth refunded, waived or charged off for the year 2004 was \$7,453,291. The aggregate total dollar amount of insufficient funds fees and overdraft fees combined

(including both commercial and consumer accounts) that BancorpSouth refunded, waived or charged off for the year 2005 was \$6,704,822. The aggregate total dollar amount of insufficient funds fees and overdraft fees combined (including both commercial and consumer accounts) that BancorpSouth refunded, waived or charged off for the year 2006 was \$7,149,943. The aggregate total dollar amount of insufficient funds fees and overdraft fees combined (including both commercial and consumer accounts) that BancorpSouth refunded, waived or charged off for the year 2007 was \$7,865,753. The aggregate total dollar amount of insufficient funds fees and overdraft fees combined (including both commercial and consumer accounts) that BancorpSouth refunded, waived or charged off for the year 2008 was \$8,145,533. The aggregate total dollar amount of insufficient funds fees and overdraft fees combined (including both commercial and consumer accounts) that BancorpSouth refunded, waived or charged off for the year 2009 was \$6,951,839. The aggregate total dollar amount of insufficient funds fees and overdraft fees combined (including both commercial and consumer accounts) that BancorpSouth refunded, waived or charged off for the year 2010 was \$6,869,570. The aggregate total dollar amount of continuous overdraft fees refunded for the year 2010 was \$76,015.

(c): BancorpSouth has no information responsive to subsection (c) of Interrogatory No. 11.

Respectfully submitted this 9th day of December, 2011.

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Counsel for Defendant BancorpSouth Bank

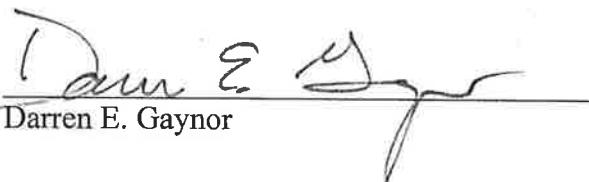
CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the within and foregoing **DEFENDANT BANCORPSOUTH BANK'S FIRST SUPPLEMENTAL RESPONSES AND OBJECTIONS TO PLAINTIFF'S FIRST SET OF INTERROGATORIES** upon all parties to this matter by depositing a true copy of same in the U.S. Mail, proper postage prepaid, addressed as follows:

Jeffrey M. Ostrow, Esq.
Jonathan Streisfeld, Esq.
Kopelowitz Ostrow Ferguson Weiselberg Keechl
200 S.W. First Avenue, 12th Floor
Fort Lauderdale, Florida 33301

Darren T. Kaplan, Esq.
Chitwood Harley Harnes, LLP
2300 Promenade II
1230 Peachtree Street, NE
Atlanta, Georgia 30309

This 9th day of December, 2011.



Darren E. Gaynor

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 19

BancorpSouth

DEPOSIT OPERATIONS

MISCELLANEOUS

Overdraft

Decision Paying **~~Overdraft~~ Parameter Matrix**

The Overdraft matrix is designed to automate the decision-making process and aid in the paying of items for customers. Certain account criteria such as the age of the account, account balances, and NSF history are important factors. The goal is to make decisions to pay as many items as possible on each customer's account without undue risk to the bank. By paying more items the customer is sent a message that the relationship is important and the bank is trying to maintain the relationship by paying the items. Internal accounts, trust accounts, employee accounts, public fund accounts, accounts already covered by Overdraft Protection, accounts properly coded as Bankruptcy or Debtor In Possession, and accounts with a status other than normal status will be excluded from the overdraft matrix. Each account will be analyzed monthly to provide an updated OD limit. If an account is overdrawn for 8 consecutive days the OD limit will automatically change to zero. The matrix overdraft limit **should not** be disclosed to the customer. This is an internal process and should be transparent to the customer.

If the customer objects to their items being paid, you can, with authorization, turn off the Matrix Overdraft decision for their account. The branch will once again have to review each exception item as it occurs and manually return the items to prevent any overdrafts. These same procedures will be utilized if there is a need to establish a permanent Overdraft Limit.

Return items will always be at the discretion of the Bank. The review of NSF items will still be the responsibility of the Bank and the procedure for reviewing these items has not changed. (Refer to IMNS Procedures for detailed instructions). The procedure to view the items paid into the overdraft for an account remain the same. The ultimate decision is still at the discretion of the Bank. (Refer to IMNS procedures for detailed instructions).

Procedures have been developed to have the system permanently waive the NSF/OD Fees (Refer to Request to Permanently Waive NSF/OD Fees later in this chapter for detailed instructions).

BancorpSouth
DEPOSIT OPERATIONS

MISCELLANEOUS

Overdraft, Continued

Request For Assigning A Permanent OD Limit

Decision Making
The OD limit that is assigned to a checking account is based on such account criteria as age of account, average deposit balance and NSF/OD history. Each account will be analyzed monthly to provide an updated OD limit. The branch will be able to request an account's OD limit be changed to a different Overdraft limit than is assigned by the OD Matrix. This amount could also be changed to a zero OD limit. The request to change an OD limit must be processed using the "Request for Assigned OD Limit Form". The Regional President and the Bank President must sign this form before it is forwarded to Central Deposit Services at the Tupelo Operations Center.

Complete the form as follows:

- Overdraft Codes: Put an X next to the OD limit you wish to assign to your customer's account.
- If you want your customer to have unlimited OD availability, put an "X" next to A – All, no limit – pay all.
- If you want your customer to have a \$0 OD limit, place an "X" next to N – cannot overdraw.
- If you must assign a limit not covered by the standard OD codes, place an "X" next to 0 – Use OD Amount and fill in the requested OD \$ amount in the field assigned.
- Requested By: The loan officer or branch manager requesting this OD limit change.
- Branch: The location of the branch where the account is housed.
- Account Number: The customer's checking account number affected by the OD limit.
- Date Opened: The date the account was opened.
- Account Title: The customer's or business name tied to this account.
- Account Balance: The average monthly balance of this account.
- Total Relationship: The total amount of accounts this customer retains with the Bank. Next – Break down the loans and deposits the customer holds.
- Reason for Request: State the reason you wish to raise or lower the customer's OD limit.

BancorpSouth

DEPOSIT OPERATIONS

MISCELLANEOUS

REQUEST FOR ASSIGNED OD LIMIT FORM

To: Central Deposit Services – Tupelo Operations Center

Overdraft Codes (Officer Approval Required)

_____ A – All, No Limit - Pay All
_____ N – Cannot Overdraw
_____ 1 - \$25.00
_____ 2 - \$100.00
_____ 3 - \$500.00
_____ 4 - \$1,000.00
_____ 5 - \$5,000.00
_____ 6 - \$10,000.00
_____ 7 - \$20,000.00
_____ 8 - \$50,000.00
_____ 9 - \$100,000.00
_____ 0 – Use OD Amount \$ _____ *Fill in Requested OD \$Amount*

Requested By: Name _____ Branch _____

Account Number: _____ Date Opened: _____

Account Title: _____

Account Balance: _____

Total Relationship: \$ _____ Loans\$ _____ Deposits\$ _____

Reason for Request: _____

APPROVED BY:

BANK PRESIDENT _____

REGIONAL PRESIDENT _____

FOR OPERATIONAL USE ONLY

Date Received: _____

Date Maintained: _____

Entered By: _____

BancorpSouth

DEPOSIT OPERATIONS

MISCELLANEOUS

Overdraft, Continued

Request To Permanently Waive NSF/OD Fees

In order to have the system automatically waive the NSF/OD fees, the Waive NSF/OD Request Form must be completed by Branch personnel and approved by the Bank President and the Regional President. The maintenance to the NSF/OD waive fields, will be processed by Central Deposit Services in Tupelo.

If these fields need to be maintained due to a status change from normal status, the Bank will continue to have the ability to maintain these fields.

Complete the form as follows:

- Requested By – The branch personnel completing the form
- Branch – Branch name
- Account Number – Customer's account number
- Date Opened – Date the account opened
- Account Title – Title of account
- Account Balance – Average balance in the account
- Total Relationship
 - Total dollar amount of customer relationship
 - Total dollar amount of loans
 - Total dollar amount of deposits
- Justification For Request – Detailed explanation for the request for NSF/OD fees to be waived by the system

After upper management has approved the waiving of these fees, this form will be forwarded to Central Deposit Services. Upon receipt of this form Central Deposit Services will maintain the NSF/OD waive fields.

Management reports will be provided monthly for the accounts coded for NSF/OD Waive. Accounts with a status other than Normal Status will be excluded from this report.

BancorpSouth

DEPOSIT OPERATIONS

MISCELLANEOUS

WAIVE NSF/OD FEE REQUEST FORM

TO: Central Deposit Services – Tupelo Operations Center

Requested By: Name _____ Branch _____

Account Number: _____ Date Opened _____

Account Title: _____

Account Balance: _____

Total Relationship: \$ _____ Loans \$ _____ Deposits \$ _____

Justification For Request:

APPROVED BY:

BANK PRESIDENT _____

REGIONAL PRESIDENT _____

FOR OPERATIONAL USE ONLY

Date Received: _____

Date Maintained: _____

Entered By: _____

BancorpSouth

DEPOSIT OPERATIONS

MISCELLANEOUS

Overdraft, Continued

Waive NSF/OD Fees

Each day while reviewing the NSF & ODs it may be determined that a fee should be waived. A new General Ledger account has been approved for the waiving of NSF/OD fees at the time of the approval process. By using this procedure the customer will see the NSF/OD fee and the waive (credit) on their account on the same day. This procedure will also make it possible to track the number of waivers by Branch. Each branch will have a goal of collecting 90% of the NSF/OD fees. The amount of waived fees will be removed from the Income account for the Branch. Management reports will be provided monthly for the amount of waived fees.

To waive a fee on the day of reviewing NSF/OD items:

- Complete the form as follows:
 - Branch Name
 - Date
 - Customer Account Title
 - Reason - Include a detailed description of why the fee is being waived
 - Account #
 - Amount
 - Your RC #
 - Employee Signature
 - Officer/Supervisor Initials
- Distribute the form as follows:
 - Part 1 – Checking Deposit
 - Part 2 – General Ledger Debit
 - Part 3 – Customer Copy
 - Part 4 – Bank Copy

CHECKING DEPOSIT - OVERDRAFT / NSF FEE WAIVED

CUSTOMER ACCT. TITLE _____

REASON _____

AMOUNT \$ _____

APPROVED BY _____ 3020

APPROVED BY _____

1553300000

DEBIT G/L - OVERDRAFT / NSF FEE WAIVED

CUSTOMER ACCT. TITLE _____

REASON _____

AMOUNT \$ _____

APPROVED BY _____ 2063

APPROVED BY _____

1594400000

BancorpSouth

DEPOSIT OPERATIONS

MISCELLANEOUS

Overdraft, Continued

NSF/OD Refund

If the NSF/OD fee is refunded to the customer at a later date, the current refund procedure is applicable. Each branch will have a goal of collecting 90% of the NSF/OD fees. Management reports will be provided monthly for the amount of refunded fees. The amount of refunded fees will be removed from the Income account for the Branch. **Be sure to review the account to make sure that a waive transaction has not already been processed.**

A pre-printed NSF Refund G/L ticket (G/L # 45810) should be utilized. The information requested on the NSF Refund ticket is self-explanatory and must be completed by the employee signing the ticket. Any refunds totaling four or more NSF/OD fees must be approved and signed by two employees or an officer. Any exceptions must be approved by local management in writing.

Distribute the form as follows:

Part 1 – Checking Deposit
Part 3 – Customer Copy

Part 2 – General Ledger Debit
Part 4 – Bank Copy

CHECKING DEPOSIT - OVERDRAFT / NSF FEE REFUND		BancorpSouth		BRANCH
CUSTOMER ACCT. TITLE		DATE		
REASON		CONFIRM DATE		
CHECKING ACCOUNT NUMBER		\$		
APPROVED BY	3020	CENTER		
APPROVED BY		ACCOUNT		
1:5533-0000:				

DEBIT G/L - OVERDRAFT / NSF FEE REFUND		BancorpSouth		BRANCH
CUSTOMER ACCT. TITLE		DATE		
REASON		CONFIRM DATE		
ACCOUNT REFUNDING		\$		
APPROVED BY	2063	CENTER		
APPROVED BY		ACCOUNT		
1:5944-0000:		45810		

BancorpSouth

DEPOSIT OPERATIONS

MISCELLANEOUS

Overdraft, Continued

Branch Collection Procedures

Each branch will continue to collect overdrawn checking accounts. Several tools will be implemented to assist with the collection effort. NSF/OD notices will continue to be sent out when an account goes into an overdraft status. In addition, collection letters will be mailed from the Operations Center to customers that have been OD for 8 consecutive days and 17 consecutive days. Accounts coded as Bankruptcy or Debtor In Possession will be excluded (Refer to Bankruptcy/Debtor In Possession procedures in this chapter).

In addition, a daily report (Overdraft Collection Report – IM41N7OD) will be produced for the branch staff.

- Includes all accounts overdrawn \$1,000 or more from the previous night.
- Includes all accounts over 12 consecutive days regardless of the amount.
- Includes all accounts over 22 consecutive days in an amount greater than \$25.00

This report will include the customer's name, account number, balance, number of days OD, and phone number(s).

This report should be utilized by the branch in making your collection calls.

- Customers that are overdrawn \$1,000 or more from the previous night's processing should receive a collection call that day.
- If an account has been overdrawn 12 consecutive days, regardless of the amount, the customer should be called.
- If the account has been overdrawn for an amount greater than \$25.00 for 22 consecutive days, the customer should be notified. Anything under \$25.00 is considered a charge-off.

These calls may be handled at the Branch level or in larger market areas at a central location.

Charge-off procedures remain the same (Refer to Charge-off Procedures later in this chapter).

BancorpSouth
DEPOSIT OPERATIONS

MISCELLANEOUS

8 Day Notice

Name

Address

City State Zip

Account Number: xxxxxxxxxx

Your checking account is overdrawn and requires your attention.

This is a reminder that your account is currently overdrawn \$xxxx.

To resolve this matter and to avoid interruption of use of your account, please make a deposit to your account within the next five days. If this matter is not resolved, you may lose the ability to use your ATM or debit card as well as have checks or other transactions returned for insufficient funds.

Please contact your local BancorpSouth branch.

We value your time and ask you to disregard this letter if a deposit has already been made. We thank you for your banking business.

BancorpSouth

DEPOSIT OPERATIONS

MISCELLANEOUS

17 Day Notice

Name

Address

City State Zip

Account Number: xxxxxxxxxx

FORMAL DEMAND

Your checking account is overdrawn \$xxxx and requires your immediate attention.

Since you have not responded to our previous communications, we are beginning the process of closing your account and initiating the collection process. You have lost the ability to use your ATM or debit card. Also, all checks and other transactions are being returned for insufficient funds. To resolve this matter, please make a deposit to your account to cover the entire amount within the next ten days.

We are offering you this final opportunity to pay the balance in full within ten days before proceeding further with a 3rd party collection process. Please contact your local BancorpSouth branch.

This matter needs your prompt attention.

We value your time and ask you to disregard this letter if a deposit has already been made. We thank you for your banking business.

BancorpSouth

DEPOSIT OPERATIONS

MISCELLANEOUS

Overdraft, Continued

Charge Off Overdrawn Accounts - Checking

The bank has adopted a policy dealing with closing accounts and charging off overdrawn checking accounts that have been overdrawn for 35 consecutive days. A daily file will be sent to Telecheck listing all checking accounts that are charged off as outlined below. The account will receive a credit on the 36th day. An offsetting entry will be made to the branches NSF/OD Charge Off General Ledger account 45815 for the amount of the charge off. We will continue to send a report of charged off accounts to ChexSystems monthly. ChexSystems will reflect these accounts on their system as NSF activity.

Amounts Charged Off

- Under \$50.00 – automatically charged off but not reported to collection agency. Branches may attempt to collect these items. (See Reports in this section)
- \$50.00 - \$1,000.00 – automatically charged off and sent to Telecheck for collections.
- Over \$1,000.00 – must be worked by the bank (Refer to Manual Charge Offs).
- Branches may continue to manually charge off an account when the need arises (Refer to Manual Charge Offs)

Charge Off Review

- Branches are responsible for reviewing daily the Overdraft Report IM41N7 or the Overdraft Collection report IM41N7OD for any accounts that they do not want to be automatically charged off.
- If an account should not be automatically charged off, the account should be maintained with a close override flag of “Y” on the IM2A screen. If an account is changed to close override it will remain in this status until it is manually removed. It is the branch’s responsibility to monitor these accounts.
- The IM41N7 Report has been updated to include the Close Override field (CO). This will allow the banks to easily see if the close override has been set to “Y”.

Charge off Transaction

- Any account overdrawn for 35 consecutive days that is not coded as close override, will automatically be charged off with a Transaction Code of “18”. The description will read “O/D ACCOUNT CLOSED”.
- The General Ledger Account “NSF/OD Charges Charge Off” # 45815 will be debited. The RC will be the branch of the account.
- The account will be maintained to a “Closed” Status.

BancorpSouth

DEPOSIT OPERATIONS

MISCELLANEOUS

Overdraft, Continued

Deposits to Charged off Accounts

Should a deposit be made to an account on the same day that the account is charged off, the deposit will reject and be posted to the branch's Cash Items account. The Non-NSF Posting Reject Journal (Report ID: IMRPTS, Extension: IM41N1XX) may be used to help with research. The branch is responsible for collecting the charged off amount. Refer to the section "Customer Payments/Branch Inquiries" below for instructions on the entries that are required to be made and the notification required to be sent to the Customer Service Center.

Reports

There will be two daily reports on TREEV that list the accounts that are charged off.

- Report ID: IMRPTS.
- Extension:
 - IM41BS01 – accounts with overdrafts charged off under \$50.00
 - IM41BS02—accounts with overdrafts charged off from \$50.00 to \$1,000.00.

Telecheck Action

- A daily file will be submitted to Telecheck listing all accounts which are charged off from \$50.00 to \$1000.00. Telecheck will score the account based on prior history within their database and determine if the customer should receive a collection letter series or if the account needs to be sent directly to their recovery area to begin collections by phone.
- If the customer receives a letter series, the first letter is sent the next day following the report to Telecheck. A second letter will be sent 7 days later.
- If the account is sent directly to the recovery area, collection efforts by phone will begin immediately.

BancorpSouth

DEPOSIT OPERATIONS

MISCELLANEOUS

Overdraft, Continued

Customer Payments/ Branch Inquiries

The customer has the option of sending payments directly to:

Telecheck Recovery Services, Inc.

Department 74

Denver, CO 80281-0074

Or

Submitting payment at their local BancorpSouth branch

Charge Offs Over \$50

If a customer comes into their local branch to pay the amount that is charged off:

- Branch can contact the Customer Service Center to verify amount owed.
662-678-7479
662-678-7472
662-678-7466
- Branch personnel can process the payment by crediting G/L Account # 45816 - DDA Charge off, using the RC for the branch of the account. The G/L tickets should be completed in detail including
Customer's name
Account number
Paid Amount
RC # of Account
- Branch should send an email to ddachargeoff@bxs.com. The email should include:
Customer's name
Account number
Paid amount
RC # of Account

The Customer Service Center will accept a fax with the above information in situations where branch personnel do not have email (email is preferred). The form on the following page should be used to fax the information to the Customer Service Center.

- The Customer Service Center is responsible for sending the funds to the appropriate collection agency.

Charge Offs Under \$50

- Branch personnel can research the IM41BS01 report or the inquiry screen to obtain the charge off amount. *45816*
- Credit G/L # *45815* (the branch's RC #)
- Maintain the "Chrg Off Amt" field to correct the charge off amount.
-Use the IM2E screen to maintain field #1213 (15-digit field pre-fill with leading zeros and do not use decimals).

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 20



BancorpSouth®

2010 ANNUAL REPORT



SELECTED FINANCIAL INFORMATION

	Year Ended December 31,				
	2010	2009	2008	2007	2006
Earnings Summary:	(Dollars in thousands, except per share amounts)				
Interest revenue	\$ 582,762	\$ 615,414	\$ 705,413	\$ 801,242	\$ 681,891
Interest expense	141,620	170,515	264,577	378,343	296,092
Net interest revenue	441,142	444,899	440,836	422,899	385,799
Provision for credit losses	204,016	117,324	56,176	22,696	8,577
Net interest revenue, after provision for credit losses	237,126	327,575	384,660	400,203	377,222
Noninterest revenue	264,144	275,276	245,607	232,151	207,017
Noninterest expense	487,033	490,017	455,913	428,410	394,077
Income before income taxes	14,237	112,834	174,354	203,944	190,162
Income tax (benefit) expense	(8,705)	30,105	53,943	66,001	64,968
Net income	\$ 22,942	\$ 82,729	\$ 120,411	\$ 137,943	\$ 125,194
Balance Sheet - Year-End Balances:					
Total assets	\$ 13,615,010	\$ 13,167,867	\$ 13,480,218	\$ 13,189,841	\$ 12,040,521
Total securities	2,709,081	1,993,594	2,316,380	2,627,110	2,765,419
Loans and leases, net of unearned income	9,333,107	9,775,136	9,691,277	9,179,684	7,871,471
Total deposits	11,490,021	10,677,702	9,711,872	10,064,099	9,710,578
Long-term debt	110,000	112,771	286,312	88,977	135,707
Total shareholders' equity	1,222,244	1,276,296	1,240,260	1,196,626	1,026,585
Balance Sheet - Average Balances:					
Total assets	13,304,836	13,203,659	13,200,801	12,857,135	11,798,007
Total securities	2,157,096	2,179,479	2,417,390	2,781,232	2,943,556
Loans and leases, net of unearned income	9,621,529	9,734,580	9,429,963	8,784,940	7,579,935
Total deposits	11,107,445	10,155,730	9,803,999	10,200,098	9,554,441
Long-term debt	111,547	290,582	278,845	139,537	136,411
Total shareholders' equity	1,241,321	1,255,605	1,224,280	1,121,000	999,989
Common Share Data:					
Basic earnings per share	\$ 0.28	\$ 0.99	\$ 1.46	\$ 1.69	\$ 1.58
Diluted earnings per share	0.27	0.99	1.45	1.69	1.57
Cash dividends per share	0.88	0.88	0.87	0.83	0.79
Book value per share	14.64	15.29	14.92	14.54	12.98
Dividend payout ratio	314.29	88.89	60.00	49.11	50.32
Financial Ratios:					
Return on average assets	0.17%	0.63%	0.91%	1.07%	1.06%
Return on average shareholders' equity	1.85%	6.59%	9.84%	12.31%	12.52%
Total shareholders' equity to total assets	8.98%	9.69%	9.20%	9.07%	8.53%
Tangible shareholders' equity to tangible assets	7.00%	7.63%	7.15%	7.09%	7.25%
Net interest margin-fully taxable equivalent	3.70%	3.77%	3.75%	3.68%	3.70%
Credit Quality Ratios:					
Net charge-offs to average loans and leases	1.90%	0.76%	0.40%	0.14%	0.15%
Provision for credit losses to average loans and leases	2.12%	1.21%	0.60%	0.26%	0.11%
Allowance for credit losses to net loans and leases	2.11%	1.80%	1.37%	1.25%	1.26%
Allowance for credit losses to NPLs	49.93%	94.41%	207.45%	394.76%	421.36%
Allowance for credit losses to NPAs	37.31%	71.64%	120.36%	215.47%	291.38%
NPLs to net loans and leases	4.23%	1.91%	0.66%	0.32%	0.30%
NPAs to net loans and leases	5.65%	2.51%	1.14%	0.58%	0.43%
Capital Adequacy:					
Tier I capital	10.61%	11.17%	10.79%	10.63%	12.34%
Total capital	11.87%	12.42%	12.04%	11.81%	13.55%
Tier I leverage capital	8.07%	8.95%	8.65%	8.13%	8.73%

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 21

From: Ray, Greg
Sent: 09/17/2010 03:19:48 pm
To: Lewis, Gordon R.
Cc: Jagers, Jeff
Bcc:
Subject: FW: internet banking comments

This is starting to get embarrassing...

From: Caswell, Derek
Sent: Friday, September 17, 2010 12:31 PM
To: Ray, Greg
Subject: FW: internet banking comments

Below are some detailed comments from a customer regarding internet banking and the lack of real time. The customer switch from Regions to us. I've forwarded this to Michael and Mandy Wright also,

Thanks

Derek

Derek Caswell
BancorpSouth
First Vice President - Retail Banking
5217 Maryland Way, Suite 403
Brentwood, TN 37027
(P) 615-370-2270 (C) 662-322-8234
(F) 615-377-6620

From: Coleman, Steven
Sent: Friday, September 17, 2010 11:33 AM
To: Caswell, Derek
Subject: FW: Question for you

I've already responding to here, but here is another example of a customer complaining about real time online

banking.

Steven Coleman

BancorpSouth - Retail Banking

steven.coleman@bxs.com

(P) 662-620-3834

(F) 662-620-4333

From: Harvey, Beth
Sent: Friday, September 17, 2010 11:21 AM
To: Coleman, Steven
Cc: Davis, Tammie S.; Lockhart, Sandra
Subject: FW: Question for you

Steven not sure I'm sending this to the right person, but we get this type of questions presented to us quite frequently about our Online banking. Just wanted to pass this on from one of our customers that is very tech savvy. Not sure what is coming in the future with our Online banking, but hopefully we are looking towards some upgrades. By the way this customer used to bank with Regions.

Thanks.

Beth Harvey

From: Davis, Tammie S.
Sent: Tuesday, September 14, 2010 2:34 PM
To: Harvey, Beth
Subject: Fw: Question for you

Help!! Do you have any ideas of how I can make him feel better @ our on-line services?

From: Larry Martin <larry.martin@gadberry.net>
To: Davis, Tammie S.

Sent: Tue Sep 14 14:16:12 2010
Subject: Question for you

Tammie,

Do you use Bancorp South on-line banking? If so, what is your opinion of the product?

I think you know that I moved my accounts to Bancorp South because of you.....because a personal relationship with a banker is more important to me than bells and whistles. That said, I have to tell you that Bancorp's on-line banking is a significant step backward from Regions. Since switching to the on-line product I have observed the following:

- Transfer of funds from one Bancorp account to another can take as much as 36 hours. So, when it says next day what this means is that if I transfer at 2:15 p.m. on 9/14 the transfer is not processed until sometime during the night of 9/15 and does not post to my account until the a.m. of 9/16. This is a major pain point for me since I frequently move funds....including my personal payroll.
- Accurate, timely account balances are very difficult to determine. Example - when I make an on-line payment, whether it is deducted from my balance depends on who the payee is. For example, my contribution to my church doesn't post until the check is actually deposited. So, you know how confusing that can be if the church holds two month's checks and then goes to the bank. Ouch!
- Account balances are also difficult to understand because, apparently, transactions that are in queue are deducted from the balance but you cannot see them. Whattha? If they are known to the software then why not let the customer know what's pending. In addition, the balance amounts in the Summary screen are often out-of-synch with the balances on the Recent Transactions screen

It is my understanding that Bancorp licenses a 3rd party product (Intuit?) for the on-line product. For what it's worth, you should pass along to whomever that the current solution is poor and is a significant detractor for the bank. Are there any future plans for your on-line banking that you can share with me. I hope so.

Larry

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 22

From: Mary Ann Briggs
Sent: 07/29/2002 08:37:48 am
To: Jeff Jagers
Cc: patty.farris@bxs.com
Bcc:
Subject: FW: Print outs

Good morning, Jeff.

We have had an instance where a customer received a printout of their account (IMI1) and the customer saw the OD Limit and relied upon that number. When the Limit changed, the customer complained.

I don't know if this has happened more than once, but do you think we should address this? The simplest solution would be to not allow the banks to give the customer the IMI1 screen. Only allow the IMI3 and IMI2 screens to be given to the customer, as mentioned by Patty below.

What do you think?

Thanks,
Mary Ann

-----Original Message-----

From: Patty Farris [mailto:patty.farris@bxs.com]
Sent: Sunday, July 28, 2002 2:35 PM
To: Mary Ann Briggs
Subject: RE: Print outs

No problem. See what he thinks.

Thanks,
Patty

-----Original Message-----

From: Mary Ann Briggs [mailto:maryann.briggs@bxs.com]
Sent: Monday, July 22, 2002 8:47 AM
To: Patty Farris
Subject: RE: Print outs

I remember this exact issue being discussed and at that time, management did not think the customer would know what that OD Limit was. Since some customers obviously do, I think we should run this by Jeff Jagers. Do you mind if I just forward this on to him?

Thanks,
Mary Ann

-----Original Message-----

From: Patty Farris [mailto:patty.farris@bxs.com]
Sent: Thursday, July 18, 2002 3:03 PM
To: Mary Ann Briggs
Subject: Print outs

We had a customer call in this morning who had received a printout of the IMI1 screen and on it was the overdraft limit on the account of course at the time of the printout. She later had NSF's on her account and was questioning why they did not pay, she thought she had a 300 limit. The account had already went through another cycle and this time the overdraft limit was not as much.

Since we are not to disclose to the customer the overdraft limit, would it be possible for the branches to just print out the IMI3 screen to give to the customer. It would include balance + any pending debits or credits.

Just a thought. Let me know what you think. She was irate and of course we try hard not to mention the limits but she really gave my rep a hard time over this one.

Thanks,
Patty

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 23

From: Lee McAllister
Sent: 10/14/2003 10:20:20 am
To: 'Mary Ann Briggs'
Cc: 'Jeff Jagers'
Bcc:
Subject: RE: Posting Priority

Mary Ann,

My understanding is that we still have some posting priorities as noted on pages 116 and 117 in the Appendix section of the Deposit Operations Manual. Most of these are internal force post or internal transactions or are required to have priority per Regulation E.

Jeff is on this reply and can add comments or correction to my response.

Hope this clarifies for your response to those questioning.

Thanks
Lee

-----Original Message-----

From: Mary Ann Briggs [mailto:maryann.briggs@bxs.com]
Sent: Tuesday, October 14, 2003 10:05 AM
To: Lee McAllister
Subject: Posting Priority

Lee, can you confirm if the posting priority has now changed where we pay high to low, regardless of the Tran Code? You may want to read the following string of emails.

Thanks,
Mary Ann

-----Original Message-----

From: Cathy Talbot [mailto:cathy.talbot@bxs.com]
Sent: Tuesday, October 14, 2003 9:53 AM
To: Mary Ann Briggs
Subject: RE: O/D

You may want to check on it for clarification to the branches.

I was told high to low, no t/c priority.

""Makes it easier to explain to customers why one item paid and another did not"".

(Of course, it also helps fees.)

I had talked to Janice Phillips for clarification and then

Michael Lindsey mentioned it in a meeting.

Let me know if I'm wrong.

-----Original Message-----

From: Mary Ann Briggs [mailto:maryann.briggs@bxs.com]
Sent: Tuesday, October 14, 2003 9:16 AM
To: cathy.talbot@bxs.com
Subject: RE: O/D

I don't remember being told this. I thought items paid high to low, but certain tran codes paid first, like ACH & ATM were before checks.

Looking at page 117 of the Deposit Manual in the Appendix, it states, ""Debit transactions post from highest to lowest dollar amount."" But then it has the Post Priority listed.

Mary Ann

-----Original Message-----

From: Cathy Talbot [mailto:cathy.talbot@bxs.com]
Sent: Tuesday, October 14, 2003 8:59 AM
To: maryann.briggs@bxs.com
Subject: FW: O/D

Did you know this?

-----Original Message-----

From: Cathy Talbot [mailto:cathy.talbot@bxs.com]
Sent: Tuesday, October 14, 2003 8:59 AM
To: jan.washburn@bxs.com
Subject: O/D

Answer to your question about t/c 41 paying when we did not think it should ---

Items are now paid by High Dollar to Low Dollar, regardless of transaction code. (effective 3-4 months ago).

We learn something new everyday!!!!

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 24



Recommendation OP 01: Posting Priority

Draft

POTENTIAL \$3.5 MILLION

CURRENT CONDITION

In recent years, the banking industry has begun to experience the long anticipated migration from *paper-based* to *electronic-based* transactions. With the shift in the transaction mix quickly approaching parity levels, many institutions have found the need to *revisit* their existing policies and practices with respect to *how* the transactions are sequenced and posted on their records. They contend that this is necessary in order to ensure greater consistency between transactions executed through traditional vs. emerging channels, as well as rebalance the risk that is inherent in certain types of electronic transactions.

In an effort to ensure that its current practices are relevant and represent generally accepted *best practices*, the management of BancorpSouth asked EPG to review its present operations and, if necessary, set forth recommendations for refining its approach.

At present, the bank posts transactions against customer deposit accounts based on the following factors:

- The date in which the transactions occurred,
- The transaction posting priority group – with credit *always* preceding debits, and
- The transaction amount – generally following a high to low progression based upon the amount.

After collecting and reviewing transaction data for an entire month, a simulation was constructed, which centered on the posting of 54,315 debits for a five-day period¹ using the bank's *current* method and a *proposed* alternative method.

¹ October 7-11, 2002. The total universe included only accounts without overdraft protection regardless of the funding account.
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Recommendation OP 01: Posting Priority

Draft

POTENTIAL \$3.5 MILLION

Several factors were considered in formulating the *proposed* solution, including the decrease in the number of *paper-based* transactions, maintaining *consistency* across all delivery and access channels, and the *relative importance* of certain transactions to the customer.

EPG SOLUTION

Based upon a review and result of the simulation, EPG recommends that bank use the following modified posting method:

- Bank-initiated transactions followed by,
- Customer-initiated transactions (high to low dollar amount).



Recommendation OP 01: Posting Priority

Draft

POTENTIAL \$3.5 MILLION

BENEFITS

This modified method will:

- Ensure consistency across delivery channels,
- Pay additional checks against good funds,
- Improve customer satisfaction assuming that customers typically are more concerned about large dollar items posting to their account against good funds,
- Decrease returned item costs, and
- Avoid third-party charges to the customer

It is anticipated that the bank will also realize an increase in NSF/OD fee revenue, as more items will be paid into overdraft or returned.²

² Additional information is available in Attachments A, B, C, and D on pages 5-22.



Recommendation OP 01: Posting Priority

Draft

POTENTIAL \$3.5 MILLION

BENEFIT ANALYSIS

The following table illustrates the results of our two posting analyses:³

DESCRIPTION	CURRENT COUNT	PROPOSED COUNT
Paid Against Good Funds:	16,386	13,469
Force Pay - Non Chargeable:	4,571	4,594
Force Pay - Within Matrix Limit Non Chargeable:	2,144	2,323
Total Non Chargeable Items:	23,101	20,386
Force Pay - Chargeable	2,975	4,001
Force Pay - Within Matrix Limit Chargeable	2,793	4,381
Paid Within Matrix Limit Chargeable	9,430	9,433
Returned Within Matrix Limit Chargeable:	16,016	16,114
Total Chargeable Items:	31,214	33,929

³ Detailed analysis by transaction code is available in Attachment B.
F26 GJS 0203

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Recommendation OP 01: Posting Priority

Draft

POTENTIAL \$3.5 MILLION

The estimated benefit is as follows:

Change in NSF/OD Volume:	2,715
Annualized:	136,836
NSF/OD Fee:	\$29.00
Gross Additional Revenue:	\$3,968,244
Estimated Waivers & Refunds (@ 10%):	(\$396,824)
TOTAL ESTIMATED ANNUAL BENEFIT:	\$3,571,420

POTENTIAL BENEFIT: \$3,571,420



Recommendation OP 01: Posting Priority

Draft

POTENTIAL \$3.5 MILLION

ATTACHMENT A: IMPACT ON INDIVIDUAL ACCOUNTS

The impact on individual accounts is illustrated in the following table:

NUMBER OF ADDITIONAL NSF/OD FEES	NUMBER OF ACCOUNTS	% OF TOTAL
-1	7	0.05%
0	13,054	89.19%
1	989	6.76%
2	335	2.29%
3	127	0.87%
4	72	0.49%
5	24	0.16%
6	9	0.06%
7	5	0.03%
8	4	0.03%
9	2	0.01%

⁴ October 7-11, 2002
P26.GJS.0203



Recommendation OP 01: Posting Priority

Draft

POTENTIAL \$3.5 MILLION

NUMBER OF ADDITIONAL NSF/OD FEES	NUMBER OF ACCOUNTS	% OF TOTAL
10	3	0.02%
11	1	0.01%
12	1	0.01%
16	1	0.01%
32	1	0.01%
33	1	0.01%
TOTAL	14,636	100.00%



Recommendation OP 01: Posting Priority

Draft

POTENTIAL \$3.5 MILLION

ATTACHMENT B: VOLUME BY TRANSACTION CODE

Customer Type	Transaction Disposition	TranCode	Description	Current Way		New Way	
				Count	Sum of Amt	Count	Sum of Amt
Commercial	Paid Against Good Funds		Analysis Charge	1	\$7.53	1	\$7.53
Commercial	Paid Against Good Funds		Returned Dep Item	52	\$9,390.86	52	\$9,390.86
Commercial	Paid Against Good Funds	REDACTED	Force Pay 1	8	\$96,530.24	9	\$96,535.24
Commercial	Paid Against Good Funds		Interbank Transfer Debit	11	\$268,698.38	11	\$268,698.38
Commercial	Paid Against Good Funds		ATM Fee	16	\$16.00	6	\$6.00
Commercial	Paid Against Good Funds		Returned Dep Item Fee	37	\$200.00	37	\$200.00
Commercial	Paid Against Good Funds	REDACTED	Stop Hold Charge	3	\$75.00	3	\$75.00
Commercial	Paid Against Good Funds		NSFOD Charge	229	\$13,375.00	236	\$13,650.00
Commercial	Paid Against Good Funds		ACH Debit	198	\$929,539.34	153	\$1,144,312.97
Commercial	Paid Against Good Funds		ATM Debit	44	\$4,213.92	21	\$1,959.35
Commercial	Paid Against Good Funds		Cash Check	326	\$366,430.74	172	\$271,719.07
Commercial	Paid Against Good Funds	REDACTED	Over Counter Check	343	\$860,867.85	223	\$729,561.98
Commercial	Paid Against Good Funds		Transit Check	1,444	\$2,524,905.91	1,481	\$3,039,308.56
Commercial	Paid Against Good Funds		Checking withdrawal	17	\$92,607.87	12	\$80,145.52
Commercial	Paid Against Good Funds		Transfer Dr Customer	11	\$37,718.83	7	\$33,667.83
Commercial	Paid Against Good Funds		MasterMoney Debit	87	\$7,396.27	50	\$4,944.85
Commercial	Paid Against Good Funds		Wirenext Debit	7	\$561,458.61	5	\$540,640.64
Commercial	Paid Against Good Funds	REDACTED	Automatic Loan Pay	4	\$4,560.82	1	\$543.04
Commercial	Paid Against Good Funds		Wirenext Fee	14	\$182.00	14	\$182.00
Commercial	Paid Against Good Funds		Redeposit Item Fee	2	\$4.00	2	\$4.00
Commercial	Paid Against Good Funds		Analysis Charge	111	\$9,397.50	113	\$9,437.21
Commercial	Paid Against Good Funds		Clarke American Charge	9	\$223.79	6	\$174.59
Commercial	Paid Against Good Funds		CSC Transfer Debit	2	\$550.00		
Commercial	Paid Against Good Funds		Interest Adj Debit	1	\$1.07	1	\$1.07
Subtotal				2,977	\$5,788,351.53	2,616	\$6,245,165.69



Recommendation OP 01: Posting Priority

Draft

POTENTIAL \$3.5 MILLION

Customer Type	Transaction Disposition	TranCode	Description	Current Way		New Way	
				Count	Sum of Amt	Count	Sum of Amt
Commercial	Force Pay - Non Chargeable		Returned Dep Item	13	\$10,949.32	13	\$10,949.32
Commercial	Force Pay - Non Chargeable	REDACTED	ATM Fee	9	\$9.00	17	\$17.00
Commercial	Force Pay - Non Chargeable		Returned Dep Item Fee	12	\$56.00	12	\$56.00
Commercial	Force Pay - Non Chargeable		NSFOD Charge	477	\$36,275.00	472	\$36,050.00
Commercial	Force Pay - Non Chargeable	REDACTED	Wirenext Fee	1	\$10.00	1	\$10.00
Commercial	Force Pay - Non Chargeable		Redeposit Item Fee	1	\$2.00	1	\$2.00
Commercial	Force Pay - Non Chargeable	REDACTED	Analysis Charge	76	\$3,600.30	74	\$3,560.59
Commercial	Force Pay - Non Chargeable		Interest Adj Debit	1	\$0.04	1	\$0.04
			Subtotal	590	\$50,901.66	591	\$50,644.95
Commercial	Force Pay - Within Matrix Limit Non Chargeable		Force Pay 1	1	\$5.00		
Commercial	Force Pay - Within Matrix Limit Non Chargeable	REDACTED	ATM Fee	4	\$4.00	6	\$6.00
Commercial	Force Pay - Within Matrix Limit Non Chargeable		Stop Hold Charge	1	\$100.00	1	\$100.00
Commercial	Force Pay - Within Matrix Limit Non Chargeable		NSFOD Charge	156	\$8,550.00	154	\$8,500.00
Commercial	Force Pay - Within Matrix Limit Non Chargeable	REDACTED	Analysis Charge	5	\$213.67	5	\$213.67
			Subtotal	167	\$8,872.67	166	\$8,819.67
			Subtotal - Non-Chargeable	3,734	\$5,848,125.86	3,373	\$6,304,630.31

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POTENTIAL \$3.5 MILLION

Customer Type	Transaction Disposition	TranCode	Description	Current Way		New Way	
				Count	Sum of Amt	Count	Sum of Amt
Commercial	Force Pay - Chargeable		ATM Debit	15	\$7,691.25	27	\$8,843.56
Commercial	Force Pay - Chargeable	REDACTED	MasterMoney Debit	35	\$3,367.87	55	\$4,704.28
Commercial	Force Pay - Chargeable		Clarke American Charge	8	\$412.10	8	\$412.10
			Subtotal	58	\$11,471.22	90	\$13,959.94
Commercial	Force Pay - Within Matrix Limit Chargeable	REDACTED	ATM Debit	13	\$1,022.25	24	\$2,124.51
Commercial	Force Pay - Within Matrix Limit Chargeable		MasterMoney Debit	48	\$3,298.16	65	\$4,413.17
Commercial	Force Pay - Within Matrix Limit Chargeable		Clarke American Charge	3	\$81.07	6	\$130.27
			Subtotal	64	\$4,401.48	95	\$6,667.95
Commercial	Paid Within Matrix Limit Chargeable	REDACTED	ACH Debit	91	\$71,359.74	107	\$74,017.35
Commercial	Paid Within Matrix Limit Chargeable		Cash Check	45	\$167,499.75	82	\$177,032.86
Commercial	Paid Within Matrix Limit Chargeable		Over Counter Check	82	\$60,778.50	117	\$63,219.41
Commercial	Paid Within Matrix Limit Chargeable	REDACTED	Transit Check	809	\$713,819.36	793	\$655,721.06
Commercial	Paid Within Matrix Limit Chargeable		Checking withdrawal	1	\$2,200.00	3	\$4,880.86
			Subtotal	1,028	\$1,015,657.35	1,103	\$975,071.54
Commercial	Returned Within Matrix Limit Chargeable		ACH Debit	281	\$7,572,261.16	310	\$7,354,829.92

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POTENTIAL \$3.5 MILLION

Customer Type	Transaction Disposition	TranCode	Description	Current Way		New Way	
				Count	Sum of Amt	Count	Sum of Amt
Commercial	Returned Within Matrix Limit Chargeable	REDACTED	Cash Check	80	\$145,541.80	197	\$230,720.36
Commercial	Returned Within Matrix Limit Chargeable	REDACTED	Over Counter Check	115	\$3,478,470.30	200	\$3,607,335.26
Commercial	Returned Within Matrix Limit Chargeable	REDACTED	Transit Check	3,540	\$6,731,387.36	3,519	\$6,275,083.01
Commercial	Returned Within Matrix Limit Chargeable	REDACTED	Checking withdrawal	16	\$14,538.20	19	\$24,319.69
Commercial	Returned Within Matrix Limit Chargeable	REDACTED	Transfer Dr Customer	1	\$100.00	4	\$3,951.00
Commercial	Returned Within Matrix Limit Chargeable	REDACTED	Wirenext Debit			2	\$20,817.97
Commercial	Returned Within Matrix Limit Chargeable	REDACTED	Automatic Loan Pay			3	\$4,017.78
Commercial	Returned Within Matrix Limit Chargeable	REDACTED	CSC Transfer Debit			2	\$550.00
			Subtotal	4,033	\$17,942,298.82	4,256	\$17,521,624.99
	Commercial:		Total Non-Chargeable:	3,734	\$5,848,125.86	3,373	\$6,304,630.31
			Total Chargeable:	5,183	\$18,973,828.87	5,544	\$18,517,324.42
			Total Items:	8,917	\$24,821,954.73	8,917	\$24,821,954.73
Retail	Paid Against Good Funds		Returned Dep Item	26	\$11,563.23	26	\$11,563.23
Retail	Paid Against Good Funds		Force Pay 1	6	\$1,374.60	7	\$1,624.60
Retail	Paid Against Good Funds		Force Pay 2	1	\$147.00	1	\$147.00
Retail	Paid Against Good Funds		Interbank Transfer Debit	10	\$1,678.00	7	\$1,190.00

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POTENTIAL \$3.5 MILLION

Customer Type	Transaction Disposition	TranCode	Description	Current Way		New Way	
				Count	Sum of Amt	Count	Sum of Amt
Retail	Paid Against Good Funds		Miscellaneous Fee	1	\$70.00	1	\$70.00
Retail	Paid Against Good Funds		ATM Fee	746	\$746.00	396	\$396.00
Retail	Paid Against Good Funds	REDACTED	Returned Dep Item Fee	19	\$57.00	25	\$75.00
Retail	Paid Against Good Funds		Stop Hold Charge	9	\$325.00	10	\$350.00
Retail	Paid Against Good Funds		NSFOD Charge	597	\$24,450.00	735	\$29,250.00
Retail	Paid Against Good Funds		ACH Debit	723	\$128,951.68	582	\$134,131.27
Retail	Paid Against Good Funds	REDACTED	ATM Debit	3,371	\$194,188.16	2,133	\$153,534.75
Retail	Paid Against Good Funds		Cash Check	411	\$128,541.29	281	\$114,617.09
Retail	Paid Against Good Funds		Over Counter Check	944	\$136,273.26	585	\$130,564.01
Retail	Paid Against Good Funds		Transit Check	3,554	\$794,188.51	4,401	\$999,053.47
Retail	Paid Against Good Funds		Checking withdrawal	27	\$6,604.09	16	\$4,925.86
Retail	Paid Against Good Funds		Transfer Dr Customer	8	\$3,471.56	8	\$4,405.60
Retail	Paid Against Good Funds	REDACTED	MasterMoney Debit	2,841	\$95,769.13	1,553	\$71,031.86
Retail	Paid Against Good Funds		Automatic Loan Pay	19	\$6,268.63	13	\$4,561.44
Retail	Paid Against Good Funds		Wirenext Fee	3	\$32.00	5	\$52.00
Retail	Paid Against Good Funds		Analysis Charge	3	\$112.56	3	\$112.56
Retail	Paid Against Good Funds	REDACTED	Clarke American Charge	44	\$702.11	19	\$270.94
Retail	Paid Against Good Funds		Safe Deposit Box Charge	1	\$32.00	2	\$50.00
Retail	Paid Against Good Funds		CSC Transfer Debit	4	\$425.00	4	\$425.00
Retail	Paid Against Good Funds		Interest Adj Debit	42	\$26.14	41	\$23.74
			Subtotal	13,410	\$1,535,996.95	10,854	\$1,662,425.42
Retail	Force Pay - Non Chargeable		Returned Dep Item	22	\$24,320.28	22	\$24,320.28
Retail	Force Pay - Non Chargeable	REDACTED	Force Pay 1	3	\$1,317.82	3	\$1,317.82
Retail	Force Pay - Non Chargeable		ATM Fee	519	\$519.00	688	\$688.00

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POTENTIAL \$3.5 MILLION

Customer Type	Transaction Disposition	TranCode	Description	Current Way		New Way	
				Count	Sum of Amt	Count	Sum of Amt
Retail	Force Pay - Non Chargeable	REDACTED	Returned Dep Item Fee	25	\$75.00	23	\$69.00
Retail	Force Pay - Non Chargeable	REDACTED	Stop Hold Charge	2	\$50.00	1	\$25.00
Retail	Force Pay - Non Chargeable		NSFOD Charge	3,388	\$151,275.00	3,246	\$145,850.00
Retail	Force Pay - Non Chargeable		Wirenext Fee	3	\$32.00	1	\$12.00
Retail	Force Pay - Non Chargeable	REDACTED	Redeposit Item Fee				
Retail	Force Pay - Non Chargeable		Analysis Charge	1	\$22.73	1	\$22.73
Retail	Force Pay - Non Chargeable		Safe Deposit Box Charge	3	\$83.00	2	\$65.00
Retail	Force Pay - Non Chargeable	REDACTED	Interest Adj Debit	15	\$20.68	16	\$23.08
			Subtotal	3,981	\$177,715.51	4,003	\$172,392.91
Retail	Force Pay - Within Matrix Limit Non Chargeable		Returned Dep Item	6	\$3,425.00	6	\$3,425.00
Retail	Force Pay - Within Matrix Limit Non Chargeable		Force Pay 1	3	\$309.05	2	\$59.05
Retail	Force Pay - Within Matrix Limit Non Chargeable	REDACTED	ATM Fee	391	\$391.00	572	\$572.00
Retail	Force Pay - Within Matrix Limit Non Chargeable		Returned Dep Item Fee	10	\$30.00	6	\$18.00
Retail	Force Pay - Within Matrix Limit Non Chargeable		NSFOD Charge	1,558	\$65,525.00	1,562	\$66,150.00
Retail	Force Pay - Within Matrix Limit Non Chargeable		Safe Deposit Box Charge	1	\$43.00	1	\$43.00

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POTENTIAL \$3.5 MILLION

Customer Type		Transaction Disposition	TranCode	Description	Count	Sum of Amt	Count	Sum of Amt
				Current Way		New Way		
Retail	Force Pay - Within Matrix Limit Non Chargeable			Interest Adj Debit	8	\$4.94	8	\$4.94
				Subtotal	1,977	\$69,727.99	2,157	\$70,271.99
				Subtotal - Non-Chargeable	19,368	\$1,783,440.45	17,014	\$1,905,090.32
				ATM Debit	667	\$43,583.63	1,179	\$61,807.44
Retail	Force Pay - Chargeable			MasterMoney Debit	2,197	\$69,376.10	2,674	\$78,290.91
Retail	Force Pay - Chargeable			Clarke American Charge	53	\$907.09	58	\$998.30
				Subtotal	2,917	\$113,866.82	3,911	\$141,096.65
Retail	Force Pay - Within Matrix Limit Chargeable			ATM Debit	805	\$32,017.32	1,531	\$54,446.92
Retail	Force Pay - Within Matrix Limit Chargeable			MasterMoney Debit	1,879	\$56,568.19	2,690	\$72,390.65
Retail	Force Pay - Within Matrix Limit Chargeable			Clarke American Charge	45	\$785.37	65	\$1,125.33
				Subtotal	2,729	\$89,370.88	4,286	\$127,962.90
Retail	Paid Within Matrix Limit Chargeable			Interbank Transfer Debit	2	\$110.00	5	\$598.00
Retail	Paid Within Matrix Limit Chargeable			ACH Debit	839	\$123,587.06	933	\$120,533.96
Retail	Paid Within Matrix Limit Chargeable			Cash Check	69	\$59,238.90	146	\$67,183.01
Retail	Paid Within Matrix Limit Chargeable			Over Counter Check	754	\$96,350.22	1,028	\$95,852.01
Retail	Paid Within Matrix Limit Chargeable			Transit Check	6,719	\$744,106.26	6,191	\$646,411.44
Retail	Paid Within Matrix Limit Chargeable			Checking withdrawal	14	\$6,725.39	19	\$7,155.50

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POTENTIAL \$3.5 MILLION

Customer Type	Transaction Disposition	TranCode	Description	Current Way		New Way	
				Count	Sum of Amt	Count	Sum of Amt
Retail	Paid Within Matrix Limit Chargeable	REDACTED	Transfer Dr Customer	4	\$1,212.29	4	\$278.25
Retail	Paid Within Matrix Limit Chargeable	REDACTED	Automatic Loan Pay	1	\$94.78	4	\$954.24
			Subtotal	8,402	\$1,031,424.90	8,330	\$938,966.41
Retail	Returned Within Matrix Limit Chargeable	REDACTED	ACH Debit	1,745	\$358,886.89	1,792	\$356,760.40
Retail	Returned Within Matrix Limit Chargeable	REDACTED	Cash Check	78	\$21,999.84	131	\$27,979.93
Retail	Returned Within Matrix Limit Chargeable	REDACTED	Over Counter Check	942	\$122,079.34	1,027	\$128,286.80
Retail	Returned Within Matrix Limit Chargeable		Transit Check	9,197	\$2,528,399.98	8,878	\$2,421,229.84
Retail	Returned Within Matrix Limit Chargeable	REDACTED	Checking withdrawal	17	\$18,207.91	23	\$19,456.03
Retail	Returned Within Matrix Limit Chargeable		Wirenext Debit	1	\$300.00	1	\$300.00
Retail	Returned Within Matrix Limit Chargeable		Automatic Loan Pay	1	\$416.80	4	\$1,264.53
Retail	Returned Within Matrix Limit Chargeable	REDACTED	CSC Transfer Debit	2	\$100.00	2	\$100.00
			Subtotal	11,983	\$3,050,390.76	11,858	\$2,955,377.53
			Subtotal - Chargeable	26,031	\$4,285,053.36	28,385	\$4,163,403.49
			Total Non-Chargeable:	19,368	\$1,783,440.45	17,014	\$1,905,090.32
			Total Chargeable:	26,031	\$4,285,053.36	28,385	\$4,163,403.49
			Total Items:	45,399	\$6,068,493.81	45,399	\$6,068,493.81

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POTENTIAL \$3.5 MILLION

ATTACHMENT C: TRANSACTIONS THAT CAUSED ACCOUNTS TO OVERDRAW

CustomerType	Trancode	Description	Current: Count	Proposed: Count	% Change
Commercial		Returned Dep Item	4	4	0%
Commercial	REDACTED	Force Pay 1	1	0	-100%
Commercial	REDACTED	NSFOD Charge	26	26	0%
Commercial		ACH Debit	52	58	12%
Commercial		ATM Debit	10	18	80%
Commercial		Cash Check	78	96	23%
Commercial	REDACTED	Over Counter Check	48	54	13%
Commercial	REDACTED	Transit Check	672	651	-3%
Commercial		Checking withdrawal	12	15	25%
Commercial		MasterMoney Debit	21	26	24%
Commercial		Analysis Charge	4	4	0%
Commercial	REDACTED	Clarke American Charge	2	1	-50%
Commercial	REDACTED	CSC Transfer Debit	0	1	0%
		Subtotal	930	954	3%
Retail		Returned Dep Item	24	24	0%
Retail		Force Pay 1	2	1	-50%
Retail		Interbank Transfer Debit	2	3	50%
Retail	REDACTED	ATM Fee	13	16	23%
Retail		Returned Dep Item Fee	1	1	0%
Retail		Stop Hold Charge	1	0	-100%
Retail		NSFOD Charge	327	423	29%
Retail		ACH Debit	880	881	0%
Retail	REDACTED	ATM Debit	672	992	48%
Retail		Cash Check	82	115	40%
Retail		Over Counter Check	547	619	13%

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POTENTIAL \$3.5 MILLION

CustomerType	TranCode	Description	Current: Count	Proposed: Count	% Change
Retail		Transit Check	4612	4207	-9%
Retail	REDACTED	Checking withdrawal	20	24	20%
Retail	REDACTED	Transfer Dr Customer	3	3	0%
Retail		MasterMoney Debit	1224	1381	13%
Retail	REDACTED	Automatic Loan Pay	1	4	300%
Retail	REDACTED	Clarke American Charge	26	35	35%
Retail		Safe Deposit Box Charge	3	2	-33%
Retail	REDACTED	CSC Transfer Debit	2	0	-100%
Retail	REDACTED	Interest Adj Debit	1	1	0%
		Subtotal	8443	8732	3%

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ATTACHMENT D: TRANSACTION CODE LISTING

TranCode	Description	Debit/Credit	Post Priority	Force Post	Chargeable	Bank/Customer Init
Interest Adj Credit		Credit	20	No	N	Bank
EXC Credit		Credit	20	No	N	Bank
ACH EXC Credit		Credit	20	No	N	Bank
ATM EXC Credit		Credit	20	No	N	Bank
ACH Credit		Credit	20	No	N	Bank
ATM Credit		Credit	20	No	N	Bank
ATM POS Credit		Credit	20	No	N	Bank
OD Protection Credit		Credit	20	No	N	Bank
Interbank Transfer Credit		Credit	20	No	N	Bank
Quest Transfer Credit		Credit	20	No	N	Bank
Deposit		Credit	25	No	N	Customer
Quest Cash Deposit		Credit	20	No	N	Customer
Beginning Balance		Credit	1	No	N	Bank
Beginning Balance		Credit	1	No	N	Bank
Quest Memo Deposit		Credit	25	No	N	Customer
InfoLine Transfer Credit		Credit	20	No	N	Bank
OD Account Closed Credit		Credit	20	No	N	Bank
POS Credit		Credit	20	No	N	Bank
Interest Adj Debit		Debit	30	Yes	N	Bank
Wirenext Credit		Credit	20	No	N	Bank
Home Banking Credit		Credit	20	No	N	Bank
Loan Proceeds		Credit	20	No	N	Bank
Home Banking Transfer Credit		Credit	20	No	N	Bank
IOD MMDA Closing		Debit	30	Yes	N	Bank
Loan Proceeds Deposit		Credit	25	No	N	Bank
Returned Dep Item		Debit	30	Yes	N	Bank

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POTENTIAL \$3.5 MILLION

TranCode	Description	Debit/Credit	Post Priority	Force Post	Chargeable	Bank/Customer Init
REDACTED	Force Pay 1	Debit	35	Yes	N	Bank
REDACTED	Force Pay 2	Debit	36	Yes	N	Bank
REDACTED	Interbank Transfer Debit	Debit	40	No	Y	Customer
REDACTED	Miscellaneous Fee	Debit	33	Yes	N	Bank
REDACTED	ATM Fee	Debit	33	Yes	N	Bank
REDACTED	Returned Dep Item Fee	Debit	33	Yes	N	Bank
REDACTED	Stop Hold Charge	Debit	33	Yes	N	Bank
REDACTED	NSFOD Charge	Debit	33	Yes	N	Bank
REDACTED	ACH Debit	Debit	42	No	Y	Customer
REDACTED	ATM Debit	Debit	31	Yes	Y	Customer
REDACTED	ATM POS Debit	Debit	42	No	Y	Customer
REDACTED	Cash Check	Debit	32	No	Y	Customer
REDACTED	Over Counter Check	Debit	41	No	Y	Customer
REDACTED	Transit Check	Debit	42	No	Y	Customer
REDACTED	Checking withdrawal	Debit	32	No	Y	Customer
REDACTED	Transfer Dr Customer	Debit	32	No	Y	Customer
REDACTED	Infoline Transfer Debit	Debit	31	Yes	Y	Customer
REDACTED	MasterMoney Debit	Debit	31	Yes	Y	Customer
REDACTED	Wirenext Debit	Debit	32	No	Y	Customer
REDACTED	Home Banking Debit	Debit	31	Yes	Y	Customer
REDACTED	Home Banking Transfer Debit	Debit	31	Yes	Y	Customer
REDACTED	Taxtel payment	Debit	31	Yes	Y	Customer
REDACTED	Interbank Transfer Debit (Install & Comm loan) force pay	Debit	30	Yes	Y	Customer
REDACTED	Automatic Force Pay	Debit	30	Yes	Y	Customer
REDACTED	ACH Force Pay	Debit	30	Yes	Y	Customer
REDACTED	ATM Force Pay	Debit	30	Yes	Y	Customer
REDACTED	Automatic Loan Pay	Debit	40	No	Y	Customer
REDACTED	Vector4 Credit Adj	Credit	25	No	N	Bank

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POTENTIAL \$3.5 MILLION

TranCode	Description	Debit/Credit	Post Priority	Force Post	Chargeable	Bank/Customer Init
REDACTED	Vector4 Debit Adj	Debit	30	Yes	N	Bank
REDACTED	Deposit Correction Cr	Credit	25	No	N	Bank
REDACTED	Deposit Correction Dr	Debit	30	Yes	N	Customer
REDACTED	ATM Card Fee	Debit	33	Yes	N	Bank
REDACTED	Wirenext Fee	Debit	33	Yes	N	Bank
REDACTED	Redeposit Item Fee	Debit	33	Yes	N	Bank
REDACTED	Taxtel fee	Debit	33	Yes	N	Bank
REDACTED	Wirenext Fee Analysis	Debit	33	Yes	N	Bank
REDACTED	Analysis Charge	Debit	33	Yes	N	Bank
REDACTED	Homesite Fee	Debit	33	Yes	N	Bank
REDACTED	Clarke American Charge	Debit	31	Yes	Y	Customer
REDACTED	Taxtel Credit	Credit	20	No	N	Bank
REDACTED	Dividend Income	Credit	20	No	N	Bank
REDACTED	Safe Deposit Box Charge	Debit	31	Yes	N	Bank
REDACTED	No Bounce Deposit	Credit	25	No	N	Customer
REDACTED	Lock Box Credit	Credit	25	No	N	Bank
REDACTED	Interest Adj Credit	Credit	20	No	N	Bank
REDACTED	ACH Credit Online	Credit	20	No	N	Bank
REDACTED	CSC Transfer Credit	Credit	20	No	N	Bank
REDACTED	Deposit Online unposted credit	Credit	25	No	N	Bank
REDACTED	Vector4 Credit Adj	Credit	25	No	N	Bank
REDACTED	CSC Transfer Debit	Debit	32	No	Y	Customer
REDACTED	Vector4 Debit Adj	Debit	30	Yes	N	Bank
REDACTED	Inactive Dormant Closing Debit	Debit	30	Yes	N	Bank
REDACTED	Inactive Service Charge	Debit	33	Yes	N	Bank
REDACTED	Service Charge Refund	Credit	25	No	N	Bank
REDACTED	Credit Line Payment	Credit	1	No	N	Customer
REDACTED	Cr Line Cash Payment	Credit	1	No	N	Customer

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POTENTIAL \$3.5 MILLION

TranCode	Description	Debit/Credit	Post Priority	Force Post	Chargeable	Bank/Customer Init
REDACTED	Credit Line Advance	Debit	10	No	N	Customer
	Credit Line Beginning	Debit	10	No	N	Bank
	Credit Line Beginning	Debit	10	No	N	Bank
REDACTED	ATM Credit	Credit	20	No	N	Bank
	ATM POS Credit	Credit	20	No	N	Bank
	Beginning Balance	Credit	1	No	N	Bank
REDACTED	Interest Adj Debit	Debit	30	Yes	N	Bank
	Loan Proceeds	Credit	20	No	N	Bank

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BXS Swift E-007471

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 25

BancorpSouth

DEPOSIT OPERATIONS

OVERDRAFT MATRIX

OVERDRAFT PARAMETER MATRIX

The Overdraft matrix is designed to automate the decision-making process and aid in the paying of items for customers. Certain account criteria such as the age of the account, account balances, and NSF history are important factors. The goal is to make decisions to pay as many items as possible on each customer's account without undue risk to the bank. By paying more items the customer is sent a message that the relationship is important and the bank is trying to maintain the relationship by paying the items. Internal accounts, trust accounts, employee accounts, public fund accounts, accounts already covered by Overdraft Protection, accounts properly coded as Bankruptcy or Debtor In Possession, and accounts with a status other than normal status will be excluded from the overdraft matrix. Each account will be analyzed monthly to provide an updated OD limit. If an account is overdrawn for 8 consecutive days the OD limit will automatically change to zero. The matrix overdraft limit **should not** be disclosed to the customer. This is an internal process and should be transparent to the customer.

If the customer objects to their items being paid, you can, with authorization, turn off the Matrix Overdraft decision for their account. The branch will once again have to review each exception item as it occurs and manually return the items to prevent any overdrafts (Refer to page 16.18.1). These same procedures will be utilized if there is a need to establish a permanent Overdraft Limit.

Return items will always be at the discretion of the Bank. The review of NSF items will still be the responsibility of the Bank and the procedure for reviewing these items has not changed. (Refer to IMNS Procedures 16.1 for detailed instructions). The procedure to view the items paid into the overdraft for an account remain the same. The ultimate decision is still at the discretion of the Bank. (Refer to IMNS procedures 16.1 for detailed instructions).

Procedures have been developed to have the system permanently waive the NSF/OD Fees (Refer to page 16.18.3 for detailed instructions).

BancorpSouth

DEPOSIT OPERATIONS

OVERDRAFT LIMIT

REQUEST FOR ASSIGNING A PERMANENT OD LIMIT

The OD limit that is assigned to a checking account is based on such account criteria as age of account, average deposit balance and NSF/OD history. Each account will be analyzed monthly to provide an updated OD limit. The branch will be able to request an account's OD limit be changed to a different Overdraft limit than is assigned by the OD Matrix. This amount could also be changed to a zero OD limit. The request to change an OD limit must be processed using the "Request for Assigned OD Limit Form". The Regional President and the Bank President must sign this form before it is forwarded to Central Deposit Services at the Tupelo Operations Center.

Complete the form as follows:

- Overdraft Codes: Put an X next to the OD limit you wish to assign to your customer's account.
- If you want your customer to have unlimited OD availability, put an "X" next to A – All, no limit – pay all.
- If you want your customer to have a \$0 OD limit, place an "X" next to N – cannot overdraw.
- If you must assign a limit not covered by the standard OD codes, place an "X" next to 0 – Use OD Amount and fill in the requested OD \$ amount in the field assigned.
- Requested By: The loan officer or branch manager requesting this OD limit change.
- Branch: The location of the branch where the account is housed.
- Account Number: The customer's checking account number affected by the OD limit.
- Date Opened: The date the account was opened.
- Account Title: The customer's or business name tied to this account.
- Account Balance: The average monthly balance of this account.
- Total Relationship: The total amount of accounts this customer retains with the Bank. Next – Break down the loans and deposits the customer holds.
- Reason for Request: State the reason you wish to raise or lower the customer's OD limit.

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 26

From: Jagers, Jeff
Sent: 10/24/2007 03:58:12 pm
To: Patterson, Aubrey; Kelley, Jim
Cc: 'Pat Caldwell'; 'Larry Bateman'; Hubbard, Clyde; Harder, Gary
Bcc:
Subject: BancorpSouth's Payment Decision Practices

In response to several questions related to BancorpSouth's payment decision practices, below is a recap of responses:

During the month of September, 170,100 customer transactions incurred an NSF/OD fee. Of this total, 1.3% of the transactions were for an amount of \$2 or less; 6.43% of the transactions were for an amount between \$2.01 and \$5; 11.77% of the transactions were for an amount between \$5.01 and \$10 and the remaining 80.5% were for an amount greater than \$10. BancorpSouth does not have a minimum transaction threshold value, all transactions paid in overdraft or returned due to insufficient funds generate a fee. The attached spreadsheet provides a summary of this data.

Currently, BancorpSouth processes all customer initiated transactions in a single posting group, paying the highest value transaction first and the lowest value last, this is traditionally referred to as 'high to low'.

Payment processing alternative 1 - pay transactions in check number order

As most consumers utilize multiple payment channels, the order in which the customer initiates a transaction can be difficult to determine. As recently as just a few years ago, consumers primary payment channel was the paper check. Today, the fastest growing payment channel is the debit card, followed by online bill pay and ACH. The paper check volume is rapidly declining. Many of the industry research groups have stated that more than 50% of consumer transactions are now performed electronically. As most transactions do not have a check number this alternative would be impractical.

Payment processing alternative 2 - pay in random order

Programmatically, this alternative would be impossible. Our software requires a systematic order of posting transactions. The systematic approach can be as simple or complicated as the bank desires. Currently, we utilize a simple process that is easily explained and communicated to our customers. If the posting order is changed to resemble a 'rambling' posting order we would be required to develop a support mechanism that could be utilized by branch and call center staff to research and explain the posting order of each transaction on each day that created an nsf/od fee.

Payment processing alternative 3 - pay low to high

Several factors would need to be considered including the risk associated with different payment channels. Since BancorpSouth currently pays high to low, the risk factors across the different channels is less critical. If the lower value transactions offset the funds first, certain risk factors might create a need to return a larger percentage of the items. Balancing the risk of certain types of transactions is required. In most cases of a returned item, the customer will become inconvenienced with both an NSF fee from the bank and a return fee from the 'merchant'. The bank's nsf/od revenue is estimated to decrease at least 17.5%. Based on the 2008 budget forecast this will represent a decrease of more than \$12 million. As a reference, in 2002 our bank changed the payment posting sequence from high to low by category of transaction type to high to low with all customer initiated transactions in one category. The effect was an 11% increase in revenue. If a detailed analysis is required, we will need to engage a specialized consultant that can model multiple posting sequences across a period of time. Several consulting groups have the technology to support this type of engagement.

In reference to questions related to customer communications, we currently market a 'How to Avoid Fees' brochure to our customers which includes avoiding NSF/OD fees. We do not monitor and communicate to a targeted group of customers using parameters such as number of times the account is overdrawn. We can do this if requested.

In closing, we have a conference call scheduled with the FDIC on Thursday, October 25th. This is a follow-up call related to the data gathering survey that the FDIC is spearheading. As your schedule permits, we are available to discuss the specifics of this email as well as provide an update of the FDIC data gathering project.

Jeff

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 27

Lindsey, Michael

From: Jagers, Jeff
Sent: Monday, November 08, 2010 2:24 PM
To: Patterson, Aubrey
Cc: Lewis, Gordon R.; Ray, Greg; Lindsey, Michael; Pat Caldwell; Les Alvis
Subject: 2011 Budget for NSF/OD related fees - Swift and FDIC impact
Attachments: 2011 budget specific accounts (2).xls

This email is a high level summary of the 2011 gross NSF/OD numbers and potential impact of Swift case and/or FDIC guidance.

In preparation for the budget meeting Tuesday morning, below is some background info:

1. The new Continuous OD fee of \$25 after ten days started around May 15th – this fee generated about \$1,050,000 thru end of 3rd quarter
2. Increased NSF/OD fee from \$32 to \$35 on May 12th – this increase generated about \$1,900,000 thru end of 3rd quarter
3. Reg E on existing accounts took effect on August 15th

The following numbers relate to gross NSF/OD related fees as of **September 30th**:

Year to date 2009	Year to date 2010
\$47.5 million	\$48.3 million
Q3 2009	Q3 2010
\$17.2 million	\$17 million
September 2009	September 2010
\$6 million	\$5 million the budget for September 2010 was \$4.9 million

The following numbers relate to **projected 4th quarter**:

October 2009	October 2010
\$5.75 million	\$4.98 million
Q4 2009	Q4 2010 projected*****
\$16.9 million	\$14.4 million the budget for Q4 2010 is \$13.75 million

If no changes by customer or bank, best case scenario for 2011 is projected to be \$57.6 million (\$4.8 million per month avg)

Current risk factors are:

- Customer opt-in decisions at new accounts – about 55% of new account customers are choosing to opt-out
- Existing Customer changing decision from opt-in to opt-out – as a result of reg E, 17% of the NSF/OD transactions are not being assessed a fee
- New FDIC guidelines – Scenario 1 – implement a cap of 5 fees per day per account(3% decrease in fees);
- Scenario 2 – implement a best practice of not assessing a fee on accounts overdrawn less than \$5(4% decrease in fees);
- Scenario 3 – change posting order to low to high(decrease of 20% in fees);
- Scenario 4 – implement a maximum of 6 OD fees per year(as of October 15th we had 40,293 accounts that had more than 6 fees – decrease fees \$23.5 million)
- *****If multiple changes were to be implemented, the overall impact would not be the sum of all as some transactions fall into multiple scenarios.*****
- Lawsuit factors related to legal issues surrounding Swift case

At this time, the only firm commitment we made to the FDIC relates to customer communications at different thresholds. This would include adding some language to the actual notices, adding a link to our website on 'How to Avoid OD Fees' and sending special letters to customers that reach thresholds reminding them of our other OD protection services. Lee Mc has a project underway to address this commitment to the FDIC.

As to posting order, the Fed survey that was done as part of Reg E specifically noted that customers place a greater emphasis of importance to their check and ACH transactions. In that light, completely changing to a low to high may also carry some risk. Based on what we know from the Fed study, negatively impacting a customer by changing to low to high and returning a large dollar check or ACH could provide a different class of customer to claim unfair practice..... Just a thought.

FYI, the new deposit products are now being sold in all branches. We are working on a plan to migrate existing customers to the new products. Derek has additional meetings scheduled on this effort later this week. The current 2011 budget has an increase of \$2.5 million in Service Charges. The actual run rate by end of the year is a \$5 million increase in Service Charges.

Attached is a spreadsheet with info on each scenario.

Jeff

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 28

Transactions by Dollar Amount				New Fee	New Fee
	Percent	Transactions	Revenue	Option	Revenue
Less than \$2.00	1.64%	2,428	\$ 77,696	\$ 15.00	\$ 24,280
\$2.01 to \$5.00	6.71%	9,914	\$ 317,248	\$ 15.00	\$ 148,710
\$5.01 to \$10.00	12.62%	18,649	\$ 596,768	\$ 35.00	\$ 652,715
\$10.01 to \$30.00	26.99%	39,893	\$ 1,276,576	\$ 35.00	\$ 1,396,255
Over \$30.00	52.04%	76,900	\$ 2,460,800	\$ 35.00	\$ 2,691,500
Total		147,784	\$4,729,088		\$ 4,913,460

Derek

Shane Swift v. BancorpSouth, Inc.

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Motion for Class Certification

Plaintiff's Exhibit No. 29

From: Janice Bowen
Sent: 12/22/2005 10:11:14 am
To: Jagers, Jeff
Cc:
Bcc:
Subject: RE: Suggestion

Jeff, if the correct info has been obtained for the stop payment, the item will stop the day it is rejected as a 'stop hit' (does not post to the customer acct). If a stop is placed on an item without a serial # (customer did not know it), the item will suspect, but post – we will have to reverse the posting and return the item. This happens with ACH items as well. janice

From: Jagers, Jeff [mailto:Jeff.Jagers@bxs.com]
Sent: Thursday, December 22, 2005 8:41 AM
To: Janice Bowen
Subject: FW: Suggestion

Please see below, I recall that we have discussed this but do not recall all the details.

Jeff

From: Mary Ann Briggs [mailto:maryann.briggs@bxs.com]
Sent: Tuesday, December 20, 2005 8:26 AM
To: Jagers, Jeff
Cc: Futch, Tracy
Subject: FW: Suggestion

Jeff,

This suggestion is a good one, and if you think it's feasible or worth researching, I'll submit the project request to ask for this. What do you think?

Thanks,

Mary Ann Briggs

Vice President &

Corporate Deposit Coordinator

(662) 494-4445

(662) 275-0375

Happy Holidays!

From: Futch, Tracy [mailto:Tracy.Futch@bxs.com]
Sent: Monday, December 19, 2005 9:31 PM
To: maryann.briggs@bxs.com
Subject: FW: Suggestion

Mary Ann,

Who should I send such suggestions??

Tracy L. Futch, VP

Regional Coordinator-Deposit Operations

TX/LA Region

Tracy,

I have a suggestion for a subject for your next Regional Meeting. Refunding NSF/OD charges is something that each branch tries not to do to help make budget. When a Stop Payment comes in it posts to the customer's account and then is reversed the next day. If anything comes in that night it could post to the account causing NSF/OD fees. I realize the branch gets the original credit for the fees but when

the fees are refunded it causes the branches percentage of retained fees to drop. Is there anyway in the upcoming year with the enhancements and upgrades to our system that this could be changed so that the Stop Payments reject the day they come in instead of posting to the account and being reversed?

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 30

Pam Armour

From: Randy Burchfield [randy.burchfield@bxs.com]
Sent: Wednesday, November 10, 2004 10:23 AM
To: 'Pam Armour'
Subject: FW: Recommendations to Pricing Committee

FYI...

Stay in touch with me on these changes as you move forward with this project. Can't miss our deadline!

Tks

RB

-----Original Message-----

From: Randy Burchfield [mailto:randy.burchfield@bxs.com]
Sent: Wednesday, November 10, 2004 10:16 AM
To: 'Aubrey Patterson'; Jim Kelley (Jim Kelley); 'mike.sappington@bxs.com'; 'Larry Bateman'; Clyde Hubbard (Clyde Hubbard); 'cathy.freeman@bxs.com'; 'tally.riddell@bxs.com'; 'greg.ray@bxs.com'; 'Gary Bonds'; 'Lee McAllister'; Derek Caswell (derek.caswell@bxs.com)
Subject: Recommendations to Pricing Committee

To: BXS Pricing Committee

Re: OD/NSF Fee Increase; Dormant Savings Account Charges; miscellaneous

Date: November 10, 2004

From: Randy Burchfield

In regard to the attached OD/NSF fee survey of BXS competitors, I recommend consideration be given to increasing BancorpSouth's OD/NSF fee system wide from \$29.00 to \$30.00 per item to be effective February 1, 2005. While certain markets still remain below \$30.00, we have seen the trend to banks increasing their fees, especially the larger banks to \$30.00 and above. As you can see from the fee projections, there will be significant service charge income associated with an increase. Notification to customers would be by a revised Account Information Disclosure included in customer dda statements beginning December 1, 2004 for all cycles through month end.

If possible, I need you to respond back to me ASAP, preferably by noon Friday, in order to make our printing deadline.

FYI, another pricing item planned to be addressed in this revised Account Information Disclosure is the notification of dormant charges on savings accounts. Senior management approved such charges earlier in the year (along with the current practice of charging dormant checking accounts), but mandated they not be made effective until February of 2005. In order to implement and communicate the charge, we must make the required notification during December to customers. See the attached Dormant Charge Schedule for Savings Accounts

Also FYI, another item that has been discussed is the possibility of providing image statements with our Free Checking product. In researching this issue, Derek's research (attached) indicates that only four of our major competitors currently provide images on their free checking product and two of these have been recently purchased by banks that do not provide images with their Free Checking products. The survey also points out the expense associated with providing images. At this point, we would recommend continuing our practice of truncation for this product with marketing monitoring the practice in order to remain competitive.

Funds management is currently reviewing competitive pricing on wire transfers to see if there needs to be any changes made to our pricing. If so, any changes would be made in the new Account Information Disclosure.

Let me know if you have any questions and/or need additional information and again, please respond back to me at your earliest convenience.

11/10/2004

Tks

RB

PS: Scheduling conflicts and pending deadlines dictated the need to address these pricing issues via email; my apologizes...

11/10/2004

BXS Swift H-007581

Checking:

Impose no inactive charges; only dormant charges in excess of 365 days

Accounts with no service charge opportunity (waived, free products)

Excludes Public Funds

\$800 minimum balance

\$8.50 monthly charge

Approximately 3 weeks notification to banks (1st Friday list/last Friday post)

Monthly statement generated

Activation June 1, 2004

- Establishes a minimum balance to \$800
- Lower the charge to \$8.50
- Extended notification time to banks
- Exclude Public Funds

Savings:

Impose no inactive charges; only dormant charges in excess of 730 days

Exclude Public Funds

\$100 minimum balance

\$8.50 monthly charge

Monthly statement on money market accounts

Special monthly statement on savings

Approximately 3 week notification period to banks

Disclose via Account Information Disclosure mailing in December '04

Activation February 1, 2005

- Allows savings customers 2 years of no activity prior to incurring dormant charge
- Lowers minimum on savings accounts to \$100, addressing low balance minor accounts
- Provides timely notification of charges via statement
- Provides approximately one year period prior to implementation with on-going 3 week notification to banks prior to any charges

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 31

From: Hubbard, Clyde
Sent: 06/03/2004 07:04:26 am
To: Jagers, Jeff; 'Larry Bateman (larry.bateman@bxs.com)'; Harrington, David; 'Michael Lindsey (michael.lindsey@bxs.com)'; 'Randy Burchfield (randy.burchfield@bxs.com)'
Cc:
Bcc:
Subject: FW: Alex Sheshunoff Overdraft Protection White Papers

These were on the ABA website

From: Kimberly Smith [mailto:Ksmith@aba.com]
Sent: Wednesday, June 02, 2004 10:00 AM
To: Hubbard, Clyde
Subject: Re: Alex Sheshunoff Overdraft Protection White Papers

Mr. Hubbard-

Thank you for requesting white papers on overdraft protection programs. Attached are the documents.

Please let me know if you would like information on ABA's endorsed program, Platinum Overdraft.

Let me know if there is anything else I can help you with.

Regards,

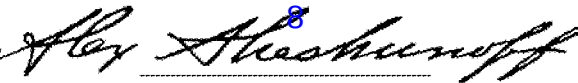
Kimberly Smith
American Bankers Association
World-Class Solutions, Leadership and Advocacy
PH: 202-663-7516
FX: 202-828-4533
ksmith@aba.com

We are sending you this e-mail primarily for your information, to meet your needs and further our valued relationship. If you prefer not to receive any further messages from us, just reply to this e-mail and let us know. Thanks.

American Bankers Association 1120 Conn. Ave NW Wash DC 20036

1 Attachment

Attachment: [..\email\JAGGERS012090^Overdraft Protection at Electronic Delivery Channels.pdf](#)
Attachment: [..\email\JAGGERS012091^Internal Programs v Outsourcing Whitepaper.pdf](#)


ALEX SHASHUNOFF MANAGEMENT SERVICES, L.L.P.

Overdraft Protection at Electronic Delivery Channels

June 2003

RECENT SCRUTINY

Both regulators and the media have lately given increased attention to the ways financial institutions extend overdraft protection services to customers via electronic delivery channels, such as ATMs and Points of Sale (POS). In one situation, a customer is challenging the legality of Wells Fargo Bank's overdraft protection service, alleging that it amounts to an unfair trade practice. This particular customer used his debit card one weekend for numerous, low monetary value POS transactions where he did not have sufficient funds in his account to cover the transactions. Wells Fargo Bank authorized these various transactions and charged him the applicable non-sufficient fund (NSF) fee per transaction. As a result, he incurred overdraft fees of over \$300, while his purchases only totaled \$70 to \$80.

Because more financial institutions are offering discretionary overdraft services to their customers, cases like the one against Wells Fargo seem to appear in the media with more regularity, bringing to light a very real problem. How can financial institutions best meet customer needs and offer discretionary overdraft services at popular customer delivery channels, like the ATM, POS, and online banking?

BEST PRACTICE RECOMMENDATIONS

Overdraft services are not new, but they are gaining more attention as some financial institutions now actively market them to customers or automatically extend them to various delivery channels. They now have the ability to authorize transactions at various delivery channels based upon the customer's checking account balance, plus the overdraft limit. While overdraft services benefit customers, helping them to avoid returned check fees and embarrassment, transactions at electronic delivery channels like the ATM, POS, or online banking seem "different" to customers than checks clearing during the nightly proof process. As a result, financial institutions should carefully examine how they notify customers using overdraft services at these channels, and also determine the plausibility of allowing customers to reject electronic transactions that put their accounts into an overdraft status.

ATM Transactions:

As a best practice, if overdraft services are extended to the ATM, and a transaction is requested that would put the account in an overdraft status, **the financial institution should notify the customer when the transaction is initiated** that the account will be overdrawn and the NSF fee will be assessed. Additionally, **the overdraft limit should not be included in the "available balance" presented to the customer**, either on the screen or on the receipt, **unless it clearly states that the balance includes the overdraft limit**. Including the overdraft limit in the available balance without notification could be misleading to a consumer.

The biggest challenge with this level of customer communication exists with foreign ATMs. Most financial institutions do not have control over messaging at foreign ATMs, even if they are successful in communicating the overdraft limits at their own ATMs. This situation should be seriously weighed as a financial institution considers extending overdraft services to this delivery channel.

However, the customer communication should not be limited just to the ATM system. Financial institutions should also notify customers in each NSF notice. In addition, if an "announcement letter" is used to first inform customers about the overdraft service, the details about utilizing it at ATMs should be clearly communicated here as well.

POS Transactions:

The POS channel brings a different set of challenges. It operates differently from the ATM since the financial institution has no opportunity to send a message and inform its customer at the POS terminal that the account is about to enter an overdraft status. Additionally, most consumers using their debit card at a merchant do not necessarily equate that particular transaction with immediately accessing their checking account, as with the ATM. **Because of this inability to proactively notify the customer prior to authorizing the transaction, the financial institution should carefully consider whether or not to make the overdraft limit available through the POS channel.**

In the event the financial institution determines that it will make the funds available through the POS channel, they should, at a minimum, notify their customers in the NSF notice and the announcement letter (if applicable). The statements should emphasize that POS transactions could cause an overdraft without notification at the terminal, and the applicable NSF fee will be assessed for each NSF transaction.

Some institutions are only able to provide one "balance" at *all* of their electronic delivery channels (i.e., they do not have the ability to determine which balance to pass by channel). If this is the case, the financial institution should carefully consider the customer impact when making the overdraft limit available in the balance passed to the electronic delivery channels.

Online Banking Transactions:

If a financial institution extends overdraft services to its online banking channel, **the best practice is to notify the customer when the transaction is initiated** that the account will be overdrawn and the NSF fee will be assessed. Additionally, **the overdraft limit should not be included in the available balance presented to the customer on the screen**, unless it clearly states that the balance includes the overdraft limit. Finally, the financial institution should notify its customers in its NSF notice communication and announcement letter (if applicable) that online banking transactions could cause an overdraft situation and the applicable NSF fee will be assessed for each transaction.

ADDITIONAL RISK MANAGEMENT

In addition to these best practice recommendations, a financial institution could implement a risk management tool to avoid abuse of the service at electronic delivery channels. This tool would report any accounts that exceed an established threshold level on number of NSF items presented at a particular delivery channel on a particular day. In doing this, the institution would know the customers that have utilized the overdraft service extensively on any given occasion and could take the opportunity to contact those customers. As a result, the institution would be proactively educating the customers and could offer to refund fees if customers did not understand the consequences of their actions. This approach would underline the financial institution's commitment to customer service with its overdraft protection program.

CONCLUSION

When balancing the risk of automating the payment of items into an overdraft situation, a conservative approach strongly suggests that a financial institution should make every attempt to inform its customers about what types of transactions will cause an overdraft and the applicable fees charged. Electronic delivery channels pose unique challenges to a financial institution when implementing this kind of service. Only clear, consistent communication with customers will eliminate the unknown and allow customers to make informed choices when utilizing the service at any channel available to them.



ALEX SHESHUNOFF MANAGEMENT

Do-It-Yourself Overdraft Protection?

January 2004

After studying all the articles, weighing the risks, and listening to the needs of consumers, many financial institutions have decided that implementing a formalized overdraft protection program is the right approach for them. So what's the next step? Interestingly enough, many have been following the trend in home improvement – do-it-yourself. While there are advantages to doing an overdraft protection implementation internally, this in-house project isn't as simple as painting a bathroom or redoing kitchen cabinets. Numerous important choices will need to be made during the implementation process, and making the wrong one on any of them can lead to consequences that are even tougher to live with than a bad paint color. In fact, financial institutions doing programs themselves quite often waste valuable time and hard dollars by trying to re-invent overdraft protection. By trying to re-create something that professional, experienced teams like Alex Sheshunoff Management Services have already proven and established, these organizations are simply leaving money on the table and adding unnecessary risk.

MAXIMIZING REVENUE

Financial institutions implementing overdraft protection programs themselves are often satisfied with the results of their programs – **until they realize they are only achieving 50% of their potential revenue.** Several factors typically cause internal overdraft protection programs to fall short of the results gained through a program like ASM's Platinum OverdraftSM. In using the ASM approach, your organization will not only maximize revenue, but also gain efficiency, decrease risk and improve service.

Communication

Most financial institutions believe that implementing a formalized overdraft protection program simply means paying more items. In fact, many assume that if they just turn on their core system's matrix pay module – voila! – they have completely implemented a successful overdraft protection program. While it is true that overdraft protection programs do in fact pay more items, the most effective ones also use sophisticated techniques to further enhance relationships, minimize risk, and maximize revenue.

One of the most important techniques is changing the way the financial institution communicates with customers and members. Through various channels, financial institutions can convey a clear message to consumers and educate them about their NSF decision-making process. This allows them to achieve the "Informed Consumer Effect," helping program participants to make an informed decision on how to utilize the overdraft protection service, should the need arise.

The best communication approach is to establish sound, response-oriented service policies for participants who present NSF items. Institutions with ASM's Platinum OverdraftSM program utilize personalized letters, phone calls, and email to educate consumers and enhance the consumer relationship. By using this technique, ASM clients who had been using a matrix pay system for quite some time saw *improvement of 50%* over using the matrix alone.

Segmentation

All consumers who present NSF items paid into overdraft present some risk, and evidence indicates that those who present the most NSF items also frequently present the most risk. **An excellent way to maximize the revenue while minimizing the risk from an overdraft protection program is to segment the customer or member base and develop strategies based on risk and relationship potential.** In ASM's segmentation approach, a collection strategy is defined within each of the segments, utilizing decision trees that trigger activities to improve the collection rate of funds needed to clear up the overdraft balances.

Most in-house programs do not have the level of sophistication needed for segmentation, and thus are prevented from creating the kind of meaningful, dynamic communication available in a program like Platinum OverdraftSM. If a program does not include segmentation, the institution is missing out on a prime opportunity to collect valuable information that can be used to analyze the customer or member base and further enhance relationships and revenue.

Time and Resources

In order to implement a quality in-house overdraft protection program, there is no question that a financial institution will need to invest substantial time and internal resources to make certain the program is effective, compliant, and successful. Additionally, if the institution plans to use internal technology resources to develop a software application that will provide program reporting or monitor participants for risk, the project resources and budget necessary become even more substantial.

While there are benefits to utilizing the internal resources that are most familiar with the financial institution's day-to-day operations, the time and resources spent may outweigh any other efficiencies gained. For instance, ASM's Platinum OverdraftSM software has already been tested, proven, and utilized successfully in financial institutions of all sizes throughout the country. It provides 13 key features that differentiate our product from others on the market. These features, which ensure excellent relationship management and regulatory compliance, include:

1. A detailed participant screen, record and history for contact management	8. Tracking cost of activities by participant
2. Scripts for easy training and targeted participant management	9. Ongoing import template flexibility built into the software
3. Ease of adding date/time stamped ad hoc notes to participant records	10. Automatic electronic reporting to Chex Systems
4. Tracking of every letter, phone call or activity with a participant	11. Comprehensive, simplistic setting up and tracking for special payment arrangements
5. Complete history on all overdrawn participants for analysis and data mining	12. Automatic tracking of new start loans, recoveries, charge-offs
6. Customization of letters without changing basic letter strategy	13. Automatic tracking of fees by type, and charge of fees and principal
7. Built-in ongoing strategy development tools	

In addition, ASM clients attest that our program pays for itself sooner by simply getting them up and running more quickly. **The average project plan for a Platinum OverdraftSM engagement is 90 days, while most in-house projects typically take 180 days or more.** Our expert teams have been assisting financial institutions with overdraft consulting for over 15 years, and it is this experience that allows us to complete the project in half the time it would take even the best, most talented members of a financial institution's staff.

MINIMIZING RISK

Financial institutions utilizing in-house overdraft protection programs are frequently at a disadvantage when managing the risk of the program. Because their programs lack the adequate tools and procedures to properly manage risk, they experience higher charge-off rates and potential regulatory criticism. In addition, the limited reporting capabilities of in-house programs make it more difficult to fulfill the requirements of regulators and address the needs of management.

Regulatory Considerations

If trying to implement an overdraft protection program in-house, dealing with all the risk and regulatory nuances can be a daunting task for a compliance officer. Currently, regulators have a specific set of concerns when reviewing overdraft protection programs. Some of the main issues are delineated in OCC Interpretive

Letter 914 (IL914), which points out deficiencies in a specific bank's overdraft protection program. Any financial institution implementing a formalized overdraft protection program, whether in-house or outsourced, should review IL914 and become familiar with its concerns. However, there are basic steps institutions can take to be proactive in addressing the issues expressed by the OCC. Some of these include:

- **Define the Process Specifically.** For years institutions have attempted to pay checks whenever they could, but in many there were no formal policies in place that directed how and when this was done. Defining the process specifically, in writing, will help to alleviate compliance concerns. Due to simple human nature, when paying or returning an overdraft using only personal discretion as a guide, disparate treatment may result. By applying consistent criteria across the board, the entire process should become fairer to all consumers.
- **Use Detailed Reporting and Tracking.** As part of the financial institution's formal, written process, use detailed reporting and tracking of accounts in the overdraft protection program. This will ensure that all levels of management remain apprised of the program and that potential abusers of the service can be spotted and removed from the program.
- **Use the Same Fee for Both Paying and Returning.** One of the "tests" offered in IL914 for determining if an overdraft fee is a finance charge as stated under Regulation Z is whether an NSF fee is the same regardless of whether a check is paid or returned. By charging the same fee in both instances, regulators will see that there is no discrepancy in the way overdrafts are viewed. As a result, their tendency to see this as a finance charge will be minimized.
- **Utilize Effective Risk Management Techniques.** By utilizing software to monitor participants, those who exhibit unusual or suspect behavior can be sent letters or contacted by phone, inviting them to consider other alternatives or lines of credit. If their behavior is unreasonable, the program should be capable of alerting management to remove these participants from the program. Be sure to review participants for behavior that would suggest removing them from the program. Also, utilize software that provides the tools and reports necessary for management to identify those who may abuse the service.

When developing our Platinum OverdraftSM software, ASM studied IL914 in depth and received a formal legal opinion on our program from Robert Clarke, former Comptroller of the Currency. Furthermore, as a consulting firm that has been a leader in the financial services industry for over 30 years, ASM prides itself on being up-to-the-minute on the latest regulatory updates. ASM also has an extensive Risk Management practice that supports hundreds of clients around the country and monitors our own internal products and services. While we recommend that all of our clients also become familiar with IL914 and other related regulatory documents, they can rest assured that our program was created and reviewed by experts with the highest industry expertise, whereas an institution implementing an in-house program would need to research ground that ASM experts have already covered.

Marketing

Rolling out a new, desirable product at a financial institution often results in a marketing blitz to make sure customers or members know about the latest offering available. Many financial institutions put up billboards, take out radio ads, and do regular monthly statement stuffers with all kinds of products, including overdraft protection programs. These are simply additional ways of communicating with your market to achieve the Informed Consumer Effect and in so doing increase the effectiveness of the program, right?

Not exactly. Yes, one method of communication is to market the service heavily. But as the OCC pointed out in Interpretive Letter 914 (IL914), this could have the appearance of the financial institution attempting to entice people to begin presenting NSFs, an activity that is at best "frowned upon" by consumer groups and at worst (as the OCC pointed out) could be considered a deceptive trade practice. Furthermore, studies have shown that most people do not present NSFs, nor do they want to – one estimates that nearly 60% of consumers have little or no interest in NSF services. Not to mention, there is the extensive cost of this type of marketing, which may not work. Because of this, aggressive marketing can potentially backfire, even though the intention may simply be to inform people of a helpful new service that is now available.

Informing consumers without over-stepping boundaries can be a difficult balancing act with overdraft protection programs. Even simple statements about the program can easily cross the line if the financial institution does not pay close attention to the wording. For example, in all written communication to consumers, be certain to stay away from statements that sound like commitments (i.e., “never incur a merchant charge again”). The IL914 points out that The Federal Trade Commission Act prohibits deceptive acts or practices, including representations or omissions that are likely to mislead reasonable consumers. Outside consulting expertise, such as that provided during an ASM Platinum OverdraftSM engagement, could vastly benefit an institution when shaping customer or member communications so that they explain the overdraft process clearly and directly. If the financial institution has not made it clear that the process to pay NSF items is completely discretionary, participants will become confused – or even angry – when their NSF items are returned instead of paid.

DOING IT RIGHT

Sometimes doing things right takes more time and effort than just getting things done, and this is never more true than when taking on a project like implementing an overdraft protection program. So much must be considered with overdraft protection, from the right kind of communication and marketing to appropriately addressing the regulatory issues. Above all, this is a project that warrants using the best, most knowledgeable resources available. You might believe those resources exist within your institution ... but they already have a full-time job, keeping your financial institution running smoothly day to day. If sufficient time and effort is taken away from their regular duties and given to developing an in-house overdraft protection program, they might be able to deliver a good program for your customers or members. But keep in mind what the ancient philosopher Plautus said: “‘He means well’ is useless unless he does well.” If the program falls short, regardless of your staff’s good intentions, the fallout for your institution can be unpleasant and potentially disastrous.

In contrast, ASM’s Platinum OverdraftSM program is a proven commodity. We are endorsed by several core vendors and are the only overdraft services vendor endorsed by the American Bankers Association. This is because our program gives you the right approach to effectively manage your overdraft activity, provide full tracking reporting mechanisms, and meet your institution’s needs. It delivers supportive communication, compliance tools and management reporting tools to help you offer even better service. With ASM’s Platinum OverdraftSM, you are assured of having a program that “does well” and pays for itself instead of a program that just gets the job done.

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 32

BANCORPSOUTH, INC.

CODE OF BUSINESS CONDUCT AND ETHICS

This Code of Business Conduct and Ethics sets out basic principles and standards of conduct to guide all employees, officers and directors of BancorpSouth, Inc. and its subsidiaries (the "Company"). All of our employees, officers and directors must conduct themselves in accordance with these principles and standards.

All claims of violations of this Code will be investigated by appropriate personnel or Company representatives. Those who violate the standards in this Code may be subject to disciplinary action, including dismissal. *If you are in a situation which you believe may violate or lead to a violation of this Code, you should consult your supervisor or manager or the Senior Vice President of Human Resources, which is W.O. Jones.*

1. Directors, Officers and Employees Should Act With Honest and Ethical Conduct.

The Company's directors, officers and employees should act ethically and in good faith, with honesty and integrity, when acting on behalf of the Company or in connection with the Company's business or operations.

2. Directors, Officers and Employees Must Comply with Laws, Rules and Regulations.

Obedying the law, both in letter and in spirit, is the foundation on which this Company's ethical standards are built. All employees, officers and directors must respect and obey the laws of the jurisdictions in which we operate. The Company has an Insider Trading Policy that addresses federal securities laws and trading in the Company's securities which you should review and which is available from the Company's Corporate Secretary, which is Cathy S. Freeman. Any employee, officer or director who is unsure about any aspect of these laws should seek advice from officers, supervisors, managers or other appropriate personnel.

3. Public Disclosure Should Be Full, Fair, Accurate, Timely and Understandable.

Employees, officers and directors who are involved in the preparation of reports and documents that the Company files with or submits to the Securities and Exchange Commission or that are otherwise public communications have a responsibility to promote full, fair, accurate, timely and understandable disclosure in such reports, documents and communications.

4. Directors, Officers and Employees Must Avoid Conflicts of Interest.

Directors, officers and employees must avoid conflicts of interest involving the Company or its business. A "conflict of interest" occurs when an individual's private interest interferes in any way, or even appears to interfere, with the interests of the Company as a whole. A conflict situation can arise when an employee, officer or director takes actions or has interests that may make it difficult to perform his or her work for the Company objectively and effectively. Conflicts of interest also arise when an employee, officer or director, or a member of his or her family, receives improper personal benefits as a result of his or her position in or with the Company. Loans to, or guarantees of obligations of, such persons are of special concern, and

must comply with all laws. Any employee, officer or director who becomes aware of a conflict or potential conflict of interest or any material transaction or relationship that reasonably could be expected to give rise to a conflict of interest should bring it to the attention of the Senior Vice President of Human Resources. Conflicts of interest may not always be clear, so if you have a question, you should consult with the Senior Vice President of Human Resources of the Company or other personnel or legal counsel designated by the Company from time to time.

5. Confidentiality of Company Information Must Be Maintained.

Employees, officers and directors of the Company must maintain the confidentiality of information entrusted or made available to them by the Company or its customers, except when disclosure is authorized by the Company or legally mandated, and must not use that information for personal advantage. Confidential information includes all financial and other non-public information and other records and that, if disclosed, might be of use to competitors, or harmful to the Company or its customers.

6. Directors, Officers and Employees Are Prohibited From Taking the Company's Corporate Opportunities.

Employees, officers and directors are prohibited from (a) taking for themselves personally opportunities that are discovered through the use of the Company's property, information or position, without the consent of a majority of the "qualified directors," as defined in Section 79-4-8.62 of the Mississippi Business Corporation Act or any successor provision, (b) using the Company's property, information or position for improper personal gain, or (c) competing with the Company directly or indirectly. Employees, officers and directors owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

7. Fair Dealing In All Activities Is Expected.

Each employee, officer and director should endeavor to deal fairly with the Company's customers, suppliers, competitors and employees. An employee, officer or director should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other intentional unfair-dealing practice in connection with the Company's business.

8. Directors, Officers and Employees Should Protect and Properly Use the Company's Assets.

All employees, officers and directors should protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability. All Company assets should be used for legitimate business purposes. Company equipment should not be used for non-Company business, but incidental personal use may be permitted.

9. Waivers of this Code Must Be Approved and Disclosed.

Any waiver of this Code for executive officers or directors of the Company may be made only by the Nominating and Corporate Governance Committee of the Board of Directors and will be promptly disclosed as required by law or New York Stock Exchange rules.

10. Directors, Officers and Employees Are Encouraged to Report Illegal or Unethical Behavior or Violations of this Code.

We must all work to ensure prompt and consistent action against violations of this Code. Employees are encouraged to contact the Senior Vice President of Human Resources or to talk to supervisors, managers or other appropriate personnel about observed illegal or unethical behavior or violations of this Code and when in doubt about the best course of action in a particular situation. Any claim of a possible violation may be made anonymously if the claimant so desires, and all claimants shall be provided confidentiality to the extent practicable in the handling of the potential violation. The Company will not permit retaliation of any kind against employees for reports made in good faith about observed illegal and unethical behavior or violations of this Code. Employees, officers and directors are expected to cooperate in internal investigations of misconduct.

11. The Senior Vice President of Human Resources Will Administer this Code.

This Code shall be administered by the Company's Senior Vice President of Human Resources, who shall act as the Corporate Compliance Officer of the Company. Company employees are encouraged to seek guidance regarding the application or interpretation of this Code from the Senior Vice President of Human Resources and are expected to cooperate fully in any investigation of any potential violation of this Code.

Recommended by the Executive Committee on January 22, 2003 and adopted by the Board of Directors on January 22, 2003.

Amended and approved by the Board of Directors of the Company on January 28, 2004.

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 33

From: Bowen, Janice
Sent: 11/13/2006 12:06:08 pm
To: Jagers, Jeff
Cc:
Bcc:
Subject: FW: OD Matrix

Jeff, this is the response I had for Lois Ann last week on the email you received from her. I do not think she understands how the matrix works and it looks to me looking at the examples she gave, the dollar amount for the smaller ave ytd coll bal amounts is in line with the one with the larger ave ytd coll balance. That is the reason I told her to go thru the Help Desk - Kathy Sellers could enlighten her more on the matrix. janice

From: Bowen, Janice
Sent: Thursday, November 09, 2006 8:14 AM
To: Jackson, Lois
Subject: RE: OD Matrix

Hi, Lois Ann! I would suggest you turn this is as a problem with the Help Desk if you think the Matrix is not working correctly. I do not know anything about any changes to the Matrix - I do know that with each statement cycle, the OD limit can change - it is recalculated based on certain factors. Sorry, I cannot help you this time. Have a great day, Lois Ann! janice

From: Jackson, Lois
Sent: Wednesday, November 08, 2006 4:29 PM
To: Bowen, Janice
Subject: OD Matrix

Ms. Janice....

Need a little ""help"" sure appreciate any words of wisdom you can give me! It has been a beautiful day in Arkansas!!

Lois Ann

Question:

Looks like the Matrix has been RELOADED again. That happens periodically.

Response:

Comments:

In looking at NSFs and OD reports today the thing that jumps out is some of the customers have overdraft limits that far exceed their Avg. YTD collected balances.

Examples:

Avg. YTD Coll. Bal. OD Limit

327 1500

58 350

67 350

70 350

Explain???? ---

When these limits are applied along with charges, we end up with a charge off, in some cases, that are substantially more than we would agree to if possible.

???? How should I respond???

How often are the changes to the Matrix made?

Are these regular changes to the Matrix necessary?

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 34

From: Jeff Jagers

Sent: 03/25/2004 04:46:02 pm

To: Larry Bateman ; Clyde Hubbard ; Phil White ; 'kathi.carter@bxs.com'; 'Lee McAllister'; 'Michael Lindsey'; 'Randy Burchfield'; Dennis Hubbard ; 'Marty.rowe@bxs.com'

Cc:

Bcc:

Subject: Payment Strategy Group

Reminder, our next Payment Strategy Group meeting is March 30th at 9:30am. The meeting will be held in Building A, Conf Room 1. Topics for the agenda include:

1. Cash Mgmt Sales 2003 Review: Phil will provide an overview of 2003 Sales results.
2. NSF/OD lawsuit in California: Clyde will provide an overview of the recent judgment against Bank Of America regarding NSF/OD fees
3. NSF/OD fees: Marketing will lead a discussion on the potential for tiered NSF/OD fees(2003 Gross NSF/OD fees topped \$54 million)
4. Overdraft Matrix: Discuss the recent changes to overdraft matrix. Discuss the possibility of disclosing OD limit to customers.
5. VISA/MC negotiations: Michael will provide an update.

The focus of the Group will be to address the issues of profitability, customer behavior, market direction, new technologies, legislative and regulatory anticipated changes, e-commerce, internet, truncation and fraud facing the payment sectors of BancorpSouth.

Please suggest other topics to be included in our meetings,

Thanks

Jeff

Shane Swift v. BancorpSouth, Inc.

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Motion for Class Certification

Plaintiff's Exhibit No. 35

From: Jeff Jagers

Sent: 03/29/2004 03:20:14 pm

To: Larry Bateman ; Clyde Hubbard ; Lee McAllister ; 'Randy Burchfield'

Cc:

Bcc:

Subject: Non-interest Income

Just a reminder, EPG will be here on Monday, April 5th at 1:30pm. We will be meeting in Conf Rm 1 in Building A.

Topics for the meeting include:

Disclosing the OD limit to customers – revenue opportunity, compliance issues, managing the overdrawn account

Customer Experience Improvement – EPG has engaged with several clients to assist with ‘Customer Experience Improvement’ efforts. The effort improves customer retention, decreases expense and improves revenue.

Jeff

Shane Swift v. BancorpSouth, Inc.

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Plaintiff's Exhibit No. 36

From: Larry Bateman
Sent: 09/20/2005 08:14:19 am
To: Hubbard, Clyde; Jagers, Jeff
Cc:
Bcc:
Subject: FW: questions

-----Original Message-----

From: Lewis, Gordon R. [mailto:Gordon.Lewis@bxs.com]
Sent: Monday, September 19, 2005 5:48 PM
To: Larry Bateman (Larry Bateman)
Cc: byrd.williams@bxs.com
Subject: questions

BATEMAN

OUR GOAL IS TO TAKE CARE OF CUSTOMERS AS QUICKLY AND EFFICIENTLY AS POSSIBLE. OFTEN WE ARE UNABLE TO GIVE THE WORLD CLASS SERVICE OUR CUSTOMERS NEED AND EXPECT BECAUSE WE CAN'T GET ANSWERS FROM CORPORATE DEPARTMENTS. CAN WE INSTITUTE A CODE OF CONDUCT UNDER WHICH CORPORATE DEPARTMENTS WOULD COMMIT TO RESPONDING TO QUESTION FROM THE BANKS WITHIN A VERY SHORT TIME?

HOW WILL SMALL BANKS CONTINUE TO KEEP UP WITH THE HIGH COST OF TECHNOLOGICAL CHANGES, AND WHAT CAN WE DO TO TURN UP THE HEAT ON THESE INSTITUTIONS TO IMPROVE OUR COMPETITIVE POSITION?

WHAT CHANGES IN OUR OPERATIONS SHOULD WE EXPECT OVER THE NEXT 5 YEARS? SYSTEMS AND ORGANIZATION?

WHAT WILL BE THE IMPACT OF CHECK 21 ON OUR BANK AND CUSTOMERS IN 2006 AND BEYOND?

PLEASE EXPLAIN THE RATIONALE BEHIND OUR POLICY OF POSTING LARGEST ITEMS FIRST. WHAT CAN BE DONE TO PROTECT OUR BANK FROM LOSS AND OUR TELLERS FROM CRITICISM IN SITUATIONS WHERE TRANSIT ITEMS COME THROUGH AND PAY AHEAD OF ITEMS WE HANDLED PROPERLY DURING OPERATING HOURS?

Gordon Lewis
Regional President/Texas & Louisiana
BancorpSouth
2400 North
Nacogdoches, TX 75961
(936)552-3200

Shane Swift v. BancorpSouth, Inc.

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Plaintiff's Exhibit No. 37

From: Clyde Hubbard
Sent: 03/17/2004 07:37:34 am
To: Randy Burchfield; Rick Caldwell; 'mike hueckel (E-mail)'; 'Andy Newman (E-mail)'; 'David Harrington (E-mail)'; 'Jeff Jagers (E-mail)'; 'Lee McAllister (E-mail)'; 'Michael Lindsey (E-mail)'
Cc: Larry Bateman
Bcc:
Subject: FW: Enhancement to OD Score

The Enhancement for the Age of Account category was approved in Senior Staff on Tuesday. Please proceed with the implementation and provide me an approximate effective date.

-----Original Message-----

From: Jeff Jagers [mailto:jeff.jagers@bxs.com]
Sent: Monday, March 08, 2004 9:24 AM
To: Clyde Hubbard
Subject: Enhancement to OD Score

Clyde,

In follow-up to our discussions regarding the enhancement of the OD Matrix Score, the attached document reflects the details of the recommendation. The recommendation is to change only the Age of Account category of the score. The 90 day average balance and the Number of times NSF categories will not change. Also, the maximum OD limit possible on retail accounts will continue to be \$1,050.

The maximum OD limit possible on small business accounts will continue to be \$4,200.

The recommended changes could be implemented within a couple of weeks of approval.

Jeff

Attachment: ..email\JAGGERS012024^EPG Rec Enhance the OD Matrix.doc

Recommendation to Enhance the Overdraft Matrix

The current matrix has been in production since March 2002. The matrix is utilized to automate much of the overdraft management process. Based on the automation results of the original project the following enhancement is recommended for consideration:

Modify the Age of Account Score

Current Table

Score	Age in Days
-500	<31
-100	>31 and <=121
-50	>121 and <=212
0	>212 and <=303
50	>303 and <=396
100	>396 and <=761
150	>761 and <=1126
200	>1126 and <=1491
250	>1491 and <=1856
300	>1856 and <=2221
350	>2221 and <=2586
400	>2586 and <=2951
450	>2951 and <=3316
500	>3316

New Table

Score	Age in Days
-500	<90
100	>90 and <=180
150	>180 and <=270
200	>270 and <=360
250	>360 and <=450
300	>450 and <=2189
350	>2190 and <=2554
400	>2554 and <=2919
450	>2919 and <=3284
500	>3284

The recommended change will provide greater consistency in managing the Overdraft process across more accounts.

Shane Swift v. BancorpSouth, Inc.

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Motion for Class Certification

Plaintiff's Exhibit No. 38

From: Kathy Sellers
Sent: 07/08/2005 09:26:09 am
To: Jagers, Jeff
Cc: Kathie Scott
Bcc:
Subject: OD Matrix

Attached is a copy of the OD Matrix that is used today. Kathie is verifying it is correct now, so updates may be sent later.

Thanks

Kathy Sellers

OD Matrix

Exclusions:

Accounts not in normal status
 Accounts that go to account analysis Service Charge Types: O, Q, X, Y, or V
 Accounts with system types of:
 3* Public Funds
 4* Due to Banks
 5* Employees
 6* Trust
 7* Bank – Official Items
 Accounts with Charge Card = 1
 Accounts with Loan Trailer
 Accounts with OD Limits over OD Matrix Limits or OD Limit = 0
 Accounts with Locator Number (Bankruptcy Accounts)
 Accounts with product type of 025 – Checkless Checking
 Accounts in branches 161 or 162 and open date before 02/24/05

Accounts with product type 051 or 071 or system type 01* will use the Commercial Matrix, else the accounts go through the Retail Matrix

Overdraft Parameter Matrix (Retail)

Matrix Score	Age in Days	90 Day Average Balance	12 Month Times NSF
-500	<90		
-100		<=\$100	
-50		>-\$100 and <=\$50	>=10
-25			>=5 and <10
0		>-\$50 and <=\$100	>=3 and <5
50		>\$100 and <=\$250	>=0 and <3
100	>90 and <=180	>\$250 and <+\$1000	
150	>180 and <=270	>\$1000 and <\$1500	
200	>270 and <=360	>\$1500 and <\$2000	
250	>360 and <=450	>\$2000 and <\$2500	
300	>450 and <=2189	>\$2500 and <\$3000	
350	>2190 and <=2554	>\$3000 and <\$3500	
400	>2554 and <=2919	>\$3500 and <\$4000	
450	>2919 and <=3284	>\$4000 and <\$4500	
500	>3284	>\$4500	

Overdraft Parameter Matrix (Business, Non-Analyzed)

Matrix Score	Age in Days	90 Day Average Balance	12 Month Times NSF
-2000	<90		
-1000		<=-\$100	
-500		>-\$100 and <=-\$50	>=10
-100			>=5 and <10
0		>-\$50 and <=\$100	>=3 and <5
100		>\$100 and <=\$250	>=0 and <3
200		>\$250 and <+\$1000	
400	>90 and <=180	>\$1000 and <\$1500	
600	>180 and <=270	>\$1500 and <\$2000	
800	>270 and <=360	>\$2000 and <\$2500	
1000	>360 and <=450	>\$2500 and <\$3000	
1200	>450 and <=2189		
1400	>2189 and <=2554	>\$3000 and <\$3500	
1600	>2554 and <=2919	>\$3500 and <\$4000	
1800	>2919 and <=3284	>\$4000 and <\$4500	
2000	>3284	>\$4500	

Shane Swift v. BancorpSouth, Inc.

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Motion for Class Certification

Plaintiff's Exhibit No. 39

From: Mike Addy
Sent: 10/31/2005 03:40:54 pm
To: Jagers, Jeff
Cc: Fadl El-Laoune
Bcc:
Subject: EPG Questions

Thanks, Jeff, for this info and the # of accounts data.

Did you receive the 2 page fax I sent today, containing the US Bank Funds Availability language we had discussed?

Please clarify something for me on your current OD Matrix scoring (attached, from Kathy). In 2003 EPG recommended several additional 'scoring' factors including 'days OD', 'days since deposit', 'times OD 12 months' and '# NSF current cycle'. These do not appear on Kathy's document. Did the bank decide not to implement the additional factors?

The only followup items at this point are:

- Arrival times and approximate volumes of inclearings items.
- Questions on ATM/POS NSF declines and volumes, which I emailed to Keith last Friday.

Yours,
Mike Addy
EPG
612-399-0730

-----Original Message-----

From: Jagers, Jeff [mailto:Jeff.Jagers@bxs.com]
Sent: Friday, October 28, 2005 2:41 PM
To: Mike Addy
Subject: FW: EPG Questions

Mike,
FYI, Kathy confirmed that all pin based transactions are held thru batch posting, this is both ATM and debit card. Also, the OD/NSF fees post before customer generated transactions such as checks, ach, atm, debit card etc. Kathy is getting the account stats together this afternoon.

Let us know if you have any questions,

Thanks

Jeff

From: Kathy Sellers [mailto:kathy.sellers@bxs.com]
Sent: Friday, October 28, 2005 2:08 PM
To: Jagers, Jeff
Cc: Locke, James ""Jim"" H.; Cox, Diane

Subject: EPG Questions

ATM after hours holds are held through batch.

OD/NSF fee posting priority is the same as all fees 33. All customer requested debit transactions have a priority of 50.

If an account has overdraft protection from a ST or IM, it will go through the OD Matrix.

Attached is a OD Matrix overview that I had typed up previously.

Let me know if you have any more questions.

Thanks

Kathy Sellers

Attachment: ..\email\JAGGERS012371^OD Matrix.doc

OD Matrix

Exclusions:

Accounts not in normal status
 Accounts that go to account analysis Service Charge Types: O, Q, X, Y, or V
 Accounts with system types of:
 3* Public Funds
 4* Due to Banks
 5* Employees
 6* Trust
 7* Bank – Official Items
 Accounts with Charge Card = 1
 Accounts with Loan Trailer
 Accounts with OD Limits over OD Matrix Limits or OD Limit = 0
 Accounts with Locator Number (Bankruptcy Accounts)
 Accounts with product type of 025 – Checkless Checking
 Accounts in branches 161 or 162 and open date before 02/24/05

Accounts with product type 051 or 071 or system type 01* will use the Commercial Matrix, else the accounts go through the Retail Matrix

Overdraft Parameter Matrix (Retail)

Matrix Score	Age in Days	90 Day Average Balance	12 Month Times NSF
-500	<90		
-100		<=\$100	
-50		>-\$100 and <=\$50	>=10
-25			>=5 and <10
0		>-\$50 and <=\$100	>=3 and <5
50		>\$100 and <=\$250	>=0 and <3
100	>90 and <=180	>\$250 and <+\$1000	
150	>180 and <=270	>\$1000 and <\$1500	
200	>270 and <=360	>\$1500 and <\$2000	
250	>360 and <=450	>\$2000 and <\$2500	
300	>450 and <=2189	>\$2500 and <\$3000	
350	>2190 and <=2554	>\$3000 and <\$3500	
400	>2554 and <=2919	>\$3500 and <\$4000	
450	>2919 and <=3284	>\$4000 and <\$4500	
500	>3284	>\$4500	

Overdraft Parameter Matrix (Business, Non-Analyzed)

Matrix Score	Age in Days	90 Day Average Balance	12 Month Times NSF
-2000	<90		
-1000		<= -\$100	
-500		> -\$100 and <= -\$50	>= 10
-100			>= 5 and < 10
0		> -\$50 and <= \$100	>= 3 and < 5
100		> \$100 and <= \$250	>= 0 and < 3
200		> \$250 and <+ \$1000	
400	>90 and <= 180	> \$1000 and < \$1500	
600	> 180 and <= 270	> \$1500 and < \$2000	
800	> 270 and <= 360	> \$2000 and < \$2500	
1000	> 360 and <= 450	> \$2500 and < \$3000	
1200	> 450 and <= 2189		
1400	> 2189 and <= 2554	> \$3000 and < \$3500	
1600	> 2554 and <= 2919	> \$3500 and < \$4000	
1800	> 2919 and <= 3284	> \$4000 and < \$4500	
2000	> 3284	> \$4500	

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 40

From: Kathy Sellers
Sent: 05/22/2006 08:22:08 am
To: Jagers, Jeff
Cc:
Bcc:
Subject: RE: OD Matrix

This is what I have. I changed it to say for the first 90-120 days after a bank conversion, the converted accounts are omitted instead of trying to list all the branches excluded right now.

Thanks

Kathy

-----Original Message-----

From: Jagers, Jeff [mailto:Jeff.Jagers@bxs.com]
Sent: Friday, May 19, 2006 3:39 PM
To: Kathy Sellers
Subject: FW: OD Matrix

Kathy,
Do we have something we can print(description/list from program) that shows the current OD matrix values and how the OD limit is set for the customer?

Thanks

Jef

-----Original Message-----

From: Mark Collum [mailto:Mark.Collum@bxs.com]
Sent: Friday, May 19, 2006 3:00 PM
To: Jagers, Jeff
Subject: OD Matrix

Jeff

Please forward the current OD matrix to me when you get time.

Thanks

Mark Collum
Audit

OD Matrix

Exclusions:

Accounts not in normal status
 Accounts that go to account analysis Service Charge Types: O, Q, X, Y, or V
 Accounts with system types of:
 3* Public Funds
 4* Due to Banks
 5* Employees
 6* Trust
 7* Bank – Official Items
 Accounts with Charge Card = 1
 Accounts with Loan Trailer
 Accounts with OD Limits over OD Matrix Limits or OD Limit = 0
 Accounts with Locator Number (Bankruptcy Accounts)
 Accounts with product type of 025 – Checkless Checking
 Accounts coming across from bank conversion for first 90-120 days

Accounts with product type 051 or 071 or system type 01* will use the Commercial Matrix, else the accounts go through the Retail Matrix

Overdraft Parameter Matrix (Retail)

Matrix Score	Age in Days	90 Day Average Balance	12 Month Times NSF
-500	<90		
-100		<=\$100	
-50		>-\$100 and <=\$50	>=10
-25			>=5 and <10
0		>-\$50 and <=\$100	>=3 and <5
50		>\$100 and <=\$250	>=0 and <3
100	>90 and <=180	>\$250 and <+\$1000	
150	>180 and <=270	>\$1000 and <\$1500	
200	>270 and <=360	>\$1500 and <\$2000	
250	>360 and <=450	>\$2000 and <\$2500	
300	>450 and <=2189	>\$2500 and <\$3000	
350	>2190 and <=2554	>\$3000 and <\$3500	
400	>2554 and <=2919	>\$3500 and <\$4000	
450	>2919 and <=3284	>\$4000 and <\$4500	
500	>3284	>\$4500	

Overdraft Parameter Matrix (Business, Non-Analyzed)

Matrix Score	Age in Days	90 Day Average Balance	12 Month Times NSF
-2000	<90		
-1000		<=-\$100	
-500		>-\$100 and <=-\$50	>=10
-100			>=5 and <10
0		>-\$50 and <=\$100	>=3 and <5
100		>\$100 and <=\$250	>=0 and <3
200		>\$250 and <+\$1000	
400	>90 and <=180	>\$1000 and <\$1500	
600	>180 and <=270	>\$1500 and <\$2000	
800	>270 and <=360	>\$2000 and <\$2500	
1000	>360 and <=450	>\$2500 and <\$3000	
1200	>450 and <=2189		
1400	>2189 and <=2554	>\$3000 and <\$3500	
1600	>2554 and <=2919	>\$3500 and <\$4000	
1800	>2919 and <=3284	>\$4000 and <\$4500	
2000	>3284	>\$4500	

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 41

From: Locke, James ""Jim"" H.
Sent: 01/19/2007 10:10:14 am
To: Jagers, Jeff
Cc:
Bcc:
Subject: FW: OD Matrix

Jeff,

I talked to Kathy Sellers about the OD exclusion list that Ketra wanted. She said the customers on the exclusion list change so much that if she ran a report that it would change daily. She mentioned the attached document that shows how they exclude the customers. Should I just explain this to Ketra and send the attached document?

Thanks,

Jim

From: Sellers, Kathy
Sent: Friday, January 19, 2007 9:04 AM
To: Locke, James ""Jim"" H.
Subject: OD Matrix

OD Matrix

Exclusions:

Accounts not in normal status
 Accounts that go to account analysis Service Charge Types: O, Q, X, Y, or V
 Accounts with system types of:
 3* Public Funds
 4* Due to Banks
 5* Employees
 6* Trust
 7* Bank – Official Items
 Accounts with Charge Card = 1
 Accounts with Loan Trailer
 Accounts with OD Limits over OD Matrix Limits or OD Limit = 0
 Accounts with Locator Number (Bankruptcy Accounts)
 Accounts with product type of 025 – Checkless Checking
 Accounts with product type of 300 – Health Savings Accounts
 Accounts coming across from bank conversion for first 90-120 days

Accounts with product type 051 or 071 or system type 01* will use the Commercial Matrix, else the accounts go through the Retail Matrix

Overdraft Parameter Matrix (Retail)

Matrix Score	Age in Days	90 Day Average Balance	12 Month Times NSF
-500	<90		
-100		<= -\$100	
-50		> -&100 and <= -\$50	>=10
-25			>=5 and <10
0		> -\$50 and <= \$100	>=3 and <5
50		> \$100 and <= \$250	>=0 and <3
100	>90 and <=180	> \$250 and <+ \$1000	
150	>180 and <=270	> \$1000 and < \$1500	
200	>270 and <=360	> \$1500 and < \$2000	
250	>360 and <=450	> \$2000 and < \$2500	
300	>450 and <=2189	> \$2500 and < \$3000	
350	>2190 and <=2554	> \$3000 and < \$3500	
400	>2554 and <=2919	> \$3500 and < \$4000	
450	>2919 and <=3284	> \$4000 and < \$4500	
500	>3284	> \$4500	

Overdraft Parameter Matrix (Business, Non-Analyzed)

Matrix Score	Age in Days	90 Day Average Balance	12 Month Times NSF
-2000	<90		
-1000		<=-\$100	
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-100			>=5 and <10
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1600	>2554 and <=2919	>\$3500 and <\$4000	
1800	>2919 and <=3284	>\$4000 and <\$4500	
2000	>3284	>\$4500	

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 42

From: Sellers, Kathy
Sent: 04/28/2008 08:48:10 am
To: Jagers, Jeff
Cc:
Bcc:
Subject: OD Matrix

There have been a couple of product types added to exclusions. Attached is a revised OD Matrix

Thanks

Kathy

OD Matrix

Exclusions:

Accounts not in normal status
 Accounts that go to account analysis Service Charge Types: O, Q, X, Y, or V
 Accounts with system types of:
 3* Public Funds
 4* Due to Banks
 5* Employees
 6* Trust
 7* Bank – Official Items
 Accounts with Charge Card = 1
 Accounts with Loan Trailer
 Accounts with OD Limits over OD Matrix Limits or OD Limit = 0
 Accounts with Locator Number (Bankruptcy Accounts)
 Accounts with product type of 025 – Checkless Checking
 Accounts with product type of 015 - Second Chance Checking
 Accounts with product type of 300 – Health Savings Accounts
 Accounts coming across from bank conversion for first 90-120 days

Accounts with product type 051 or 071 or system type 01* will use the Commercial Matrix, else the accounts go through the Retail Matrix

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100	>90 and <=180	> \$250 and <+ \$1000	
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200	>270 and <=360	> \$1500 and < \$2000	
250	>360 and <=450	> \$2000 and < \$2500	
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350	>2190 and <=2554	> \$3000 and < \$3500	
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-500		>-\$100 and <=\$50	>=10
-100			>=5 and <10
0		>-\$50 and <=\$100	>=3 and <5
100		>\$100 and <=\$250	>=0 and <3
200		>\$250 and <+\$1000	
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800	>270 and <=360	>\$2000 and <\$2500	
1000	>360 and <=450	>\$2500 and <\$3000	
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2000	>3284	>\$4500	

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 43

BancorpSouth

DEPOSIT OPERATIONS

EXCEPTION ITEM PROCESSING

Exception Item Processing

An "exception item" is any debit or credit transaction that cannot post to its designated account for the following reasons: NSF, Stop Pay, Account Closed, Unknown, and Post No Debits. Exception items appear on the NSF and Uncollected Funds Journal and the Non NSF/OD Posting Reject Journal with the appropriate reason stated. There are certain procedures that need to be followed when dealing with an "exception item".

Exception Item Procedures

- The IMNS screen on the Exception Item Processing System (on-line pay or return system) should be reviewed by officers in each bank location.
- The NON NSF/OD Posting Reject Journal will contain all items that rejected for reasons other than NSF (credits also). A representative in the Central Exceptions Department will be in contact with each branch daily to discuss this report. Items on this report will be cleared by the Central Exceptions Department.
- An automatic overdraft code should be established, at the branch level, for high volume accounts and repetitive payment accounts.
- Any reversals of NSF charges must be processed at the branch level.
- Four reports will be available on TREEV after each day's processing. Report names and descriptions follow:
 - **Exception Item Processing OD** - consists of overdrawn accounts and accounts which had a disposition code of 1 on the IMNS screen
 - **Exception Item Processing NS** - consists of only returned accounts which had a disposition code of 2 on the IMNS screen.
 - **Exception Item Processing NP** - consists of accounts with overdraft protection which were returned by the Credit Card Center.
 - **Exception Item Processing OP** - consists of accounts with overdraft protection which were paid by the Credit Card Center

IMPACS

BancorpSouth

DEPOSIT OPERATIONS

EXCEPTION ITEM PROCESSING

Exception Item Supervisor Responsibilities (At Branch Level)

Manager should review and initial the following reports:

- IMPACS Drawing Against Bank Unavailable/Holds - IM41N9
- IMPACS Posting Reject Journal - IM41N1
- IMPACS Overdraft Report - IM41N7

Customer Relations

Customers needing assistance should never be directly referred to the Central Exceptions Department. These customers' requests need to be channeled through the Customer Service Center.

Overview

The Exception Processing Subsystem handles processing of unposted NSF items and posted overdraft items. The subsystem creates an on-line Exception Items File, which contains all monetary transactions that have posted into the overdraft and those that have drawn against unavailable funds. Decisions to pay or return exception items are made on-line. The subsystem can then process the item according to the on-line decision.

Terms Defined

- NSF - An unposted item. The decision to pay the item may cause an overdraft condition.
- OD - A posted item. These items cannot be reversed through the system.
(Reversals are handled through the Exception Departments)
- NP - An unposted item that is set up with overdraft protection through MasterCard, PersonaLine etc. (Pay/Return decisions are made by the Credit Card Center then, through IMNS/NP, these decisions may be viewed and reversed, if needed.)
- OP - A posted item that is set up with overdraft protection through MasterCard, PersonaLine etc. (Pay/Return decisions are made by the Credit Card Center then, through IMNS/NP, these decisions may be viewed but not reversed.)

Note: These items are displayed on-line by responsibility center number.

IMPACS

BancorpSouth

DEPOSIT OPERATIONS

EXCEPTION ITEM PROCESSING

Special Information:

- The decision to pay/return NSF items is made by each Community Bank.
- The decision to reverse OD items is made by each Community Bank.
- The decision to pay/return NP items is made by the Credit Card Center by 9:30 each day. After this decision has been made, each bank will have the capability to inquire on their decisions and reverse the decline decision, if necessary.
- The decision to pay/return OP items is made by the Credit Card Center by 9:30 each day.
- The cutoff time is 10:00. All decisions must be made by this time.
- After decisions are made and processed, the system will produce NSF notices for the NSF items that were returned and for the NP items that were declined. NO BOUNCE notices will be generated for the NP items that were paid by the Credit Card Center. OD Notices will be generated for the OD items (includes NSF items that were paid into the OD).

IMPACS

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 44

From: Mike Sappington
Sent: 06/08/2005 11:01:51 am
To: Jagers, Jeff
Cc: Aubrey Patterson (Aubrey.Patterson@bxs.com); Larry Bateman (larry.bateman@bxs.com)
Bcc:
Subject: FW: MAY NSF/OD INCOME

Jeff

Please give me a chart on refunds and charge off by region and bank. Byrd thinks 95% would be a stretch goal without Chargeoffs. What do you think? He argues that the matrix makes the decision to pay therefore the controllable part is the refunds.

Mike

>
>-----
>From: Williams, Byrd
>Sent: Wednesday, June 08, 2005 10:34 AM
>To: Mike Sappington
>Subject: MAY NSF/OD INCOME
>
>
>
>Byrd Williams
>Alabama Region President
>BancorpSouth
>2211 Highland Avenue South
>Birmingham, AL 35205
>Telephone: 205-939-4223
>Mobile: 205-305-4701
>Fax: 205-939-4421
>Email: byrd.williams@bxs.com
>

Attachment: ..\\email\\JAGGERS012305^MAY NSF-OD INCOME.doc

Charge Off accounts should not count toward "LOST FEES". NSF's in this context are not a management decision for waiver but a result of established charge off policy. Additionally, entries made to this account are based on a percentage that is accurate at the corporate level but not necessarily at the Division or Region level. Lastly, entries made for charge off are not likely to be reflective of the true month NSF fees were assessed and reported as income. Because of the account being in OD status for 35 consecutive days prior to charge off, it is likely that a number of the NSF charges were recorded in the prior month's income.

Below is a brief summary to compare Alabama Divisions. If you exclude the Charge Offs you find that Alabama is at a true "refund" rate of 5.3%. BXS is at about 7%. In my past I am familiar with a target of about 5%.

Alabama "Lost" NSF Income - May 2005

	Gross	Refund	Charge Off	Total Lost
Birmingham	\$98,820	\$4,314	\$7,176	\$11,490
Pct of Gross		4.37%	7.26%	11.63%
Ft Deposit	\$45,750	\$1,095	\$2,902	\$3,997
Pct of Gross		2.39%	6.34%	8.74%
Opelika	\$50,850	\$4,155	\$2,925	\$7,080
Pct of Gross		8.17%	5.75%	13.92%
Guntersville	\$105,900	\$6,440	\$6,342	\$12,782
Pct of Gross		6.08%	5.99%	12.07%
Total Alabama	\$301,320	\$16,004	\$19,344	\$35,348
Pct of Gross		5.31%	6.42%	11.73%
Total BXS	\$4,824,117	\$338,485	\$284,768	\$623,253
Pct of Gross		7.02%	5.90%	12.92%

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 45

From: Jagers, Jeff
Sent: 06/19/2006 11:19:16 am
To: 'Larry Bateman'; Hubbard, Clyde; 'Lee McAllister'; Carter, Kathi W.; Lindsey, Michael; White, Phil; Burchfield, Randy; Gully, Bill; 'Dennis Hubbard'; Caswell, Derek
Cc: Locke, James ""Jim"" H.
Bcc:
Subject: RE: Payment Strategy Group

Attached are updated reports on ACH and Check, also an updated spreadsheet on volumes of each transaction type, the 2005 volume is actual.

The tentative agenda for the June 27th (1:15pm Building C) meeting:

1. Review the ACH, Check and Debit/ATM strategic plans
2. Review stats
3. Update on Express Deposit
4. Primary Payment sell to 5 large banks and renamed to Early Warning Systems, LLC
5. Fed Courtesy Receipt update
6. MasterCard IPO status
7. Star/Pulse contract negotiations
8. Wire Transfer policy changes - update on implementation of changes, any negative impact.
9. Please add overdraft/NSF fee to the agenda. Trustmark is increasing theirs to \$32 this month.
10. Bank Coalition project to study using ACH infrastructure to truncate certain checks

Jeff

From: Jagers, Jeff
Sent: Tuesday, May 16, 2006 9:10 AM
To: 'Larry Bateman'; Hubbard, Clyde; 'Lee McAllister'; Carter, Kathi W.; Lindsey, Michael; White, Phil; Burchfield, Randy; Gully, Bill; 'Dennis Hubbard'; Caswell, Derek
Cc: Locke, James ""Jim"" H.
Subject: Payment Strategy Group

In last month's meeting, we discussed updating each payment channel 'strategic plan' for the June meeting. The different plans are for ACH, Check, debit/atm card and credit card. Each plan reviewed the history of the past couple of years and projected the changes/issues for the next couple of years. The meeting is scheduled for June 27th. Due to numerous conflicts, the group will not meet in May.

I will follow-up in a couple of weeks regarding the updates,

Please let me know if you have any other items for the June agenda.

Thanks,

Jeff

Payment Strategy

ACH

Introduction

ACH transactions represent the third largest payment type at BancorpSouth. BancorpSouth is a receiving financial institution and an originating financial institution. ACH transactions have grown dramatically the past several years. This growth has been primarily driven by new transaction types, example – account receivable conversion and internet web conversion. The growth in these new payments types is slowing and the industry is looking for new opportunity.

State of the payment type

The Automated Clearing House Network grew by more than 16.2% in 2005 compared to 2004 according to NACHA statistics. The number of these payments reached nearly 14 billion with a dollar amount exceeding \$3.2 trillion. The ACH transaction type ARC continues to grow; however, by a smaller percentage over 2004. ARC transactions grew by more than 1.6 billion transactions and represented more than 16% of the total growth. The ACH transaction type WEB (internet) grew by more than \$1 billion transactions and represented 10.3% of the total growth. Direct Deposit is still the most widely used ACH payment type with nearly 5 billion transactions. NACHA estimates that more than 70% of the private sector workforce uses Direct Deposit to get paid. Direct Payments (preauthorized debit to pay recurring bills) is the second most widely used ACH payment type with more than 3 billion transactions.

The BancorpSouth ACH payments increased by 30.43% in 2005 compared to 2004 due to the addition of First Data Resources (FDR) as a new BancorpSouth originator. The number of originating transactions increased 149.16% and the number of receiving transactions increased by 9.28%.

Projections

The industry is projecting the growth rate to slow in 2006 as the new payment types are beginning to mature. NACHA continues to evaluate new payment types. At this time the industry is considering a new SEC Code of BOC (Back Office Conversion) that should be implemented sometime in 2007.

BancorpSouth is projecting an increase of 55.66% in 2006; again due to the addition of FDR, and then leveling off to about 14.85% in 2007.

BancorpSouth Impact

The bank is projecting an increase in ACH related non-interest income of \$720,000 in 2006 and another \$140,000 in 2007. The increased volume also requires two additional staff positions at an estimated cost of \$50,000 a year. There will also be an increase in Fed processing fees, the 2006 estimate is \$30,000 and another \$7,000 in 2007.

Payment Strategy

Checks

Introduction

Check (paper) transactions continue to represent the largest payment type at BancorpSouth, but check transactions have decreased the past several years and this trend is expected to continue.

	2003	2004	2005	2006*
Check volume	144,350,000	136,500,000	128,559,229	122,500,000
*Projected				

BancorpSouth supports the processing of paper transactions via seven check/image processing centers, branch capture technology, merchant capture technology, and image exchange technology. The industry is undergoing a significant transition as check volumes migrate to electronic types of transactions. Some industry publications state that this transition will continue over the next two to three years.

State of the paper check

The paper check is declining as a result of new payment types. The debit card is replacing millions of transactions and ACH has created several new types of electronic transactions that either replace the check or convert the check to an ACH transaction. For the purpose of this document image exchange items continue to be included in the check volume.

BancorpSouth operates image processing centers in the following locations:

Texarkana, Texas	Little Rock, AR
Southaven, MS	Birmingham, AL
Jackson, MS	Hattiesburg, MS
Tupelo, MS	

The bank currently uses branch capture technology in the following cities:

Baton Rouge, LA	Dresden, TN
Brentwood, TN	Lufkin, TX
Fort Smith, AR	Alto, TX
Melbourne, AR	Longview, TX
Horseshoe Bend, AR	Gulf Shores, AL
Calico Rock, AR	Jonesboro, AR
Ridgely, TN	Paragould, AR
Osceola, AR	Pocahontas, AR
Franklin, TN	Bay St. Louis, MS
Huntsville, AL	

The bank currently exchanges images with the following networks:

Federal Reserve Bank
Endpoint Exchange
Viewpointe
Peer to peer with Cadence Bank, Starkville, MS

The bank currently operates in several Federal Reserve districts. Today, the Federal Reserve Bank processes approximately 50% of the nations check volume through its 'Check Service' offerings. As the industry check volume declines the Federal Reserve Bank is changing its infrastructure. The Federal Reserve Bank is closing 30 check processing centers and they are transitioning their check program by introducing new services such as exchanging checks via image. BancorpSouth has offices in the following Fed districts:

- Federal Reserve 8th – Memphis
- Federal Reserve 8th – Little Rock
- Federal Reserve 6th – Birmingham
- Federal Reserve 6th – Nashville
- Federal Reserve 6th – New Orleans
- Federal Reserve 11th – Dallas
- Federal Reserve 11th – Houston

BancorpSouth has a complete array of image based software.

Image Archive: The bank provides access to a full image archive to all employees as well as customers. A customer with online banking access can view a check within seconds. The call center can view a check for a customer immediately upon request from the customer.

Image Capture: The bank utilizes software to 'read' the amount of the check; the current CAR/LAR read rate is 78%.

Image Statement: The bank can provide an image statement, an email statement or a CD-ROM statement.

Image Exchange: The bank can send or receive images from other banks or networks.

Image Exception Processing: The bank can process exceptions and unposted transactions without requiring paper checks.

Projections

The volume of check transactions decreased 3% in 2003, 5.4% in 2004, and 5.8% in 2005. BancorpSouth is projecting a decrease in the total check volume of at least 5% a year for the next three years. The bank is projecting an increase in the volume of checks processed via image exchange. Based on these two projections, the bank is expecting significant change in the departments that support check processing, these changes include receiving checks electronically, sending checks electronically, decreasing the number of image centers, implementing branch capture technology and reducing transportation expense.

Inclearings – The bank defines inclearings as checks received from another bank or clearinghouse/network. Currently, 20% of inclearing items are received electronically. The bank projects that 30% of inclearing items will be received electronically by end of year 2006. The electronic volume is projected to grow to 60% by end of year 2007 and 80% by end of year 2008. BancorpSouth will be participating in the Federal Reserve's Courtesy Release Program in July 2006. This program allows the Bank to receive a large percentage of FedReceipt and FedReceipt Plus items a day early for accelerated posting.

Transit – The bank defines transit items as all items drawn on another bank. Currently, 22% of transit items are cleared electronically, this represents approximately 35% of the dollar volume. The bank projects that 35% of the transit volume representing 45% of the dollar volume will be cleared electronically by end of year 2006. The electronic volume is expected to grow to 60% (75% dollar volume) by end of year 2007 and 80% (85% dollar volume) by end of year 2008.

Branch Capture – The bank currently supports branch capture in 19 cities, representing 27 branches. The bank projects the number of branches to grow to 30 by end of year 2006. The branch capture technology is projected to be implemented in 35 branches by end of year 2007 and 75 branches by end of year 2008. The following branches are scheduled for 2006:

Tyler, TX Fayetteville, AR Destin, FL

Non-Interest Income – Payments represent a significant revenue stream for BancorpSouth. As checks represent the largest payment type, a number of non-interest income accounts could be affected over the next several years. The primary non-interest income categories affected are service charge on deposit accounts, NSF/OD service fee and corporate analysis fees.

Service charges have been declining at BancorpSouth since for several years as noted below:

	2002	2003	2004	2005
Net service charges	\$9,555,840	\$9,155,581	\$7,934,457	\$7,375,736

The decline in service charges can be directly attributed to 'Free Checking'. Today the bank offers both retail and small business free checking. Today, the bank has more than 146,450 free checking accounts as compared to 2001, when the bank had 46,000 free checking accounts. Today, the bank has 38,345 regular checking accounts that could be serviced charged; in 2001 the bank had 72,000 regular checking accounts that could be service charged. Another example, in May 2006, the bank opened 157 regular service charge checking accounts and 4,318 free checking accounts.

Service charge income is projected to continue to decline for the next three years; this is based on the continued transition of the checking account portfolio to 'Free Checking':

	2006	2007	2008
Net Service Charge	\$6,500,000	\$6,000,000	\$5,500,000

Net NSF/OD fees have increased dramatically since 2001 as noted below:

	2001	2002	2003	2004	2005
Net NSF/OD fees	\$29,327,000	\$35,490,000	\$48,127,000	\$49,057,000	\$51,060,000

There are a number of studies in the industry related to NSF/OD fees beginning to decline. Some banks have reported decreases greater than 10%. While there are a number of potential causes, the most common mentioned are:

- Fees have increased to a level that deters customers from service
- Checks can be written without authorization, some electronic transactions require authorization
- Commercial accounts are flushed with cash
- Check 21 legislation marketing presented a better understanding of transaction flow to customers, the customer is now better educated

While BancorpSouth has not experienced the decline in NSF/OD fees as other banks have, the projection for increases is minimal as noted below:

	2006	2007	2008
Net NSF/OD fees	\$52,500,000	\$54,000,000	\$55,000,000

The following factors contribute to BancorpSouth sustaining an increase in Net NSF/OD fees:

1. The bank authorizes debit card transactions similar to paying checks, the authorization includes a portion of the overdraft limit.
2. The bank increased the amount of overdraft limit available for debit card authorization to \$1,000.
3. The bank reviewed all payment processes to close 'gaps' on transactions that were eligible for a fee.

Commercial Account Analysis Fees

The commercial account analysis hard dollar revenue projections will decline as interest rates increase. BancorpSouth's commercial fee equivalent service charges have been steadily increasing with our sales growth and our retention of commercial customers. BancorpSouth's trend of commercial accounts converting to the "small business free checking" has had minimal impact on analyzed commercial account revenue. The net effect is that we have fewer commercial accounts but these accounts generate more "fee equivalent revenue".

	2003	2004	2005	2006*	2007*
Number of accounts	15,127	13,577	13,789	12,500	12,000
Fee equivalent revenue other deposit service	7,012,401	6,928,286	6,203,831	6,000,000	5,700,000
Fee equivalent revenue CM service	3,138,514	3,471,493	3,900,000	4,184,000	4,402,000
Hard dollar charge	6,902,742	6,669,488	5,412,553	5,000,000	4,700,000
Collected Balances	733,897,953	732,897,010	1,036,285,176	1,100,000,000	1,150,000,000
E.C.R. Rate - Above 50,000	.990 - .733	.700 - 1.858	1.990 - 3.50	3.50 - 4.50	4.5 - 4.50
E.C.R. Rate - Below 50,000	.567 - .467	.450 - 1.029	1.095 - 1.594	1.600 - 1.850	1.850 - 2.200

*Excludes any merger/acquisition stats

Since the actual "hard dollar" fees charged are assessed after giving (E.C.R.) an earnings credit rate for collected balances, these actual charges will decline in direct proportion to the "earnings credit rate" increase (E.C.R. based on 90 day T-Bill) mitigated by new sales of Cash Management services and other commercial type promotions.

Today Cash Management product sales represent 38.6% of total fee equivalent revenue. The future trend will reflect continuing erosion in the non-cash management or deposit products fee-equivalent revenue due to image exchange and other processes alluded to earlier.

BancorpSouth's Cash Management fee equivalent revenue will continue to grow at the rate of 6 to 10 percent annually while other regional and larger banks will see a decline in cash management fee equivalent revenue.

BancorpSouth Impact

The bank is expecting benefit in several areas as the industry undergoes the transition to image exchange. The benefits range from faster collections of funds, accelerated posting of checks to reducing the number of image processing centers.

Based on a Fed Funds rate of 5%, collecting \$20 million one day faster has a potential value of \$1,000,000 a year. Reducing the average cost per transit item by half a penny lowers the annual transit expense \$250,000. The second benefit of image exchange is the ability to accelerate the posting of some items by implementing an evening exchange of images. Based on a cost of funds of 2.5%, accelerating \$20 million each evening has a potential value of \$500,000 a year. By accelerating these items, the bank lowers the deposit interest expense, lowers the balance of commercial accounts that are available for earning credit, lowers the balance for calculating reserve requirements and could increase certain fees. The acceleration of these items could also increase NSF/OD fees as some customers are writing checks against insufficient balances, based on 20 additional NSF/OD fees a day, the fee income would increase \$144,000 a year.

As the bank implements branch capture technology in additional offices, the need for seven processing centers will be evaluated. As the ability to effectively and efficiently clear transit items electronically, additional offices will become candidates for branch capture. The first impact related to branch capture will be the reduction in courier expense. As a branch implements branch capture technology, a daily courier run is replaced by overnight shipping. The bank is also planning on reducing the number of image processing centers to five by the end of 2007. Primary candidates for closure are Little Rock, AR and Birmingham, AL. The Little Rock Center is very expensive due to a large monthly lease payment. The lease expires in 2007. Currently the facility in Little Rock has an annual cost of approximately \$420,000. This includes rent, utilities, leasehold depreciation and other miscellaneous items. With the expiration of the lease, the bank will eliminate at least \$360,000 a year in expenses. The bank is also projecting a reduction in equipment maintenance of approximately \$50,000 a year. The Little Rock Image Center currently provides courier service to the branches processed at the center. The courier expense is projected to decrease by 50% or \$175,000 a year. The final impact of closing an office relates to staffing reductions. The actual reduction in staff is currently projected to be 30%. The expense reduction associated with the staff reduction is projected to be \$75,000 a year. The total projected benefit for eliminating the Little Rock Image Center is \$660,000.

The Birmingham Center has small volumes and supports a small number of branches today. The cost of rent and utilities is \$29,000 a year. The other three primary benefits of closing the Birmingham Center are courier expense reduction, equipment maintenance expense reduction and staff reduction. Based on a 50% reduction in courier expense, the bank would save approximately \$130,000 a year and based on a 30% reduction in staff the bank would save approximately \$50,000 a year. The equipment maintenance expense would be reduced \$40,000 a year. The total expense reduction of closing the Birmingham Center is projected to be \$250,000 a year.

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 46

From: Jagers, Jeff

Sent: 11/01/2006 03:19:01 pm

To: Buckley, Bill; Althoff, Bob; 'Bobby Mooneyham'; Walhood, Brian; Williams, Byrd; Roper, CJ; Barrentine, David; Oldham, Frank W.; Lewis, Gordon R.; Ray, Jim; Long, Wilson

Cc: Sappington, Mike; 'Larry Bateman'; Cowser, Gregg; Hubbard, Clyde; McAllister, Lee; 'maryann.briggs@bxs.com'

Bcc:

Subject: October NSF/OD reports

The October monthly reports are attached,

refund % charge-off % Total refund/chargoff
Oct Oct Oct

953 South MS - 7.00% 7.21% 14.21%

966 Mid MS - 5.33% 8.01% 13.34%

977 Central MS - 5.62% 7.80% 13.42%

969 Tupelo MS - 5.92% 6.19% 12.11%

990 NorthWest - 5.70% 6.39% 12.09%

970 Northeast - 7.20% 6.43% 13.63%

917 Alabama - 6.50% 5.97% 12.47%

934 TX/LA Bank - 9.81% 5.43% 15.23%

898 Arkansas - 7.68% 4.64% 12.33%

989 NE Arkansas - 9.52% 6.14% 15.66%

Bankwide - 6.87% 6.39% 13.26%

1 Attachment

Attachment: [..\email\JAGGERS012430^October 2006 NSF by Community.pdf](#)

Attachment: [..\email\JAGGERS012431^October 2006 NSF by Branch.pdf](#)

Attachment: [..\email\JAGGERS012432^October 2006 NSF by Community sorted by lost opp.pdf](#)

Attachment: [..\email\JAGGERS012433^October 2006 NSF by Community by gross fees.pdf](#)

Attachment: [..\email\JAGGERS012434^October 2006 NSF by Community by avg fee per acct.pdf](#)

PRINTED FOR
 FM OD-MATRIX REPORTING
 BY COMMUNITY BANK (REGION)
 AS OF 10/2006

COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
127 SENATOBIA MS COMMUNITY	72,210.00	0.00 0.0000 %	2,580.00- 3.5720- %	5,754.47- 7.9690- %	8,334.47- 11.5410- %
143 OLIVE BRANCH MS COMMUNITY	161,700.00	0.00 0.0000 %	8,133.41- 5.0290- %	10,362.34- 6.4080- %	18,495.75- 11.4380- %
146 HERNANDO MS COMMUNITY	65,520.00	0.00 0.0000 %	3,420.00- 5.2190- %	3,035.73- 4.6330- %	6,455.73- 9.8530- %
147 SOUTHAVEN MS COMMUNITY	191,160.00	0.00 0.0000 %	10,990.00- 5.7490- %	10,379.73- 5.4290- %	21,369.73- 11.1780- %
228 BILOXI MS COMMUNITY	213,750.00	0.00 0.0000 %	17,495.00- 8.1840- %	16,740.31- 7.8310- %	34,235.31- 16.0160- %
252 HATTIESBURG MS COMMUNITY	334,260.00	0.00 0.0000 %	20,979.07- 6.2760- %	23,785.22- 7.1150- %	44,764.29- 13.3920- %
270 LAUREL MS COMMUNITY	151,950.00	0.00 0.0000 %	10,489.00- 6.9020- %	13,696.41- 9.0130- %	24,185.41- 15.9160- %
272 MAGEE MS COMMUNITY	46,440.00	0.00 0.0000 %	720.00- 1.5500- %	4,110.35- 8.8500- %	4,830.35- 10.4010- %
274 FOREST MS COMMUNITY	19,410.00	0.00 0.0000 %	810.00- 4.1730- %	1,809.31- 9.3210- %	2,619.31- 13.4940- %
283 JACKSON MS COMMUNITY	422,040.00	0.00 0.0000 %	26,035.95- 6.1690- %	30,718.64- 7.2780- %	56,754.59- 13.4470- %
286 CLINTON MS COMMUNITY	48,450.00	0.00 0.0000 %	3,142.00- 6.4850- %	4,537.59- 9.3650- %	7,679.59- 15.8500- %
326 OXFORD MS COMMUNITY	103,890.00	0.00 0.0000 %	7,060.00- 6.7950- %	5,204.60- 5.0090- %	12,264.60- 11.8050- %

FM OD-MATRIX REPORTING
BY COMMUNITY BANK (REGION)
AS OF 10/2006

COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
330 VICKSBURG MS COMMUNITY	139,290.00	0.00 0.0000 %	5,335.51- 3.8300- %	10,938.76- 7.8530- %	16,274.27- 11.6830- %
331 GRENADA MS COMMUNITY	42,630.00	0.00 0.0000 %	2,505.00- 5.8760- %	4,880.55- 11.4480- %	7,385.55- 17.3240- %
332 FULTON MS COMMUNITY	41,460.00	0.00 0.0000 %	1,320.00- 3.1830- %	2,497.04- 6.0220- %	3,817.04- 9.2060- %
333 NETTLETON MS COMMUNITY	39,600.00	0.00 0.0000 %	2,588.00- 6.5350- %	2,486.09- 6.2780- %	5,074.09- 12.8130- %
334 SHERMAN MS COMMUNITY	13,440.00	0.00 0.0000 %	180.00- 1.3390- %	605.98- 4.5080- %	785.98- 5.8480- %
335 ECRU MS COMMUNITY	16,830.00	0.00 0.0000 %	540.00- 3.2080- %	306.60- 1.8210- %	846.60- 5.0300- %
336 MANTACHIE MS COMMUNITY	20,640.00	0.00 0.0000 %	1,380.00- 6.6860- %	948.07- 4.5930- %	2,328.07- 11.2790- %
337 BOONEVILLE MS COMMUNITY	50,730.00	0.00 0.0000 %	4,685.00- 9.2350- %	2,825.64- 5.5690- %	7,510.64- 14.8050- %
338 BRUCE MS COMMUNITY	29,790.00	0.00 0.0000 %	1,930.00- 6.4780- %	843.14- 2.8300- %	2,773.14- 9.3080- %
339 HOUSTON MS COMMUNITY	58,680.00	0.00 0.0000 %	1,876.48- 3.1970- %	3,433.16- 5.8500- %	5,309.64- 9.0480- %
340 VARDAMAN MS COMMUNITY	12,090.00	0.00 0.0000 %	810.00- 6.6990- %	1,203.92- 9.9570- %	2,013.92- 16.6570- %
341 HOULKA MS COMMUNITY	10,830.00	0.00 0.0000 %	450.00- 4.1550- %	187.25- 1.7280- %	637.25- 5.8840- %

FIN 2004-45 COMMUNITY BANK (REGION)
 FM OD-MATRIX REPORTING
 BY COMMUNITY BANK (REGION)
 AS OF 10/2006

COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
342 WEST POINT MS COMMUNITY	43,590.00	0.00 0.0000 %	2,755.00- 6.3200- %	5,106.37- 11.7140- %	7,861.37- 18.0340- %
343 TUPELO - ASSET BASED LENDING	4,200.00	0.00 0.0000 %	360.00- 8.5710- %	0.00 0.0000 %	360.00- 8.5710- %
344 TUPELO MS COMMUNITY	306,510.00	0.00 0.0000 %	17,010.69- 5.5490- %	22,067.09- 7.1990- %	39,077.78- 12.7490- %
345 CORINTH MS COMMUNITY	51,030.00	0.00 0.0000 %	4,635.00- 9.0820- %	2,506.30- 4.9110- %	7,141.30- 13.9940- %
348 ABERDEEN MS COMMUNITY	41,250.00	0.00 0.0000 %	1,959.94- 4.7510- %	3,212.57- 7.7880- %	5,172.51- 12.5390- %
349 COLUMBUS MS COMMUNITY	88,920.00	0.00 0.0000 %	5,749.15- 6.4650- %	6,061.69- 6.8170- %	11,810.84- 13.2820- %
350 LOUISVILLE MS COMMUNITY	59,610.00	0.00 0.0000 %	4,810.00- 8.0690- %	3,047.08- 5.1110- %	7,857.08- 13.1800- %
360 IUKA MS COMMUNITY	40,500.00	0.00 0.0000 %	3,393.87- 8.3790- %	1,404.17- 3.4670- %	4,798.04- 11.8470- %
392 STARKVILLE MS COMMUNITY	110,550.00	0.00 0.0000 %	5,551.00- 5.0210- %	9,486.55- 8.5810- %	15,037.55- 13.6020- %
393 OAKLAND MS COMMUNITY	19,230.00	0.00 0.0000 %	330.00- 1.7160- %	616.59- 3.2060- %	946.59- 4.9220- %
394 BATESVILLE MS COMMUNITY	30,900.00	0.00 0.0000 %	1,510.00- 4.8860- %	705.91- 2.2840- %	2,215.91- 7.1710- %
404 SELMER TN COMMUNITY	62,250.00	0.00 0.0000 %	5,595.00- 8.9870- %	3,750.54- 6.0240- %	9,345.54- 15.0120- %

FM OD-MATRIX REPORTING
BY COMMUNITY BANK (REGION)
AS OF 10/2006

COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
426 JACKSON TN COMMUNITY	242,730.00	0.00 0.0000 %	11,132.93- 4.5860- %	17,896.38- 7.3720- %	29,029.31- 11.9590- %
427 MILAN TN COMMUNITY	40,800.00	0.00 0.0000 %	3,015.00- 7.3890- %	1,502.11- 3.6810- %	4,517.11- 11.0710- %
450 BARTLETT TN COMMUNITY	92,490.00	0.00 0.0000 %	6,245.57- 6.7520- %	7,318.74- 7.9130- %	13,564.31- 14.6650- %
451 COLLIERVILLE TN COMMUNITY	30,000.00	0.00 0.0000 %	1,410.00- 4.7000- %	586.10- 1.9530- %	1,996.10- 6.6530- %
452 NORTHWEST DIV PREMIER BANKING	2,370.00	0.00 0.0000 %	480.00- 20.2530- %	355.62- 15.0050- %	835.62- 35.2580- %
453 MEMPHIS COMM/INDUST LENDING	600.00	0.00 0.0000 %	235.00- 39.1660- %	0.00 0.0000 %	235.00- 39.1660- %
461 COVINGTON TN COMMUNITY	57,270.00	0.00 0.0000 %	4,074.10- 7.1130- %	2,447.48- 4.2730- %	6,521.58- 11.3870- %
462 ALAMO TN COMMUNITY	19,830.00	0.00 0.0000 %	1,205.00- 6.0760- %	631.59- 3.1850- %	1,836.59- 9.2610- %
464 DRESDEN TN COMMUNITY	14,850.00	0.00 0.0000 %	1,406.51- 9.4710- %	568.96- 3.8310- %	1,975.47- 13.3020- %
465 HENNING TN COMMUNITY	8,370.00	0.00 0.0000 %	280.00- 3.3450- %	460.61- 5.5030- %	740.61- 8.8480- %
466 HUMBOLDT TN COMMUNITY	31,080.00	0.00 0.0000 %	1,095.00- 3.5230- %	2,496.62- 8.0320- %	3,591.62- 11.5560- %
467 MILLINGTON TN COMMUNITY	32,100.00	0.00 0.0000 %	4,995.00- 15.5600- %	972.25- 3.0280- %	5,967.25- 18.5890- %

FM OD-MATRIX REPORTING
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AS OF 10/2006

COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
468 RIDGELY TN COMMUNITY	10,200.00	0.00 0.0000 %	1,180.00- 11.5680- %	745.55- 7.3090- %	1,925.55- 18.8770- %
469 SOMERVILLE TN COMMUNITY	16,050.00	0.00 0.0000 %	840.00- 5.2330- %	1,109.74- 6.9140- %	1,949.74- 12.1470- %
470 BRENTWOOD TN COMMUNITY	32,190.00	0.00 0.0000 %	5,228.90- 16.2430- %	559.55- 1.7380- %	5,788.45- 17.9820- %
472 TRENTON TN COMMUNITY	23,070.00	0.00 0.0000 %	2,010.00- 8.7120- %	481.15- 2.0850- %	2,491.15- 10.7980- %
501 BIRMINGHAM AL COMMUNITY	117,900.00	0.00 0.0000 %	6,428.02- 5.4520- %	7,943.77- 6.7370- %	14,371.79- 12.1890- %
502 FORT DEPOSIT AL COMMUNITY	58,770.00	0.00 0.0000 %	1,755.00- 2.9860- %	3,539.28- 6.0220- %	5,294.28- 9.0080- %
503 OPELIKA AL COMMUNITY	57,330.00	0.00 0.0000 %	5,000.00- 8.7210- %	2,493.07- 4.3480- %	7,493.07- 13.0700- %
504 GUNTERSVILLE AL COMMUNITY	100,800.00	0.00 0.0000 %	8,590.00- 8.5210- %	3,851.61- 3.8210- %	12,441.61- 12.3420- %
505 BALDWIN CO AL COMMUNITY	120.00	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %
506 HUNTSVILLE AL COMMUNITY	240.00	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %
601 NACOGDOCHES TX COMMUNITY	147,090.00	0.00 0.0000 %	18,750.00- 12.7470- %	6,935.66- 4.7150- %	25,685.66- 17.4620- %
602 MARSHALL TX COMMUNITY	40,140.00	0.00 0.0000 %	3,320.00- 8.2710- %	625.70- 1.5580- %	3,945.70- 9.8290- %

FM OD-MATRIX REPORTING
BY COMMUNITY BANK (REGION)
AS OF 10/2006

COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
603 TEXARKANA TX COMMUNITY	65,700.00	0.00 0.0000 %	4,855.00- 7.3890- %	3,160.90- 4.8110- %	8,015.90- 12.2000- %
604 SHREVEPORT LA COMMUNITY	145,080.00	0.00 0.0000 %	15,100.00- 10.4080- %	9,215.32- 6.3510- %	24,315.32- 16.7590- %
605 MONROE LA COMMUNITY	107,640.00	0.00 0.0000 %	5,651.50- 5.2500- %	5,315.11- 4.9370- %	10,966.61- 10.1880- %
606 RUSTON LA COMMUNITY	13,620.00	0.00 0.0000 %	1,562.15- 11.4690- %	1,309.06- 9.6110- %	2,871.21- 21.0800- %
607 EL DORADO AR COMMUNITY	61,740.00	0.00 0.0000 %	4,485.00- 7.2640- %	3,082.17- 4.9920- %	7,567.17- 12.2560- %
608 MAGNOLIA AR COMMUNITY	97,770.00	0.00 0.0000 %	5,005.01- 5.1190- %	2,243.10- 2.2940- %	7,248.11- 7.4130- %
609 CAMDEN AR COMMUNITY	52,620.00	0.00 0.0000 %	3,505.00- 6.6600- %	4,629.33- 8.7970- %	8,134.33- 15.4580- %
610 MELBOURNE AR COMMUNITY	29,790.00	0.00 0.0000 %	1,620.00- 5.4380- %	2,406.58- 8.0780- %	4,026.58- 13.5160- %
611 STUTTGART AR COMMUNITY	111,000.00	0.00 0.0000 %	12,825.00- 11.5540- %	2,925.27- 2.6350- %	15,750.27- 14.1890- %
612 FT SMITH AR COMMUNITY	141,120.00	0.00 0.0000 %	8,157.84- 5.7800- %	8,313.08- 5.8900- %	16,470.92- 11.6710- %
613 HOPE AR COMMUNITY	82,020.00	0.00 0.0000 %	6,365.22- 7.7600- %	4,026.45- 4.9090- %	10,391.67- 12.6690- %
614 ALMA AR COMMUNITY	44,610.00	0.00 0.0000 %	2,685.00- 6.0180- %	2,190.81- 4.9110- %	4,875.81- 10.9290- %

FM OD-MATRIX REPORTING
BY COMMUNITY BANK (REGION)
AS OF 10/2006

COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
615 LITTLE ROCK AR COMMUNITY	29,340.00	0.00 0.0000 %	4,630.00- 15.7800- %	1,818.13- 6.1960- %	6,448.13- 21.9770- %
616 LONGVIEW TX COMMUNITY	6,960.00	0.00 0.0000 %	630.00- 9.0510- %	72.77- 1.0450- %	702.77- 10.0970- %
617 BATON ROUGE LA COMMUNITY	30,570.00	0.00 0.0000 %	4,730.00- 15.4720- %	137.92- 0.4510- %	4,867.92- 15.9230- %
619 GREENE COUNTY AR COMMUNITY	47,130.00	0.00 0.0000 %	5,887.04- 12.4910- %	2,314.91- 4.9110- %	8,201.95- 17.4020- %
620 CRAIGHEAD COUNTY AR COMMUNITY	93,554.00	0.00 0.0000 %	11,600.00- 12.3990- %	3,464.48- 3.7030- %	15,064.48- 16.1020- %
621 MISSISSIPPI CO AR COMMUNITY	83,520.00	0.00 0.0000 %	5,015.00- 6.0040- %	5,861.24- 7.0170- %	10,876.24- 13.0220- %
622 RANDOLPH COUNTY AR COMMUNITY	22,770.00	0.00 0.0000 %	2,235.00- 9.8150- %	3,754.51- 16.4880- %	5,989.51- 26.3040- %
FINAL TOTALS --- 5,608,274.00		0.00 0.0000 %	384,333.86- 6.8520- %	349,018.44- 6.2230- %	733,352.30- 13.0760- %

BRANCH REPORT
 FM OD-MATRIX REPORTING
 SORTED BY BRANCH
 AS OF 10/2006

BRANCH	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
057 TUPELO - ASSET BASED LENDING	4,050.00	0.00 0.0000 %	360.00- 8.8880- %	0.00 0.0000 %	360.00- 8.8880- %
062 ***BRANCH NAME UNKNOWN	0.00	0.00 0.0000 %	150.00- 0.0000 %	0.00 0.0000 %	150.00- 0.0000 %
066 TUPELO - CORPORATE BANKING	150.00	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %
102 JACKSON TN COMMERCIAL LENDING	6,660.00	0.00 0.0000 %	120.00- 1.8010- %	679.58- 10.2030- %	799.58- 12.0050- %
103 JACKSON TN - PREMIER BANKING	3,180.00	0.00 0.0000 %	420.00- 13.2070- %	0.00 0.0000 %	420.00- 13.2070- %
105 BARTLETT - GROUP BANKING SERV	4,260.00	0.00 0.0000 %	420.68- 9.8750- %	489.38- 11.4870- %	910.06- 21.3620- %
108 COLLIERSVILLE - MAIN	30,000.00	0.00 0.0000 %	1,410.00- 4.7000- %	586.10- 1.9530- %	1,996.10- 6.6530- %
110 BARTLETT - MAIN	40,350.00	0.00 0.0000 %	2,090.00- 5.1790- %	4,247.10- 10.5250- %	6,337.10- 15.7050- %
111 BARTLETT - WOLFCHASE BRANCH	10,290.00	0.00 0.0000 %	240.00- 2.3320- %	566.96- 5.5090- %	806.96- 7.8420- %
112 BARTLETT - GERMANTOWN BRANCH	5,730.00	0.00 0.0000 %	950.00- 16.5790- %	571.41- 9.9720- %	1,521.41- 26.5510- %
114 BARTLETT - EAST MEMPHIS	20,370.00	0.00 0.0000 %	1,995.00- 9.7930- %	501.27- 2.4600- %	2,496.27- 12.2540- %
115 NORTHWEST DIV PREMIER BANKING	1,710.00	0.00 0.0000 %	300.00- 17.5430- %	0.00 0.0000 %	300.00- 17.5430- %

BRANCH REPORT
FM OD-MATRIX REPORTING
SORTED BY BRANCH
AS OF 10/2006

BRANCH	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
116 ***BRANCH NAME UNKNOWN	0.00	0.00 0.0000 %	555.00- 0.0000 %	0.00 0.0000 %	555.00- 0.0000 %
117 JACKSON TN - MAIN	36,960.00	0.00 0.0000 %	1,725.00- 4.6670- %	2,405.42- 6.5080- %	4,130.42- 11.1750- %
118 NW PREMIER - HUMPHREY CENTER	660.00	0.00 0.0000 %	180.00- 27.2720- %	355.62- 53.8810- %	535.62- 81.1540- %
121 JACKSON TN - BEMIS	34,200.00	0.00 0.0000 %	1,665.00- 4.8680- %	3,112.84- 9.1010- %	4,777.84- 13.9700- %
122 JACKSON TN - HIGHLAND PARK	22,590.00	0.00 0.0000 %	1,020.00- 4.5150- %	2,003.76- 8.8700- %	3,023.76- 13.3850- %
123 JACKSON TN - HAMILTON HILLS	27,180.00	0.00 0.0000 %	1,410.00- 5.1870- %	1,740.12- 6.4020- %	3,150.12- 11.5890- %
124 JACKSON TN - MADISON PARK	13,800.00	0.00 0.0000 %	312.00- 2.2600- %	1,383.70- 10.0260- %	1,695.70- 12.2870- %
127 JACKSON TN - ANDREW JACKSON	36,930.00	0.00 0.0000 %	1,572.93- 4.2590- %	2,280.13- 6.1740- %	3,853.06- 10.4330- %
128 JACKSON TN - UNIVERSITY	46,920.00	0.00 0.0000 %	1,933.00- 4.1190- %	2,327.82- 4.9610- %	4,260.82- 9.0810- %
138 MEMPHIS - COMM/INDUST LENDING	600.00	0.00 0.0000 %	235.00- 39.1660- %	0.00 0.0000 %	235.00- 39.1660- %
139 BARTLETT - MEMPHIS SOUTHWIND	11,490.00	0.00 0.0000 %	549.89- 4.7850- %	942.62- 8.2030- %	1,492.51- 12.9890- %
140 COVINGTON - MAIN	35,430.00	0.00 0.0000 %	3,300.00- 9.3140- %	1,005.55- 2.8380- %	4,305.55- 12.1520- %

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BRANCH	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
141 COVINGTON - MID-TOWN	7,860.00	0.00 0.0000 %	504.10- 6.4130- %	820.46- 10.4380- %	1,324.56- 16.8510- %
142 COVINGTON - MONEY BASKET	13,980.00	0.00 0.0000 %	210.00- 1.5020- %	621.47- 4.4450- %	831.47- 5.9470- %
143 COVINGTON - MONEY MARKET	0.00	0.00 0.0000 %	60.00- 0.0000 %	0.00 0.0000 %	60.00- 0.0000 %
145 TRENTON - MAIN	13,560.00	0.00 0.0000 %	1,740.00- 12.8310- %	478.15- 3.5260- %	2,218.15- 16.3580- %
146 TRENTON - BRANCH	9,510.00	0.00 0.0000 %	270.00- 2.8390- %	3.00- 0.0310- %	273.00- 2.8700- %
147 MILAN - MAIN	40,800.00	0.00 0.0000 %	3,015.00- 7.3890- %	1,502.11- 3.6810- %	4,517.11- 11.0710- %
148 SELMER - MAIN	59,070.00	0.00 0.0000 %	5,535.00- 9.3700- %	3,034.72- 5.1370- %	8,569.72- 14.5070- %
149 SELMER - MICHE	3,180.00	0.00 0.0000 %	60.00- 1.8860- %	715.82- 22.5100- %	775.82- 24.3960- %
151 SELMER - PICKWICK	2,820.00	0.00 0.0000 %	0.00 0.0000 %	24.79- 0.8790- %	24.79- 0.8790- %
152 ALAMO - MAIN	19,830.00	0.00 0.0000 %	1,205.00- 6.0760- %	631.59- 3.1850- %	1,836.59- 9.2610- %
154 DRESDEN - MAIN	14,850.00	0.00 0.0000 %	1,406.51- 9.4710- %	568.96- 3.8310- %	1,975.47- 13.3020- %
155 HENNING - MAIN	8,370.00	0.00 0.0000 %	280.00- 3.3450- %	460.61- 5.5030- %	740.61- 8.8480- %

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BRANCH	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
156 HUMBOLDT - MAIN	31,080.00	0.00 0.0000 %	1,095.00- 3.5230- %	2,496.62- 8.0320- %	3,591.62- 11.5560- %
157 MILLINGTON - MAIN	32,100.00	0.00 0.0000 %	4,995.00- 15.5600- %	972.25- 3.0280- %	5,967.25- 18.5890- %
158 RIDGELY - MAIN	10,200.00	0.00 0.0000 %	1,180.00- 11.5680- %	745.55- 7.3090- %	1,925.55- 18.8770- %
159 SOMERVILLE - MAIN	16,050.00	0.00 0.0000 %	840.00- 5.2330- %	1,109.74- 6.9140- %	1,949.74- 12.1470- %
161 BRENTWOOD TN - MARYLAND FARMS	27,960.00	0.00 0.0000 %	4,343.90- 15.5360- %	559.55- 2.0010- %	4,903.45- 17.5370- %
162 BRENTWOOD TN - CONCORD BRANCH	3,300.00	0.00 0.0000 %	705.00- 21.3630- %	0.00 0.0000 %	705.00- 21.3630- %
163 BRENTWOOD TN - MAPLEWOOD	930.00	0.00 0.0000 %	180.00- 19.3540- %	0.00 0.0000 %	180.00- 19.3540- %
194 JACKSON TN - GREYSTON BRANCH	14,310.00	0.00 0.0000 %	955.00- 6.6730- %	1,963.01- 13.7170- %	2,918.01- 20.3910- %
203 BILOXI - D'LBERVERVILLE WAL-MART	16,260.00	0.00 0.0000 %	675.00- 4.1510- %	2,373.37- 14.5960- %	3,048.37- 18.7470- %
204 BILOXI - OCEAN SPRINGS WALMART	12,030.00	0.00 0.0000 %	360.00- 2.9920- %	3,400.71- 28.2680- %	3,760.71- 31.2610- %
205 BILOXI - COWAN-PASS ROAD	17,370.00	0.00 0.0000 %	1,260.00- 7.2530- %	1,868.72- 10.7580- %	3,128.72- 18.0120- %
206 BILOXI - MAIN	18,300.00	0.00 0.0000 %	1,740.00- 9.5080- %	1,002.73- 5.4790- %	2,742.73- 14.9870- %

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BRANCH	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
207 BILOXI - KEESLER	9,060.00	0.00 0.0000 %	60.00- 0.6620- %	854.25- 9.4280- %	914.25- 10.0910- %
208 BILOXI - PASS ROAD	18,390.00	0.00 0.0000 %	945.00- 5.1380- %	1,530.62- 8.3230- %	2,475.62- 13.4610- %
209 GULF COAST PREMIER BANKING	2,490.00	0.00 0.0000 %	1,530.00- 61.4450- %	0.00 0.0000 %	1,530.00- 61.4450- %
210 BILOXI - GATEWAY	29,340.00	0.00 0.0000 %	2,350.00- 8.0090- %	1,713.47- 5.8400- %	4,063.47- 13.8490- %
211 BILOXI - NORTH BILOXI	9,150.00	0.00 0.0000 %	330.00- 3.6060- %	23.95- 0.2610- %	353.95- 3.8680- %
212 BILOXI - CEDAR LAKE LPO	11,670.00	0.00 0.0000 %	460.00- 3.9410- %	987.93- 8.4650- %	1,447.93- 12.4070- %
213 BILOXI - EDGEWATER	7,110.00	0.00 0.0000 %	0.00 0.0000 %	140.34- 1.9730- %	140.34- 1.9730- %
214 BILOXI - OCEAN SPRINGS	27,390.00	0.00 0.0000 %	2,085.00- 7.6120- %	1,099.77- 4.0150- %	3,184.77- 11.6270- %
215 BILOXI - OCEAN SPRINGS PREMIER	1,440.00	0.00 0.0000 %	1,650.00- 114.5830- %	0.00 0.0000 %	1,650.00- 114.5830- %
216 BILOXI - BAY ST LOUIS	1,830.00	0.00 0.0000 %	90.00- 4.9180- %	0.00 0.0000 %	90.00- 4.9180- %
226 BILOXI - GULFPORT PREMIER	3,150.00	0.00 0.0000 %	870.00- 27.6190- %	0.00 0.0000 %	870.00- 27.6190- %
228 BILOXI - GULFPORT	17,850.00	0.00 0.0000 %	2,760.00- 15.4620- %	672.97- 3.7700- %	3,432.97- 19.2320- %

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BRANCH	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
230 BILOXI - COURTHOUSE ROAD	10,920.00	0.00 0.0000 %	330.00- 3.0210- %	1,071.48- 9.8120- %	1,401.48- 12.8340- %
250 NACOGDOCHES - MAIN	90,930.00	0.00 0.0000 %	13,765.00- 15.1380- %	5,491.70- 6.0390- %	19,256.70- 21.1770- %
251 NACOGDOCHES - SOUTH STREET	21,000.00	0.00 0.0000 %	2,160.00- 10.2850- %	403.09- 1.9190- %	2,563.09- 12.2050- %
253 NACOGDOCHES - GARRISON	11,550.00	0.00 0.0000 %	300.00- 2.5970- %	399.90- 3.4620- %	699.90- 6.0590- %
254 NACOGDOCHES - ALTO	17,910.00	0.00 0.0000 %	675.00- 3.7680- %	287.71- 1.6060- %	962.71- 5.3750- %
255 LONGVIEW TX MAIN OFFICE	6,960.00	0.00 0.0000 %	630.00- 9.0510- %	72.77- 1.0450- %	702.77- 10.0970- %
256 NACOGDOCHES - LUFKIN SO COLONY	5,700.00	0.00 0.0000 %	1,850.00- 32.4560- %	353.26- 6.1970- %	2,203.26- 38.6530- %
260 BATON ROUGE LA - MAIN OFFICE	26,430.00	0.00 0.0000 %	4,520.00- 17.1010- %	113.47- 0.4290- %	4,633.47- 17.5310- %
261 BATON ROUGE - PERKINS ROAD	2,760.00	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %
262 BATON ROUGE - JONES CREEK BRAN	1,380.00	0.00 0.0000 %	210.00- 15.2170- %	24.45- 1.7710- %	234.45- 16.9890- %
263 MONROE - HWY 165 BRANCH	8,730.00	0.00 0.0000 %	270.00- 3.0920- %	122.50- 1.4030- %	392.50- 4.4950- %
264 LITTLE ROCK - SHACKLEFORD	9,060.00	0.00 0.0000 %	1,290.00- 14.2380- %	1,155.72- 12.7560- %	2,445.72- 26.9940- %

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BRANCH	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
265 MARSHALL - MAIN	26,730.00	0.00 0.0000 %	2,920.00- 10.9240- %	202.55- 0.7570- %	3,122.55- 11.6810- %
266 MARSHALL - PINECREST	13,410.00	0.00 0.0000 %	400.00- 2.9820- %	423.15- 3.1550- %	823.15- 6.1380- %
268 LITTLE ROCK - MAIN OFFICE	11,220.00	0.00 0.0000 %	2,260.00- 20.1420- %	394.25- 3.5130- %	2,654.25- 23.6560- %
269 LITTLE ROCK - PLEASANT VALLEY	9,060.00	0.00 0.0000 %	1,080.00- 11.9200- %	268.16- 2.9590- %	1,348.16- 14.8800- %
270 TEXARKANA - MAIN	16,680.00	0.00 0.0000 %	840.00- 5.0350- %	98.38- 0.5890- %	938.38- 5.6250- %
271 TEXARKANA - PLEASANT GROVE	5,190.00	0.00 0.0000 %	540.00- 10.4040- %	701.64- 13.5190- %	1,241.64- 23.9230- %
272 TEXARKANA - STATE LINE	5,100.00	0.00 0.0000 %	855.00- 16.7640- %	69.66- 1.3650- %	924.66- 18.1300- %
273 TEXARKANA - REDWATER	6,480.00	0.00 0.0000 %	270.00- 4.1660- %	1,053.83- 16.2620- %	1,323.83- 20.4290- %
274 TEXARKANA - HOOKS	9,390.00	0.00 0.0000 %	450.00- 4.7920- %	214.38- 2.2830- %	664.38- 7.0750- %
275 TEXARKANA - NEW BOSTON	8,970.00	0.00 0.0000 %	810.00- 9.0300- %	3.00- 0.0330- %	813.00- 9.0630- %
276 TEXARKANA - MAUD	2,340.00	0.00 0.0000 %	120.00- 5.1280- %	243.41- 10.4020- %	363.41- 15.5300- %
277 TEXARKANA - ASHDOWN	3,360.00	0.00 0.0000 %	90.00- 2.6780- %	773.60- 23.0230- %	863.60- 25.7020- %

BRANCH CREDIT OFFER
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BRANCH	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
278 TEXARKANA - 3RD AND OLIVE	3,720.00	0.00 0.0000 %	430.00- 11.5590- %	3.00- 0.0800- %	433.00- 11.6390- %
279 TEXARKANA - RICHMOND RD	4,260.00	0.00 0.0000 %	480.00- 11.2670- %	0.00 0.0000 %	480.00- 11.2670- %
284 SHREVEPORT - PINES ROAD BRANCH	12,600.00	0.00 0.0000 %	1,125.00- 8.9280- %	1,319.84- 10.4740- %	2,444.84- 19.4030- %
285 SHREVEPORT - LINE AVE	41,370.00	0.00 0.0000 %	5,280.00- 12.7620- %	2,835.77- 6.8540- %	8,115.77- 19.6170- %
286 SHREVEPORT - NORTH MARKET	16,440.00	0.00 0.0000 %	930.00- 5.6560- %	1,138.81- 6.9270- %	2,068.81- 12.5840- %
287 SHREVEPORT - MID-SOUTH TOWERS	4,470.00	0.00 0.0000 %	1,120.00- 25.0550- %	36.68- 0.8200- %	1,156.68- 25.8760- %
288 SHREVEPORT - MANSFIELD ROAD	33,420.00	0.00 0.0000 %	1,965.00- 5.8790- %	1,943.41- 5.8150- %	3,908.41- 11.6940- %
290 SHREVEPORT - BOSSIER AIRLINE	18,690.00	0.00 0.0000 %	2,670.00- 14.2850- %	1,514.28- 8.1020- %	4,184.28- 22.3870- %
291 SHREVEPORT - FERN AVE	18,090.00	0.00 0.0000 %	2,010.00- 11.1110- %	426.53- 2.3570- %	2,436.53- 13.4680- %
292 MONROE - CYPRESS STREET	15,990.00	0.00 0.0000 %	491.50- 3.0730- %	551.15- 3.4460- %	1,042.65- 6.5200- %
293 MONROE - MAIN	17,310.00	0.00 0.0000 %	975.00- 5.6320- %	1,311.20- 7.5740- %	2,286.20- 13.2070- %
295 MONROE - NORTH 7TH	11,430.00	0.00 0.0000 %	600.00- 5.2490- %	570.14- 4.9880- %	1,170.14- 10.2370- %

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BRANCH	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
297 MONROE - RAYVILLE	54,180.00	0.00 0.0000 %	3,315.00- 6.1180- %	2,760.12- 5.0940- %	6,075.12- 11.2120- %
299 RUSTON - DOWNTOWN	13,620.00	0.00 0.0000 %	1,562.15- 11.4690- %	1,309.06- 9.6110- %	2,871.21- 21.0800- %
300 TEXARKANA TX - PREMIER BANKING	210.00	0.00 0.0000 %	30.00 14.2850 %	0.00 0.0000 %	30.00 14.2850 %
309 HERNANDO - MAIN	61,350.00	0.00 0.0000 %	3,285.00- 5.3540- %	3,035.73- 4.9480- %	6,320.73- 10.3020- %
310 HERNANDO - MCINGVALE BRANCH	4,170.00	0.00 0.0000 %	135.00- 3.2370- %	0.00 0.0000 %	135.00- 3.2370- %
314 OLIVE BRANCH - OLD TOWNE	96,480.00	0.00 0.0000 %	4,848.41- 5.0250- %	4,878.34- 5.0560- %	9,726.75- 10.0810- %
315 OLIVE BRANCH - HACKS CROSSING	38,100.00	0.00 0.0000 %	2,325.00- 6.1020- %	3,654.57- 9.5920- %	5,979.57- 15.6940- %
316 OLIVE BRANCH - MAIN	27,120.00	0.00 0.0000 %	960.00- 3.5390- %	1,829.43- 6.7450- %	2,789.43- 10.2850- %
318 SOUTHAVEN - NORTHWEST DRIVE	31,170.00	0.00 0.0000 %	2,760.00- 8.8540- %	2,267.81- 7.2750- %	5,027.81- 16.1300- %
321 BIRMINGHAM - MAIN	16,470.00	0.00 0.0000 %	1,013.02- 6.1500- %	378.26- 2.2960- %	1,391.28- 8.4470- %
322 BIRMINGHAM - COLONNADE	9,570.00	0.00 0.0000 %	750.00- 7.8360- %	590.71- 6.1720- %	1,340.71- 14.0090- %
323 BIRMINGHAM - HOOVER	13,140.00	0.00 0.0000 %	840.00- 6.3920- %	162.30- 1.2350- %	1,002.30- 7.6270- %

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324 BIRMINGHAM - ONE FEDERAL PLACE	5,790.00	0.00 0.0000 %	360.00- 6.2170- %	445.32- 7.6910- %	805.32- 13.9080- %
325 BIRMINGHAM - ROEBUCK	2,730.00	0.00 0.0000 %	90.00- 3.2960- %	23.95- 0.8770- %	113.95- 4.1730- %
326 BIRMINGHAM - LEEDS	30,390.00	0.00 0.0000 %	1,170.00- 3.8490- %	3,746.75- 12.3280- %	4,916.75- 16.1780- %
327 BIRMINGHAM - MOODY	23,730.00	0.00 0.0000 %	1,620.00- 6.8260- %	2,035.59- 8.5780- %	3,655.59- 15.4040- %
328 BIRMINGHAM - COMMERCIAL LEND	90.00	0.00 0.0000 %	60.00- 66.6660- %	0.00 0.0000 %	60.00- 66.6660- %
331 BIRMINGHAM - IVERNESS	11,310.00	0.00 0.0000 %	390.00- 3.4480- %	488.94- 4.3230- %	878.94- 7.7710- %
332 BIRMINGHAM-PREMIER BANKING	3,480.00	0.00 0.0000 %	135.00- 3.8790- %	0.00 0.0000 %	135.00- 3.8790- %
335 FORT DEPOSIT - MAIN	17,880.00	0.00 0.0000 %	540.00- 3.0200- %	736.45- 4.1180- %	1,276.45- 7.1380- %
336 FORT DEPOSIT - HAYNEVILLE	9,090.00	0.00 0.0000 %	420.00- 4.6200- %	313.07- 3.4440- %	733.07- 8.0640- %
337 FORT DEPOSIT - BURKVILLE	10,350.00	0.00 0.0000 %	555.00- 5.3620- %	675.13- 6.5220- %	1,230.13- 11.8850- %
338 FORT DEPOSIT - GREENVILLE	21,450.00	0.00 0.0000 %	240.00- 1.1180- %	1,814.63- 8.4590- %	2,054.63- 9.5780- %
341 BIRMINGHAM AL - TRUSSVILLE	1,200.00	0.00 0.0000 %	0.00 0.0000 %	71.95- 5.9950- %	71.95- 5.9950- %

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342 OPELIKA - MAIN	30,030.00	0.00 0.0000 %	3,320.00- 11.0550- %	1,225.80- 4.0810- %	4,545.80- 15.1370- %
343 OPELIKA - PEPPERELL CORNERS	10,080.00	0.00 0.0000 %	420.00- 4.1660- %	208.96- 2.0730- %	628.96- 6.2390- %
344 OPELIKA - AUBURN	17,220.00	0.00 0.0000 %	1,260.00- 7.3170- %	1,058.31- 6.1450- %	2,318.31- 13.4620- %
350 GUNTERSVILLE - MAIN	33,540.00	0.00 0.0000 %	2,650.00- 7.9010- %	1,048.71- 3.1260- %	3,698.71- 11.0270- %
351 GUNTERSVILLE - SAND MOUNTAIN	9,240.00	0.00 0.0000 %	330.00- 3.5710- %	186.26- 2.0150- %	516.26- 5.5870- %
352 GUNTERSVILLE - ALBERTVILLE	26,010.00	0.00 0.0000 %	1,620.00- 6.2280- %	667.22- 2.5650- %	2,287.22- 8.7930- %
353 GUNTERSVILLE - BOAZ	12,120.00	0.00 0.0000 %	2,340.00- 19.3060- %	933.59- 7.7020- %	3,273.59- 27.0090- %
354 GUNTERSVILLE - ARAB	19,890.00	0.00 0.0000 %	1,650.00- 8.2950- %	1,015.83- 5.1070- %	2,665.83- 13.4020- %
361 BALDWIN CO AL -GULF SHORES	120.00	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %
362 HUNTSVILLE AL - MADISON ST	240.00	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %
390 SOUTHAVEN - HORN LAKE	55,020.00	0.00 0.0000 %	2,085.00- 3.7890- %	3,122.81- 5.6750- %	5,207.81- 9.4650- %
391 SOUTHAVEN - GETWELL ROAD	21,990.00	0.00 0.0000 %	1,455.00- 6.6160- %	1,493.94- 6.7930- %	2,948.94- 13.4100- %

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392 SOUTHAVEN - MAIN	59,340.00	0.00 0.0000 %	3,805.00- 6.4120- %	2,772.18- 4.6710- %	6,577.18- 11.0830- %
393 SOUTHAVEN - CHURCH ROAD BRANCH	23,640.00	0.00 0.0000 %	885.00- 3.7430- %	722.99- 3.0580- %	1,607.99- 6.8010- %
501 HATTIESBURG - MAIN	36,300.00	0.00 0.0000 %	4,619.27- 12.7250- %	1,699.55- 4.6810- %	6,318.82- 17.4070- %
502 HATTIESBURG - BROADWAY	31,380.00	0.00 0.0000 %	630.00- 2.0070- %	3,977.73- 12.6760- %	4,607.73- 14.6830- %
503 HATTIESBURG - KAMPER PARK	6,180.00	0.00 0.0000 %	675.00- 10.9220- %	122.10- 1.9750- %	797.10- 12.8980- %
505 HATTIESBURG - PETAL	43,350.00	0.00 0.0000 %	2,829.80- 6.5270- %	1,952.02- 4.5020- %	4,781.82- 11.0300- %
506 HATTIESBURG - 98 PLACE	37,200.00	0.00 0.0000 %	2,380.00- 6.3970- %	3,762.89- 10.1150- %	6,142.89- 16.5130- %
507 HATTIESBURG - WAL-MART	11,700.00	0.00 0.0000 %	405.00- 3.4610- %	1,087.31- 9.2930- %	1,492.31- 12.7540- %
509 HATTIESBURG - EASTBROOK BRANCH	20,370.00	0.00 0.0000 %	1,215.00- 5.9640- %	1,234.32- 6.0590- %	2,449.32- 12.0240- %
512 HATTIESBURG - UNIVERSITY	72,660.00	0.00 0.0000 %	3,965.00- 5.4560- %	3,694.01- 5.0830- %	7,659.01- 10.5400- %
517 HATTIESBURG - LUMBERTON	15,030.00	0.00 0.0000 %	900.00- 5.9880- %	953.99- 6.3470- %	1,853.99- 12.3350- %
530 HATTIESBURG - MEDICAL CENTER	7,590.00	0.00 0.0000 %	0.00 0.0000 %	1,689.62- 22.2610- %	1,689.62- 22.2610- %

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532 HATTIESBURG - WESTWOOD	46,770.00	0.00 0.0000 %	2,340.00- 5.0030- %	3,578.06- 7.6500- %	5,918.06- 12.6530- %
535 HATTIESBURG - PREMIER BANKING	5,730.00	0.00 0.0000 %	1,020.00- 17.8010- %	33.62- 0.5860- %	1,053.62- 18.3870- %
536 EL DORADO - MAIN	46,830.00	0.00 0.0000 %	3,405.00- 7.2700- %	1,637.53- 3.4960- %	5,042.53- 10.7670- %
537 EL DORADO - NORTH	7,020.00	0.00 0.0000 %	690.00- 9.8290- %	534.56- 7.6140- %	1,224.56- 17.4430- %
539 EL DORADO - EAST	0.00	0.00 0.0000 %	90.00- 0.0000 %	0.00 0.0000 %	90.00- 0.0000 %
540 EL DORADO - WAL-MART	7,890.00	0.00 0.0000 %	300.00- 3.8020- %	910.08- 11.5340- %	1,210.08- 15.3360- %
542 GREENE CO - PARAGOULD LINWOOD	32,070.00	0.00 0.0000 %	4,038.63- 12.5930- %	1,615.57- 5.0370- %	5,654.20- 17.6300- %
543 GREENE CO - PARAGOULD NORTH	1,110.00	0.00 0.0000 %	181.30- 16.3330- %	0.00 0.0000 %	181.30- 16.3330- %
544 GREENE CO - PARAGOULD WEST	4,200.00	0.00 0.0000 %	180.00- 4.2850- %	0.00 0.0000 %	180.00- 4.2850- %
545 MAGNOLIA - MAIN	80,580.00	0.00 0.0000 %	4,495.00- 5.5780- %	2,039.52- 2.5310- %	6,534.52- 8.1090- %
547 MAGNOLIA - TAYLOR	17,190.00	0.00 0.0000 %	510.01- 2.9660- %	203.58- 1.1840- %	713.59- 4.1510- %
548 MISSISSIPPI CO - OSCEOLA	61,080.00	0.00 0.0000 %	3,165.00- 5.1810- %	4,593.31- 7.5200- %	7,758.31- 12.7010- %

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549 MISSISSIPPI CO - WILSON	22,440.00	0.00 0.0000 %	1,850.00- 8.2440- %	1,267.93- 5.6500- %	3,117.93- 13.8940- %
550 CAMDEN - MAIN	32,280.00	0.00 0.0000 %	2,610.00- 8.0850- %	2,581.05- 7.9950- %	5,191.05- 16.0810- %
551 CAMDEN - CULLENDALE	3,600.00	0.00 0.0000 %	625.00- 17.3610- %	318.94- 8.8590- %	943.94- 26.2200- %
552 CAMDEN - GARDEN OAKS	9,990.00	0.00 0.0000 %	90.00- 0.9000- %	1,154.85- 11.5600- %	1,244.85- 12.4600- %
553 CAMDEN - EAST	3,930.00	0.00 0.0000 %	180.00- 4.5800- %	407.88- 10.3780- %	587.88- 14.9580- %
554 CAMDEN - CHIDESTER	2,820.00	0.00 0.0000 %	0.00 0.0000 %	166.61- 5.9080- %	166.61- 5.9080- %
555 RANDOLPH CO - POCAHONTAS	22,770.00	0.00 0.0000 %	2,235.00- 9.8150- %	3,754.51- 16.4880- %	5,989.51- 26.3040- %
557 MELBOURNE - MAIN	15,600.00	0.00 0.0000 %	960.00- 6.1530- %	1,697.07- 10.8780- %	2,657.07- 17.0320- %
558 MELBOURNE - HORSESHOE BEND	4,770.00	0.00 0.0000 %	270.00- 5.6600- %	109.51- 2.2950- %	379.51- 7.9560- %
559 MELBOURNE - CALICO ROCK	9,420.00	0.00 0.0000 %	390.00- 4.1400- %	600.00- 6.3690- %	990.00- 10.5090- %
561 FT SMITH - RILEY FARM	510.00	0.00 0.0000 %	57.84- 11.3410- %	44.55- 8.7350- %	102.39- 20.0760- %
562 STUTTGART - MAIN	34,020.00	0.00 0.0000 %	6,660.00- 19.5760- %	1,347.12- 3.9590- %	8,007.12- 23.5360- %

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563 STUTTGART - SOUTH	360.00	0.00 0.0000 %	30.00- 8.3330- %	0.00 0.0000 %	30.00- 8.3330- %
564 STUTTGART - NORTH	1,140.00	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %
565 STUTTGART - BRINKLEY	26,850.00	0.00 0.0000 %	3,840.00- 14.3010- %	753.98- 2.8080- %	4,593.98- 17.1090- %
566 STUTTGART - CARLISLE	26,460.00	0.00 0.0000 %	1,725.00- 6.5190- %	74.57- 0.2810- %	1,799.57- 6.8010- %
567 STUTTGART - HAZEN	16,350.00	0.00 0.0000 %	510.00- 3.1190- %	484.96- 2.9660- %	994.96- 6.0850- %
568 STUTTGART - HUMNOKE	3,840.00	0.00 0.0000 %	60.00- 1.5620- %	264.64- 6.8910- %	324.64- 8.4540- %
569 STUTTGART - HUMPHREY	1,980.00	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %
572 ***BRANCH NAME UNKNOWN	0.00	0.00 0.0000 %	0.09- 0.0000 %	0.00 0.0000 %	0.09- 0.0000 %
573 FT SMITH - MAIN	23,640.00	0.00 0.0000 %	2,535.00- 10.7230- %	804.00- 3.4010- %	3,339.00- 14.1240- %
574 FT SMITH - EAST	20,280.00	0.00 0.0000 %	510.00- 2.5140- %	423.51- 2.0880- %	933.51- 4.6030- %
575 FT SMITH - NORTH	15,900.00	0.00 0.0000 %	945.00- 5.9430- %	682.76- 4.2940- %	1,627.76- 10.2370- %
576 FT SMITH - SOUTH	25,770.00	0.00 0.0000 %	990.00- 3.8410- %	1,815.83- 7.0460- %	2,805.83- 10.8870- %

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577 FT SMITH - CENTRAL MALL	39,900.00	0.00 0.0000 %	2,340.00- 5.8640- %	4,159.90- 10.4250- %	6,499.90- 16.2900- %
578 FT SMITH - GREENWOOD	15,120.00	0.00 0.0000 %	780.00- 5.1580- %	382.53- 2.5290- %	1,162.53- 7.6880- %
579 FT SMITH - VAN BUREN	17,010.00	0.00 0.0000 %	1,440.00- 8.4650- %	895.39- 5.2630- %	2,335.39- 13.7290- %
581 ALMA - MAIN	23,130.00	0.00 0.0000 %	1,125.00- 4.8630- %	986.89- 4.2660- %	2,111.89- 9.1300- %
583 ALMA - MOUNTAINBURG	4,470.00	0.00 0.0000 %	120.00- 2.6840- %	308.53- 6.9020- %	428.53- 9.5860- %
586 HOPE - MAIN	46,740.00	0.00 0.0000 %	3,740.22- 8.0020- %	2,272.34- 4.8610- %	6,012.56- 12.8630- %
588 HOPE - HERVEY STREET	0.00	0.00 0.0000 %	30.00 0.0000 %	0.00 0.0000 %	30.00 0.0000 %
589 HOPE - 1520 SOUTH MAIN	7,680.00	0.00 0.0000 %	870.00- 11.3280- %	626.27- 8.1540- %	1,496.27- 19.4820- %
590 HOPE - LEWISVILLE	12,120.00	0.00 0.0000 %	360.00- 2.9700- %	521.04- 4.2990- %	881.04- 7.2690- %
591 HOPE - DEQUEEN	15,480.00	0.00 0.0000 %	1,425.00- 9.2050- %	606.80- 3.9190- %	2,031.80- 13.1250- %
592 GREENE CO - MARMADUKE	9,750.00	0.00 0.0000 %	1,487.11- 15.2520- %	699.34- 7.1720- %	2,186.45- 22.4250- %
597 CRAIGHEAD - JONESBORO FAIRPARK	51,306.00	0.00 0.0000 %	6,020.00- 11.7330- %	1,754.35- 3.4190- %	7,774.35- 15.1520- %

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598 CRAIGHEAD - JONESBORO FARVILLE	1,680.00	0.00 0.0000 %	0.00 0.0000 %	51.23- 3.0490- %	51.23- 3.0490- %
599 CRAIGHEAD-JONESBORO RIDGEPARK	14,670.00	0.00 0.0000 %	810.00- 5.5210- %	176.55- 1.2030- %	986.55- 6.7240- %
600 CRAIGHEAD - JONESBORO MAIN ST	25,898.00	0.00 0.0000 %	4,770.00- 18.4180- %	1,482.35- 5.7230- %	6,252.35- 24.1420- %
602 FULTON	41,460.00	0.00 0.0000 %	1,320.00- 3.1830- %	2,497.04- 6.0220- %	3,817.04- 9.2060- %
603 NETTLETON	39,600.00	0.00 0.0000 %	2,588.00- 6.5350- %	2,486.09- 6.2780- %	5,074.09- 12.8130- %
604 SHERMAN	13,440.00	0.00 0.0000 %	180.00- 1.3390- %	605.98- 4.5080- %	785.98- 5.8480- %
605 ECRU	16,830.00	0.00 0.0000 %	540.00- 3.2080- %	306.60- 1.8210- %	846.60- 5.0300- %
606 MANTACHIE	20,640.00	0.00 0.0000 %	1,380.00- 6.6860- %	948.07- 4.5930- %	2,328.07- 11.2790- %
607 BOONEVILLE - MAIN	28,710.00	0.00 0.0000 %	3,695.00- 12.8700- %	585.99- 2.0410- %	4,280.99- 14.9110- %
608 BRUCE	29,790.00	0.00 0.0000 %	1,930.00- 6.4780- %	843.14- 2.8300- %	2,773.14- 9.3080- %
610 HOUSTON - MAIN	48,060.00	0.00 0.0000 %	1,606.48- 3.3420- %	3,182.21- 6.6210- %	4,788.69- 9.9630- %
611 VARDAMAN	12,090.00	0.00 0.0000 %	810.00- 6.6990- %	1,203.92- 9.9570- %	2,013.92- 16.6570- %

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612 HOULKA	10,830.00	0.00 0.0000 %	450.00- 4.1550- %	187.25- 1.7280- %	637.25- 5.8840- %
613 WEST POINT - MAIN	31,500.00	0.00 0.0000 %	2,455.00- 7.7930- %	4,651.62- 14.7670- %	7,106.62- 22.5600- %
615 GRENADA - MAIN	42,630.00	0.00 0.0000 %	2,505.00- 5.8760- %	4,880.55- 11.4480- %	7,385.55- 17.3240- %
616 CORINTH - MAIN	29,370.00	0.00 0.0000 %	3,165.00- 10.7760- %	1,055.42- 3.5930- %	4,220.42- 14.3690- %
619 ABERDEEN - MAIN	23,820.00	0.00 0.0000 %	1,269.94- 5.3310- %	1,870.32- 7.8510- %	3,140.26- 13.1830- %
620 COLUMBUS - MAIN	29,370.00	0.00 0.0000 %	1,144.15- 3.8950- %	3,682.34- 12.5370- %	4,826.49- 16.4330- %
621 LOUISVILLE - MAIN	39,030.00	0.00 0.0000 %	2,650.00- 6.7890- %	1,566.89- 4.0140- %	4,216.89- 10.8040- %
623 STARKVILLE - MIDTOWN	57,930.00	0.00 0.0000 %	3,070.00- 5.2990- %	5,082.16- 8.7720- %	8,152.16- 14.0720- %
624 OAKLAND	19,230.00	0.00 0.0000 %	330.00- 1.7160- %	616.59- 3.2060- %	946.59- 4.9220- %
625 BATESVILLE	30,900.00	0.00 0.0000 %	1,510.00- 4.8860- %	705.91- 2.2840- %	2,215.91- 7.1710- %
626 OXFORD - MAIN	91,740.00	0.00 0.0000 %	6,055.00- 6.6000- %	3,755.28- 4.0930- %	9,810.28- 10.6930- %
627 SENATOBIA	72,210.00	0.00 0.0000 %	2,580.00- 3.5720- %	5,754.47- 7.9690- %	8,334.47- 11.5410- %

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628 IUKA - MAIN	26,160.00	0.00 0.0000 %	2,790.00- 10.6650- %	758.88- 2.9000- %	3,548.88- 13.5660- %
630 IUKA - TISHOMINGO	11,520.00	0.00 0.0000 %	603.87- 5.2410- %	620.50- 5.3860- %	1,224.37- 10.6280- %
632 COLUMBUS - LEHMBERG	27,960.00	0.00 0.0000 %	2,160.00- 7.7250- %	448.14- 1.6020- %	2,608.14- 9.3280- %
635 OXFORD - PREMIER BANKING	540.00	0.00 0.0000 %	90.00- 16.6660- %	0.00 0.0000 %	90.00- 16.6660- %
637 BOONEVILLE - CROSSRIDGE	22,020.00	0.00 0.0000 %	990.00- 4.4950- %	2,239.65- 10.1700- %	3,229.65- 14.6660- %
638 HOUSTON - BRANCH	10,620.00	0.00 0.0000 %	270.00- 2.5420- %	250.95- 2.3620- %	520.95- 4.9050- %
639 WEST POINT - BRANCH	12,090.00	0.00 0.0000 %	300.00- 2.4810- %	454.75- 3.7610- %	754.75- 6.2420- %
641 CORINTH - HIGHWAY 72	21,660.00	0.00 0.0000 %	1,470.00- 6.7860- %	1,450.88- 6.6980- %	2,920.88- 13.4850- %
643 ABERDEEN - HIGHWAY 45	8,340.00	0.00 0.0000 %	330.00- 3.9560- %	781.98- 9.3760- %	1,111.98- 13.3330- %
645 COLUMBUS - BRANCH	31,590.00	0.00 0.0000 %	2,445.00- 7.7390- %	1,931.21- 6.1130- %	4,376.21- 13.8530- %
646 LOUISVILLE - BRANCH	20,580.00	0.00 0.0000 %	2,160.00- 10.4950- %	1,480.19- 7.1920- %	3,640.19- 17.6870- %
647 STARKVILLE - CROSSING	52,620.00	0.00 0.0000 %	2,481.00- 4.7140- %	4,404.39- 8.3700- %	6,885.39- 13.0850- %

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649 OXFORD - JACKSON AVE	11,610.00	0.00 0.0000 %	915.00- 7.8810- %	1,449.32- 12.4830- %	2,364.32- 20.3640- %
650 VICKSBURG - MAIN	47,580.00	0.00 0.0000 %	2,605.51- 5.4760- %	2,230.91- 4.6880- %	4,836.42- 10.1640- %
651 VICKSBURG - PEMBERTON	26,250.00	0.00 0.0000 %	420.00- 1.6000- %	2,645.72- 10.0780- %	3,065.72- 11.6780- %
652 VICKSBURG - HWY 61 NORTH	23,040.00	0.00 0.0000 %	1,200.00- 5.2080- %	2,638.34- 11.4510- %	3,838.34- 16.6590- %
654 VICKSBURG - UTICA	19,470.00	0.00 0.0000 %	180.00- 0.9240- %	1,858.72- 9.5460- %	2,038.72- 10.4710- %
655 VICKSBURG - EDWARDS	4,410.00	0.00 0.0000 %	0.00 0.0000 %	54.21- 1.2290- %	54.21- 1.2290- %
661 VICKSBURG MS - INDIANA AVENUE	42,420.00	0.00 0.0000 %	1,110.00- 2.6160- %	3,423.79- 8.0710- %	4,533.79- 10.6870- %
664 TUPELO - MAIN	78,540.00	0.00 0.0000 %	6,579.30- 8.3770- %	1,200.56- 1.5280- %	7,779.86- 9.9050- %
672 TUPELO - PRESLEY	27,630.00	0.00 0.0000 %	1,501.39- 5.4330- %	1,608.63- 5.8220- %	3,110.02- 11.2550- %
673 TUPELO - HARRISBURG	21,120.00	0.00 0.0000 %	480.00- 2.2720- %	1,096.61- 5.1920- %	1,576.61- 7.4650- %
674 TUPELO - GOSTER CREEK VILLAGE	14,160.00	0.00 0.0000 %	0.00 0.0000 %	401.04- 2.8320- %	401.04- 2.8320- %
675 TUPELO - INDUSTRIAL BRANCH	31,860.00	0.00 0.0000 %	1,155.00- 3.6250- %	2,308.44- 7.2450- %	3,463.44- 10.8700- %

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677 TUPELO - LAKESHIRE BRANCH	22,860.00	0.00 0.0000 %	1,395.00- 6.1020- %	3,395.53- 14.8530- %	4,790.53- 20.9550- %
688 TUPELO - PREMIER BANKING	4,710.00	0.00 0.0000 %	540.00- 11.4640- %	338.07- 7.1770- %	878.07- 18.6420- %
689 TUPELO - BARNES CROSSING	58,950.00	0.00 0.0000 %	2,550.00- 4.3250- %	4,806.73- 8.1530- %	7,356.73- 12.4790- %
690 TUPELO - COLEY ROAD	46,680.00	0.00 0.0000 %	2,810.00- 6.0190- %	6,911.48- 14.8060- %	9,721.48- 20.8250- %
698 ABERDEEN - HAMILTON	9,090.00	0.00 0.0000 %	360.00- 3.9600- %	560.27- 6.1630- %	920.27- 10.1230- %
709 LAUREL - WAL-MART	28,590.00	0.00 0.0000 %	1,170.00- 4.0920- %	3,297.36- 11.5330- %	4,467.36- 15.6250- %
710 LAUREL - MAIN	19,020.00	0.00 0.0000 %	2,629.00- 13.8220- %	1,055.78- 5.5500- %	3,684.78- 19.3730- %
711 LAUREL - WEST LAUREL	25,140.00	0.00 0.0000 %	2,070.00- 8.2330- %	2,104.55- 8.3710- %	4,174.55- 16.6050- %
712 LAUREL - NORTH LAUREL	11,640.00	0.00 0.0000 %	960.00- 8.2470- %	77.20- 0.6630- %	1,037.20- 8.9100- %
720 MAGEE - MAIN	20,190.00	0.00 0.0000 %	360.00- 1.7830- %	1,451.26- 7.1880- %	1,811.26- 8.9710- %
721 MAGEE - WAL-MART	26,250.00	0.00 0.0000 %	360.00- 1.3710- %	2,659.09- 10.1290- %	3,019.09- 11.5010- %
730 LAUREL - WAYNESBORO	23,190.00	0.00 0.0000 %	120.00- 0.5170- %	2,614.01- 11.2720- %	2,734.01- 11.7890- %

BRANCH REPORT
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BRANCH	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
740 FOREST - MAIN	19,410.00	0.00 0.0000 %	810.00- 4.1730- %	1,809.31- 9.3210- %	2,619.31- 13.4940- %
750 LAUREL - BAY SPRINGS	17,610.00	0.00 0.0000 %	2,250.00- 12.7760- %	977.59- 5.5510- %	3,227.59- 18.3280- %
760 LAUREL - ELLISVILLE	26,760.00	0.00 0.0000 %	1,290.00- 4.8200- %	3,569.92- 13.3400- %	4,859.92- 18.1610- %
816 JACKSON MS - PEARL	21,810.00	0.00 0.0000 %	1,060.00- 4.8600- %	1,246.36- 5.7140- %	2,306.36- 10.5740- %
819 JACKSON - MAIN	29,970.00	0.00 0.0000 %	2,075.00- 6.9230- %	2,384.61- 7.9560- %	4,459.61- 14.8800- %
820 JACKSON MS - RICHLAND	46,770.00	0.00 0.0000 %	1,700.00- 3.6340- %	4,982.94- 10.6540- %	6,682.94- 14.2880- %
821 JACKSON MS - FLORENCE	23,580.00	0.00 0.0000 %	1,120.00- 4.7490- %	1,362.65- 5.7780- %	2,482.65- 10.5280- %
822 JACKSON MS - MCDOWELL ROAD	33,750.00	0.00 0.0000 %	1,860.00- 5.5110- %	2,377.43- 7.0440- %	4,237.43- 12.5550- %
824 JACKSON MS - CANTON MART	37,710.00	0.00 0.0000 %	1,085.95- 2.8790- %	2,704.83- 7.1720- %	3,790.78- 10.0520- %
825 JACKSON MS - MEDICAL CENTER	47,940.00	0.00 0.0000 %	1,290.00- 2.6900- %	3,942.88- 8.2240- %	5,232.88- 10.9150- %
826 JACKSON MS - BYRAM	21,660.00	0.00 0.0000 %	2,700.00- 12.4650- %	1,646.20- 7.6000- %	4,346.20- 20.0650- %
827 JACKSON MS - PEAR ORCHARD	18,180.00	0.00 0.0000 %	330.00- 1.8150- %	1,079.51- 5.9370- %	1,409.51- 7.7530- %

BRANCH REPORT
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BRANCH	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
828 JACKSON MS - CROSSGATES	16,140.00	0.00 0.0000 %	1,725.00- 10.6870- %	1,455.30- 9.0160- %	3,180.30- 19.7040- %
829 JACKSON MS - MADISON	15,900.00	0.00 0.0000 %	855.00- 5.3770- %	277.01- 1.7420- %	1,132.01- 7.1190- %
830 JACKSON MS - COLONY CROSSING	7,860.00	0.00 0.0000 %	480.00- 6.1060- %	1,583.89- 20.1510- %	2,063.89- 26.2580- %
831 JACKSON MS - LAKE LAND	21,990.00	0.00 0.0000 %	960.00- 4.3650- %	1,689.33- 7.6820- %	2,649.33- 12.0470- %
832 JACKSON MS - CASTLEWOODS	17,250.00	0.00 0.0000 %	270.00- 1.5650- %	1,383.10- 8.0170- %	1,653.10- 9.5830- %
834 JACKSON MS - DOGWOOD FESTIVAL	1,530.00	0.00 0.0000 %	240.00- 15.6860- %	0.00 0.0000 %	240.00- 15.6860- %
835 JACKSON MS - PREMIER	32,220.00	0.00 0.0000 %	7,985.00- 24.7820- %	650.54- 2.0190- %	8,635.54- 26.8010- %
860 CLINTON - MAIN	48,450.00	0.00 0.0000 %	3,142.00- 6.4850- %	4,537.59- 9.3650- %	7,679.59- 15.8500- %
888 JACKSON MS COMMERCIAL LENDING	3,900.00	0.00 0.0000 %	120.00- 3.0760- %	39.13- 1.0030- %	159.13- 4.0800- %
FINAL TOTALS ---	5,608,274.00	0.00 0.0000 %	385,038.95- 6.8650- %	349,018.44- 6.2230- %	734,057.39- 13.0880- %

FINANCIAL REPORT
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COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
453 MEMPHIS COMM/INDUST LENDING	600.00	0.00 0.0000 %	235.00- 39.1660- %	0.00 0.0000 %	235.00- 39.1660- %
452 NORTHWEST DIV PREMIER BANKING	2,370.00	0.00 0.0000 %	480.00- 20.2530- %	355.62- 15.0050- %	835.62- 35.2580- %
622 RANDOLPH COUNTY AR COMMUNITY	22,770.00	0.00 0.0000 %	2,235.00- 9.8150- %	3,754.51- 16.4880- %	5,989.51- 26.3040- %
615 LITTLE ROCK AR COMMUNITY	29,340.00	0.00 0.0000 %	4,630.00- 15.7800- %	1,818.13- 6.1960- %	6,448.13- 21.9770- %
606 RUSTON LA COMMUNITY	13,620.00	0.00 0.0000 %	1,562.15- 11.4690- %	1,309.06- 9.6110- %	2,871.21- 21.0800- %
468 RIDGELY TN COMMUNITY	10,200.00	0.00 0.0000 %	1,180.00- 11.5680- %	745.55- 7.3090- %	1,925.55- 18.8770- %
467 MILLINGTON TN COMMUNITY	32,100.00	0.00 0.0000 %	4,995.00- 15.5600- %	972.25- 3.0280- %	5,967.25- 18.5890- %
342 WEST POINT MS COMMUNITY	43,590.00	0.00 0.0000 %	2,755.00- 6.3200- %	5,106.37- 11.7140- %	7,861.37- 18.0340- %
470 BRENTWOOD TN COMMUNITY	32,190.00	0.00 0.0000 %	5,228.90- 16.2430- %	559.55- 1.7380- %	5,788.45- 17.9820- %
601 NACOGDOCHES TX COMMUNITY	147,090.00	0.00 0.0000 %	18,750.00- 12.7470- %	6,935.66- 4.7150- %	25,685.66- 17.4620- %
619 GREENE COUNTY AR COMMUNITY	47,130.00	0.00 0.0000 %	5,887.04- 12.4910- %	2,314.91- 4.9110- %	8,201.95- 17.4020- %
331 GRENADA MS COMMUNITY	42,630.00	0.00 0.0000 %	2,505.00- 5.8760- %	4,880.55- 11.4480- %	7,385.55- 17.3240- %

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COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
604 SHREVEPORT LA COMMUNITY	145,080.00	0.00 0.0000 %	15,100.00- 10.4080- %	9,215.32- 6.3510- %	24,315.32- 16.7590- %
340 VARDAMAN MS COMMUNITY	12,090.00	0.00 0.0000 %	810.00- 6.6990- %	1,203.92- 9.9570- %	2,013.92- 16.6570- %
620 CRAIGHEAD COUNTY AR COMMUNITY	93,554.00	0.00 0.0000 %	11,600.00- 12.3990- %	3,464.48- 3.7030- %	15,064.48- 16.1020- %
228 BILOXI MS COMMUNITY	213,750.00	0.00 0.0000 %	17,495.00- 8.1840- %	16,740.31- 7.8310- %	34,235.31- 16.0160- %
617 BATON ROUGE LA COMMUNITY	30,570.00	0.00 0.0000 %	4,730.00- 15.4720- %	137.92- 0.4510- %	4,867.92- 15.9230- %
270 LAUREL MS COMMUNITY	151,950.00	0.00 0.0000 %	10,489.00- 6.9020- %	13,696.41- 9.0130- %	24,185.41- 15.9160- %
286 CLINTON MS COMMUNITY	48,450.00	0.00 0.0000 %	3,142.00- 6.4850- %	4,537.59- 9.3650- %	7,679.59- 15.8500- %
609 CAMDEN AR COMMUNITY	52,620.00	0.00 0.0000 %	3,505.00- 6.6600- %	4,629.33- 8.7970- %	8,134.33- 15.4580- %
404 SELMER TN COMMUNITY	62,250.00	0.00 0.0000 %	5,595.00- 8.9870- %	3,750.54- 6.0240- %	9,345.54- 15.0120- %
337 BOONEVILLE MS COMMUNITY	50,730.00	0.00 0.0000 %	4,685.00- 9.2350- %	2,825.64- 5.5690- %	7,510.64- 14.8050- %
450 BARTLETT TN COMMUNITY	92,490.00	0.00 0.0000 %	6,245.57- 6.7520- %	7,318.74- 7.9130- %	13,564.31- 14.6650- %
611 STUTTGART AR COMMUNITY	111,000.00	0.00 0.0000 %	12,825.00- 11.5540- %	2,925.27- 2.6350- %	15,750.27- 14.1890- %

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COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
345 CORINTH MS COMMUNITY	51,030.00	0.00 0.0000 %	4,635.00- 9.0820- %	2,506.30- 4.9110- %	7,141.30- 13.9940- %
392 STARKVILLE MS COMMUNITY	110,550.00	0.00 0.0000 %	5,551.00- 5.0210- %	9,486.55- 8.5810- %	15,037.55- 13.6020- %
610 MELBOURNE AR COMMUNITY	29,790.00	0.00 0.0000 %	1,620.00- 5.4380- %	2,406.58- 8.0780- %	4,026.58- 13.5160- %
274 FOREST MS COMMUNITY	19,410.00	0.00 0.0000 %	810.00- 4.1730- %	1,809.31- 9.3210- %	2,619.31- 13.4940- %
283 JACKSON MS COMMUNITY	422,040.00	0.00 0.0000 %	26,035.95- 6.1690- %	30,718.64- 7.2780- %	56,754.59- 13.4470- %
252 HATTIESBURG MS COMMUNITY	334,260.00	0.00 0.0000 %	20,979.07- 6.2760- %	23,785.22- 7.1150- %	44,764.29- 13.3920- %
464 DRESDEN TN COMMUNITY	14,850.00	0.00 0.0000 %	1,406.51- 9.4710- %	568.96- 3.8310- %	1,975.47- 13.3020- %
349 COLUMBUS MS COMMUNITY	88,920.00	0.00 0.0000 %	5,749.15- 6.4650- %	6,061.69- 6.8170- %	11,810.84- 13.2820- %
350 LOUISVILLE MS COMMUNITY	59,610.00	0.00 0.0000 %	4,810.00- 8.0690- %	3,047.08- 5.1110- %	7,857.08- 13.1800- %
503 OPELIKA AL COMMUNITY	57,330.00	0.00 0.0000 %	5,000.00- 8.7210- %	2,493.07- 4.3480- %	7,493.07- 13.0700- %
621 MISSISSIPPI CO AR COMMUNITY	83,520.00	0.00 0.0000 %	5,015.00- 6.0040- %	5,861.24- 7.0170- %	10,876.24- 13.0220- %
333 NETTLETON MS COMMUNITY	39,600.00	0.00 0.0000 %	2,588.00- 6.5350- %	2,486.09- 6.2780- %	5,074.09- 12.8130- %

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COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
344 TUPELO MS COMMUNITY	306,510.00	0.00 0.0000 %	17,010.69- 5.5490- %	22,067.09- 7.1990- %	39,077.78- 12.7490- %
613 HOPE AR COMMUNITY	82,020.00	0.00 0.0000 %	6,365.22- 7.7600- %	4,026.45- 4.9090- %	10,391.67- 12.6690- %
348 ABERDEEN MS COMMUNITY	41,250.00	0.00 0.0000 %	1,959.94- 4.7510- %	3,212.57- 7.7880- %	5,172.51- 12.5390- %
504 GUNTERVILLE AL COMMUNITY	100,800.00	0.00 0.0000 %	8,590.00- 8.5210- %	3,851.61- 3.8210- %	12,441.61- 12.3420- %
607 EL DORADO AR COMMUNITY	61,740.00	0.00 0.0000 %	4,485.00- 7.2640- %	3,082.17- 4.9920- %	7,567.17- 12.2560- %
603 TEXARKANA TX COMMUNITY	65,700.00	0.00 0.0000 %	4,855.00- 7.3890- %	3,160.90- 4.8110- %	8,015.90- 12.2000- %
501 BIRMINGHAM AL COMMUNITY	117,900.00	0.00 0.0000 %	6,428.02- 5.4520- %	7,943.77- 6.7370- %	14,371.79- 12.1890- %
469 SOMERVILLE TN COMMUNITY	16,050.00	0.00 0.0000 %	840.00- 5.2330- %	1,109.74- 6.9140- %	1,949.74- 12.1470- %
426 JACKSON TN COMMUNITY	242,730.00	0.00 0.0000 %	11,132.93- 4.5860- %	17,896.38- 7.3720- %	29,029.31- 11.9590- %
360 IUKA MS COMMUNITY	40,500.00	0.00 0.0000 %	3,393.87- 8.3790- %	1,404.17- 3.4670- %	4,798.04- 11.8470- %
326 OXFORD MS COMMUNITY	103,890.00	0.00 0.0000 %	7,060.00- 6.7950- %	5,204.60- 5.0090- %	12,264.60- 11.8050- %
330 VICKSBURG MS COMMUNITY	139,290.00	0.00 0.0000 %	5,335.51- 3.8300- %	10,938.76- 7.8530- %	16,274.27- 11.6830- %

BRANCH REPORT
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 SORTED BY AVERAGE CHARGES %
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COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
612 FT SMITH AR COMMUNITY	141,120.00	0.00 0.0000 %	8,157.84- 5.7800- %	8,313.08- 5.8900- %	16,470.92- 11.6710- %
466 HUMBOLDT TN COMMUNITY	31,080.00	0.00 0.0000 %	1,095.00- 3.5230- %	2,496.62- 8.0320- %	3,591.62- 11.5560- %
127 SENATOBIA MS COMMUNITY	72,210.00	0.00 0.0000 %	2,580.00- 3.5720- %	5,754.47- 7.9690- %	8,334.47- 11.5410- %
143 OLIVE BRANCH MS COMMUNITY	161,700.00	0.00 0.0000 %	8,133.41- 5.0290- %	10,362.34- 6.4080- %	18,495.75- 11.4380- %
461 COVINGTON TN COMMUNITY	57,270.00	0.00 0.0000 %	4,074.10- 7.1130- %	2,447.48- 4.2730- %	6,521.58- 11.3870- %
336 MANTACHIE MS COMMUNITY	20,640.00	0.00 0.0000 %	1,380.00- 6.6860- %	948.07- 4.5930- %	2,328.07- 11.2790- %
147 SOUTHAVEN MS COMMUNITY	191,160.00	0.00 0.0000 %	10,990.00- 5.7490- %	10,379.73- 5.4290- %	21,369.73- 11.1780- %
427 MILAN TN COMMUNITY	40,800.00	0.00 0.0000 %	3,015.00- 7.3890- %	1,502.11- 3.6810- %	4,517.11- 11.0710- %
614 ALMA AR COMMUNITY	44,610.00	0.00 0.0000 %	2,685.00- 6.0180- %	2,190.81- 4.9110- %	4,875.81- 10.9290- %
472 TRENTON TN COMMUNITY	23,070.00	0.00 0.0000 %	2,010.00- 8.7120- %	481.15- 2.0850- %	2,491.15- 10.7980- %
272 MAGEE MS COMMUNITY	46,440.00	0.00 0.0000 %	720.00- 1.5500- %	4,110.35- 8.8500- %	4,830.35- 10.4010- %
605 MONROE LA COMMUNITY	107,640.00	0.00 0.0000 %	5,651.50- 5.2500- %	5,315.11- 4.9370- %	10,966.61- 10.1880- %

FINANCIAL REPORTS ON THE
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COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
616 LONGVIEW TX COMMUNITY	6,960.00	0.00 0.0000 %	630.00- 9.0510- %	72.77- 1.0450- %	702.77- 10.0970- %
146 HERNANDO MS COMMUNITY	65,520.00	0.00 0.0000 %	3,420.00- 5.2190- %	3,035.73- 4.6330- %	6,455.73- 9.8530- %
602 MARSHALL TX COMMUNITY	40,140.00	0.00 0.0000 %	3,320.00- 8.2710- %	625.70- 1.5580- %	3,945.70- 9.8290- %
338 BRUCE MS COMMUNITY	29,790.00	0.00 0.0000 %	1,930.00- 6.4780- %	843.14- 2.8300- %	2,773.14- 9.3080- %
462 ALAMO TN COMMUNITY	19,830.00	0.00 0.0000 %	1,205.00- 6.0760- %	631.59- 3.1850- %	1,836.59- 9.2610- %
332 FULTON MS COMMUNITY	41,460.00	0.00 0.0000 %	1,320.00- 3.1830- %	2,497.04- 6.0220- %	3,817.04- 9.2060- %
339 HOUSTON MS COMMUNITY	58,680.00	0.00 0.0000 %	1,876.48- 3.1970- %	3,433.16- 5.8500- %	5,309.64- 9.0480- %
502 FORT DEPOSIT AL COMMUNITY	58,770.00	0.00 0.0000 %	1,755.00- 2.9860- %	3,539.28- 6.0220- %	5,294.28- 9.0080- %
465 HENNING TN COMMUNITY	8,370.00	0.00 0.0000 %	280.00- 3.3450- %	460.61- 5.5030- %	740.61- 8.8480- %
343 TUPELO - ASSET BASED LENDING	4,200.00	0.00 0.0000 %	360.00- 8.5710- %	0.00 0.0000 %	360.00- 8.5710- %
608 MAGNOLIA AR COMMUNITY	97,770.00	0.00 0.0000 %	5,005.01- 5.1190- %	2,243.10- 2.2940- %	7,248.11- 7.4130- %
394 BATESVILLE MS COMMUNITY	30,900.00	0.00 0.0000 %	1,510.00- 4.8860- %	705.91- 2.2840- %	2,215.91- 7.1710- %

FINANCIAL REPORT ON THE
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COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
451 COLLIERVILLE TN COMMUNITY	30,000.00	0.00 0.0000 %	1,410.00- 4.7000- %	586.10- 1.9530- %	1,996.10- 6.6530- %
341 HOULKA MS COMMUNITY	10,830.00	0.00 0.0000 %	450.00- 4.1550- %	187.25- 1.7280- %	637.25- 5.8840- %
334 SHERMAN MS COMMUNITY	13,440.00	0.00 0.0000 %	180.00- 1.3390- %	605.98- 4.5080- %	785.98- 5.8480- %
335 ECRU MS COMMUNITY	16,830.00	0.00 0.0000 %	540.00- 3.2080- %	306.60- 1.8210- %	846.60- 5.0300- %
393 OAKLAND MS COMMUNITY	19,230.00	0.00 0.0000 %	330.00- 1.7160- %	616.59- 3.2060- %	946.59- 4.9220- %
505 BALDWIN CO AL COMMUNITY	120.00	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %
506 HUNTSVILLE AL COMMUNITY	240.00	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %
FINAL TOTALS ---	5,608,274.00	0.00 0.0000 %	384,333.86- 6.8520- %	349,018.44- 6.2230- %	733,352.30- 13.0760- %

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COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
283 JACKSON MS COMMUNITY	422,040.00	0.00 0.0000 %	26,035.95- 6.1690- %	30,718.64- 7.2780- %	56,754.59- 13.4470- %
252 HATTIESBURG MS COMMUNITY	334,260.00	0.00 0.0000 %	20,979.07- 6.2760- %	23,785.22- 7.1150- %	44,764.29- 13.3920- %
344 TUPELO MS COMMUNITY	306,510.00	0.00 0.0000 %	17,010.69- 5.5490- %	22,067.09- 7.1990- %	39,077.78- 12.7490- %
426 JACKSON TN COMMUNITY	242,730.00	0.00 0.0000 %	11,132.93- 4.5860- %	17,896.38- 7.3720- %	29,029.31- 11.9590- %
228 BILOXI MS COMMUNITY	213,750.00	0.00 0.0000 %	17,495.00- 8.1840- %	16,740.31- 7.8310- %	34,235.31- 16.0160- %
147 SOUTHAVEN MS COMMUNITY	191,160.00	0.00 0.0000 %	10,990.00- 5.7490- %	10,379.73- 5.4290- %	21,369.73- 11.1780- %
143 OLIVE BRANCH MS COMMUNITY	161,700.00	0.00 0.0000 %	8,133.41- 5.0290- %	10,362.34- 6.4080- %	18,495.75- 11.4380- %
270 LAUREL MS COMMUNITY	151,950.00	0.00 0.0000 %	10,489.00- 6.9020- %	13,696.41- 9.0130- %	24,185.41- 15.9160- %
601 NACOGDOCHES TX COMMUNITY	147,090.00	0.00 0.0000 %	18,750.00- 12.7470- %	6,935.66- 4.7150- %	25,685.66- 17.4620- %
604 SHREVEPORT LA COMMUNITY	145,080.00	0.00 0.0000 %	15,100.00- 10.4080- %	9,215.32- 6.3510- %	24,315.32- 16.7590- %
612 FT SMITH AR COMMUNITY	141,120.00	0.00 0.0000 %	8,157.84- 5.7800- %	8,313.08- 5.8900- %	16,470.92- 11.6710- %
330 VICKSBURG MS COMMUNITY	139,290.00	0.00 0.0000 %	5,335.51- 3.8300- %	10,938.76- 7.8530- %	16,274.27- 11.6830- %

FINANCIAL REPORT
FM OD-MATRIX REPORTING
SORTED BY GROSS FEES
AS OF 10/2006

COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
501 BIRMINGHAM AL COMMUNITY	117,900.00	0.00 0.0000 %	6,428.02- 5.4520- %	7,943.77- 6.7370- %	14,371.79- 12.1890- %
611 STUTTGART AR COMMUNITY	111,000.00	0.00 0.0000 %	12,825.00- 11.5540- %	2,925.27- 2.6350- %	15,750.27- 14.1890- %
392 STARKVILLE MS COMMUNITY	110,550.00	0.00 0.0000 %	5,551.00- 5.0210- %	9,486.55- 8.5810- %	15,037.55- 13.6020- %
605 MONROE LA COMMUNITY	107,640.00	0.00 0.0000 %	5,651.50- 5.2500- %	5,315.11- 4.9370- %	10,966.61- 10.1880- %
326 OXFORD MS COMMUNITY	103,890.00	0.00 0.0000 %	7,060.00- 6.7950- %	5,204.60- 5.0090- %	12,264.60- 11.8050- %
504 GUNTERSVILLE AL COMMUNITY	100,800.00	0.00 0.0000 %	8,590.00- 8.5210- %	3,851.61- 3.8210- %	12,441.61- 12.3420- %
608 MAGNOLIA AR COMMUNITY	97,770.00	0.00 0.0000 %	5,005.01- 5.1190- %	2,243.10- 2.2940- %	7,248.11- 7.4130- %
620 CRAIGHEAD COUNTY AR COMMUNITY	93,554.00	0.00 0.0000 %	11,600.00- 12.3990- %	3,464.48- 3.7030- %	15,064.48- 16.1020- %
450 BARTLETT TN COMMUNITY	92,490.00	0.00 0.0000 %	6,245.57- 6.7520- %	7,318.74- 7.9130- %	13,564.31- 14.6650- %
349 COLUMBUS MS COMMUNITY	88,920.00	0.00 0.0000 %	5,749.15- 6.4650- %	6,061.69- 6.8170- %	11,810.84- 13.2820- %
621 MISSISSIPPI CO AR COMMUNITY	83,520.00	0.00 0.0000 %	5,015.00- 6.0040- %	5,861.24- 7.0170- %	10,876.24- 13.0220- %
613 HOPE AR COMMUNITY	82,020.00	0.00 0.0000 %	6,365.22- 7.7600- %	4,026.45- 4.9090- %	10,391.67- 12.6690- %

FINANCIAL REPORTS OF THE
FM OD-MATRIX REPORTING
SORTED BY GROSS FEES
AS OF 10/2006

COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
127 SENATOBIA MS COMMUNITY	72,210.00	0.00 0.0000 %	2,580.00- 3.5720- %	5,754.47- 7.9690- %	8,334.47- 11.5410- %
603 TEXARKANA TX COMMUNITY	65,700.00	0.00 0.0000 %	4,855.00- 7.3890- %	3,160.90- 4.8110- %	8,015.90- 12.2000- %
146 HERNANDO MS COMMUNITY	65,520.00	0.00 0.0000 %	3,420.00- 5.2190- %	3,035.73- 4.6330- %	6,455.73- 9.8530- %
404 SELMER TN COMMUNITY	62,250.00	0.00 0.0000 %	5,595.00- 8.9870- %	3,750.54- 6.0240- %	9,345.54- 15.0120- %
607 EL DORADO AR COMMUNITY	61,740.00	0.00 0.0000 %	4,485.00- 7.2640- %	3,082.17- 4.9920- %	7,567.17- 12.2560- %
350 LOUISVILLE MS COMMUNITY	59,610.00	0.00 0.0000 %	4,810.00- 8.0690- %	3,047.08- 5.1110- %	7,857.08- 13.1800- %
502 FORT DEPOSIT AL COMMUNITY	58,770.00	0.00 0.0000 %	1,755.00- 2.9860- %	3,539.28- 6.0220- %	5,294.28- 9.0080- %
339 HOUSTON MS COMMUNITY	58,680.00	0.00 0.0000 %	1,876.48- 3.1970- %	3,433.16- 5.8500- %	5,309.64- 9.0480- %
503 OPELIKA AL COMMUNITY	57,330.00	0.00 0.0000 %	5,000.00- 8.7210- %	2,493.07- 4.3480- %	7,493.07- 13.0700- %
461 COVINGTON TN COMMUNITY	57,270.00	0.00 0.0000 %	4,074.10- 7.1130- %	2,447.48- 4.2730- %	6,521.58- 11.3870- %
609 CAMDEN AR COMMUNITY	52,620.00	0.00 0.0000 %	3,505.00- 6.6600- %	4,629.33- 8.7970- %	8,134.33- 15.4580- %
345 CORINTH MS COMMUNITY	51,030.00	0.00 0.0000 %	4,635.00- 9.0820- %	2,506.30- 4.9110- %	7,141.30- 13.9940- %

BRANCO REPORTS OF THE
FM OD-MATRIX REPORTING
SORTED BY GROSS FEES
AS OF 10/2006

COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
337 BOONEVILLE MS COMMUNITY	50,730.00	0.00 0.0000 %	4,685.00- 9.2350- %	2,825.64- 5.5690- %	7,510.64- 14.8050- %
286 CLINTON MS COMMUNITY	48,450.00	0.00 0.0000 %	3,142.00- 6.4850- %	4,537.59- 9.3650- %	7,679.59- 15.8500- %
619 GREENE COUNTY AR COMMUNITY	47,130.00	0.00 0.0000 %	5,887.04- 12.4910- %	2,314.91- 4.9110- %	8,201.95- 17.4020- %
272 MAGEE MS COMMUNITY	46,440.00	0.00 0.0000 %	720.00- 1.5500- %	4,110.35- 8.8500- %	4,830.35- 10.4010- %
614 ALMA AR COMMUNITY	44,610.00	0.00 0.0000 %	2,685.00- 6.0180- %	2,190.81- 4.9110- %	4,875.81- 10.9290- %
342 WEST POINT MS COMMUNITY	43,590.00	0.00 0.0000 %	2,755.00- 6.3200- %	5,106.37- 11.7140- %	7,861.37- 18.0340- %
331 GRENADA MS COMMUNITY	42,630.00	0.00 0.0000 %	2,505.00- 5.8760- %	4,880.55- 11.4480- %	7,385.55- 17.3240- %
332 FULTON MS COMMUNITY	41,460.00	0.00 0.0000 %	1,320.00- 3.1830- %	2,497.04- 6.0220- %	3,817.04- 9.2060- %
348 ABERDEEN MS COMMUNITY	41,250.00	0.00 0.0000 %	1,959.94- 4.7510- %	3,212.57- 7.7880- %	5,172.51- 12.5390- %
427 MILAN TN COMMUNITY	40,800.00	0.00 0.0000 %	3,015.00- 7.3890- %	1,502.11- 3.6810- %	4,517.11- 11.0710- %
360 IUKA MS COMMUNITY	40,500.00	0.00 0.0000 %	3,393.87- 8.3790- %	1,404.17- 3.4670- %	4,798.04- 11.8470- %
602 MARSHALL TX COMMUNITY	40,140.00	0.00 0.0000 %	3,320.00- 8.2710- %	625.70- 1.5580- %	3,945.70- 9.8290- %

BRANCO REPORTS OF THE
FM OD-MATRIX REPORTING
SORTED BY GROSS FEES
AS OF 10/2006

COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
333 NETTLETON MS COMMUNITY	39,600.00	0.00 0.0000 %	2,588.00- 6.5350- %	2,486.09- 6.2780- %	5,074.09- 12.8130- %
470 BRENTWOOD TN COMMUNITY	32,190.00	0.00 0.0000 %	5,228.90- 16.2430- %	559.55- 1.7380- %	5,788.45- 17.9820- %
467 MILLINGTON TN COMMUNITY	32,100.00	0.00 0.0000 %	4,995.00- 15.5600- %	972.25- 3.0280- %	5,967.25- 18.5890- %
466 HUMBOLDT TN COMMUNITY	31,080.00	0.00 0.0000 %	1,095.00- 3.5230- %	2,496.62- 8.0320- %	3,591.62- 11.5560- %
394 BATESVILLE MS COMMUNITY	30,900.00	0.00 0.0000 %	1,510.00- 4.8860- %	705.91- 2.2840- %	2,215.91- 7.1710- %
617 BATON ROUGE LA COMMUNITY	30,570.00	0.00 0.0000 %	4,730.00- 15.4720- %	137.92- 0.4510- %	4,867.92- 15.9230- %
451 COLLIERSVILLE TN COMMUNITY	30,000.00	0.00 0.0000 %	1,410.00- 4.7000- %	586.10- 1.9530- %	1,996.10- 6.6530- %
338 BRUCE MS COMMUNITY	29,790.00	0.00 0.0000 %	1,930.00- 6.4780- %	843.14- 2.8300- %	2,773.14- 9.3080- %
610 MELBOURNE AR COMMUNITY	29,790.00	0.00 0.0000 %	1,620.00- 5.4380- %	2,406.58- 8.0780- %	4,026.58- 13.5160- %
615 LITTLE ROCK AR COMMUNITY	29,340.00	0.00 0.0000 %	4,630.00- 15.7800- %	1,818.13- 6.1960- %	6,448.13- 21.9770- %
472 TRENTON TN COMMUNITY	23,070.00	0.00 0.0000 %	2,010.00- 8.7120- %	481.15- 2.0850- %	2,491.15- 10.7980- %
622 RANDOLPH COUNTY AR COMMUNITY	22,770.00	0.00 0.0000 %	2,235.00- 9.8150- %	3,754.51- 16.4880- %	5,989.51- 26.3040- %

FINANCIAL REPORT
FM OD-MATRIX REPORTING
SORTED BY GROSS FEES
AS OF 10/2006

COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
336 MANTACHIE MS COMMUNITY	20,640.00	0.00 0.0000 %	1,380.00- 6.6860- %	948.07- 4.5930- %	2,328.07- 11.2790- %
462 ALAMO TN COMMUNITY	19,830.00	0.00 0.0000 %	1,205.00- 6.0760- %	631.59- 3.1850- %	1,836.59- 9.2610- %
274 FOREST MS COMMUNITY	19,410.00	0.00 0.0000 %	810.00- 4.1730- %	1,809.31- 9.3210- %	2,619.31- 13.4940- %
393 OAKLAND MS COMMUNITY	19,230.00	0.00 0.0000 %	330.00- 1.7160- %	616.59- 3.2060- %	946.59- 4.9220- %
335 ECRU MS COMMUNITY	16,830.00	0.00 0.0000 %	540.00- 3.2080- %	306.60- 1.8210- %	846.60- 5.0300- %
469 SOMERVILLE TN COMMUNITY	16,050.00	0.00 0.0000 %	840.00- 5.2330- %	1,109.74- 6.9140- %	1,949.74- 12.1470- %
464 DRESDEN TN COMMUNITY	14,850.00	0.00 0.0000 %	1,406.51- 9.4710- %	568.96- 3.8310- %	1,975.47- 13.3020- %
606 RUSTON LA COMMUNITY	13,620.00	0.00 0.0000 %	1,562.15- 11.4690- %	1,309.06- 9.6110- %	2,871.21- 21.0800- %
334 SHERMAN MS COMMUNITY	13,440.00	0.00 0.0000 %	180.00- 1.3390- %	605.98- 4.5080- %	785.98- 5.8480- %
340 VARDAMAN MS COMMUNITY	12,090.00	0.00 0.0000 %	810.00- 6.6990- %	1,203.92- 9.9570- %	2,013.92- 16.6570- %
341 HOULKA MS COMMUNITY	10,830.00	0.00 0.0000 %	450.00- 4.1550- %	187.25- 1.7280- %	637.25- 5.8840- %
468 RIDGELY TN COMMUNITY	10,200.00	0.00 0.0000 %	1,180.00- 11.5680- %	745.55- 7.3090- %	1,925.55- 18.8770- %

FINANCIAL REPORTS OF THE
FM OD-MATRIX REPORTING
SORTED BY GROSS FEES
AS OF 10/2006

COMMUNITY BANK	GROSS FEES # 45760	WAIVE FEE # 45812 / AVG	REFUND FEE # 45810 / AVG	CHGOFF FEE # 45815 / AVG	TOTAL LOST FEES / LOST %
465 HENNING TN COMMUNITY	8,370.00	0.00 0.0000 %	280.00- 3.3450- %	460.61- 5.5030- %	740.61- 8.8480- %
616 LONGVIEW TX COMMUNITY	6,960.00	0.00 0.0000 %	630.00- 9.0510- %	72.77- 1.0450- %	702.77- 10.0970- %
343 TUPELO - ASSET BASED LENDING	4,200.00	0.00 0.0000 %	360.00- 8.5710- %	0.00 0.0000 %	360.00- 8.5710- %
452 NORTHWEST DIV PREMIER BANKING	2,370.00	0.00 0.0000 %	480.00- 20.2530- %	355.62- 15.0050- %	835.62- 35.2580- %
453 MEMPHIS COMM/INDUST LENDING	600.00	0.00 0.0000 %	235.00- 39.1660- %	0.00 0.0000 %	235.00- 39.1660- %
506 HUNTSVILLE AL COMMUNITY	240.00	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %
505 BALDWIN CO AL COMMUNITY	120.00	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %	0.00 0.0000 %
FINAL TOTALS --- 5,608,274.00		0.00 0.0000 %	384,333.86- 6.8520- %	349,018.44- 6.2230- %	733,352.30- 13.0760- %

BEAN CREDIT SOCIETY
FM OD-MATRIX REPORTING
* FMODRGAV *
NET NSF FEES
SORTED BY AVG FEES BY REGION
AS OF 10/2006

COMMUNITY BANK	# IM ACCTS	NET NSF FEES # 45820	NSF AVG/ REGN
343 TUPELO - ASSET BASED LENDING	14	21,930.00	1,566.00
272 MAGEE MS COMMUNITY	1,711	403,531.78	236.00
349 COLUMBUS MS COMMUNITY	3,240	640,464.24	198.00
451 COLLIERVILLE TN COMMUNITY	1,243	240,196.72	193.00
469 SOMERVILLE TN COMMUNITY	730	135,451.15	186.00
393 OAKLAND MS COMMUNITY	1,011	182,463.08	180.00
621 MISSISSIPPI CO AR COMMUNITY	3,715	654,595.98	176.00
339 HOUSTON MS COMMUNITY	2,791	484,137.24	173.00
467 MILLINGTON TN COMMUNITY	1,597	276,656.62	173.00
605 MONROE LA COMMUNITY	5,261	898,143.38	171.00
339 HOUSTON MS COMMUNITY	556	90,040.51	162.00

BEA W C R D S C O U N T H
FM OD-MATRIX REPORTING
* FMODRGAV *
NET NSF FEES
SORTED BY AVG FEES BY REGION
AS OF 10/2006

COMMUNITY BANK	# IM ACCTS	NET NSF FEES # 45820	NSF AVG/ REGN
350 LOUISVILLE MS COMMUNITY	2,974	474,733.21	160.00
127 SENATOBIA MS COMMUNITY	3,721	581,273.76	156.00
147 SOUTHAVEN MS COMMUNITY	10,653	1,639,124.66	154.00
502 FORT DEPOSIT AL COMMUNITY	3,211	493,238.52	154.00
143 OLIVE BRANCH MS COMMUNITY	9,408	1,417,638.45	151.00
286 CLINTON MS COMMUNITY	2,864	430,416.44	150.00
450 BARTLETT TN COMMUNITY	5,137	753,783.51	147.00
274 FOREST MS COMMUNITY	1,203	169,345.67	141.00
283 JACKSON MS COMMUNITY	25,650	3,629,438.93	141.00
604 SHREVEPORT LA COMMUNITY	8,014	1,132,770.54	141.00
606 RUSTON LA COMMUNITY	1,124	159,030.25	141.00

BEA W C R D 3 C O U N T H
FM OD-MATRIX REPORTING
* FMODRGAV *
NET NSF FEES
SORTED BY AVG FEES BY REGION
AS OF 10/2006

COMMUNITY BANK	# IM ACCTS	NET NSF FEES # 45820	NSF AVG/ REGN
326 OXFORD MS COMMUNITY	6,915	953,897.12	138.00
461 COVINGTON TN COMMUNITY	4,127	570,957.56	138.00
394 BATESVILLE MS COMMUNITY	2,083	285,495.44	137.00
404 SELMER TN COMMUNITY	3,960	530,196.90	134.00
617 BATON ROUGE LA COMMUNITY	1,506	199,859.41	133.00
426 JACKSON TN COMMUNITY	16,181	2,133,910.25	132.00
462 ALAMO TN COMMUNITY	1,456	192,418.14	132.00
501 BIRMINGHAM AL COMMUNITY	7,524	990,460.49	132.00
504 GUNTERSVILLE AL COMMUNITY	6,934	914,710.58	132.00
608 MAGNOLIA AR COMMUNITY	5,633	742,616.36	132.00
338 BRUCE MS COMMUNITY	2,231	292,538.16	131.00

BEA W C R D S C O U N T H
FM OD-MATRIX REPORTING
* FMODRGAV *
NET NSF FEES
SORTED BY AVG FEES BY REGION
AS OF 10/2006

COMMUNITY BANK	# IM ACCTS	NET NSF FEES # 45820	NSF AVG/ REGN
392 STARKVILLE MS COMMUNITY	7,495	984,332.68	131.00
333 NETTLETON MS COMMUNITY	2,630	343,175.70	130.00
427 MILAN TN COMMUNITY	2,744	357,093.80	130.00
331 GRENADA MS COMMUNITY	3,019	390,812.03	129.00
619 GREENE COUNTY AR COMMUNITY	3,704	478,283.42	129.00
344 TUPELO MS COMMUNITY	19,473	2,486,280.57	128.00
620 CRAIGHEAD COUNTY AR COMMUNITY	5,308	667,732.26	126.00
252 HATTIESBURG MS COMMUNITY	23,131	2,880,731.02	125.00
465 HENNING TN COMMUNITY	568	70,799.60	125.00
472 TRENTON TN COMMUNITY	1,553	194,210.62	125.00
466 HUMBOLDT TN COMMUNITY	2,251	279,760.24	124.00

BEA W C R D S C O U N T H
FM OD-MATRIX REPORTING
* FMODRGAV *
NET NSF FEES
SORTED BY AVG FEES BY REGION
AS OF 10/2006

COMMUNITY BANK	# IM ACCTS	NET NSF FEES # 45820	NSF AVG/ REGN
342 WEST POINT MS COMMUNITY	2,861	351,866.87	123.00
611 STUTTGART AR COMMUNITY	7,232	878,519.44	121.00
270 LAUREL MS COMMUNITY	10,419	1,239,529.59	119.00
146 HERNANDO MS COMMUNITY	4,716	551,882.03	117.00
609 CAMDEN AR COMMUNITY	4,216	491,525.66	117.00
348 ABERDEEN MS COMMUNITY	3,235	370,198.66	114.00
615 LITTLE ROCK AR COMMUNITY	2,243	255,174.82	114.00
470 BRENTWOOD TN COMMUNITY	2,564	289,941.79	113.00
335 ECRU MS COMMUNITY	1,444	161,799.17	112.00
337 BOONEVILLE MS COMMUNITY	3,504	391,541.74	112.00
330 VICKSBURG MS COMMUNITY	10,290	1,144,411.35	111.00

BEAN CREDIT SOCIETY
 FM OD-MATRIX REPORTING
 * FMODRGAV *
 NET NSF FEES
 SORTED BY AVG FEES BY REGION
 AS OF 10/2006

COMMUNITY BANK	# IM ACCTS	NET NSF FEES # 45820	NSF AVG/ REGN
613 HOPE AR COMMUNITY	6,282	681,787.68	109.00
468 RIDGELY TN COMMUNITY	923	99,231.38	108.00
622 RANDOLPH COUNTY AR COMMUNITY	1,305	141,068.13	108.00
614 ALMA AR COMMUNITY	3,593	372,507.52	104.00
336 MANTACHIE MS COMMUNITY	1,949	200,031.44	103.00
341 HOULKA MS COMMUNITY	871	89,303.15	103.00
345 CORINTH MS COMMUNITY	3,835	396,592.17	103.00
602 MARSHALL TX COMMUNITY	3,640	370,787.91	102.00
340 VARDAMAN MS COMMUNITY	1,121	110,590.38	99.00
503 OPELIKA AL COMMUNITY	4,998	478,912.67	96.00
612 FT SMITH AR COMMUNITY	12,921	1,219,310.95	94.00

BEA W C R D S C O U N T H
FM OD-MATRIX REPORTING
* FMODRGAV *
NET NSF FEES
SORTED BY AVG FEES BY REGION
AS OF 10/2006

COMMUNITY BANK	# IM ACCTS	NET NSF FEES # 45820	NSF AVG/ REGN
601 NACOGDOCHES TX COMMUNITY	11,851	1,103,067.89	93.00
228 BILOXI MS COMMUNITY	17,163	1,574,654.74	92.00
464 DRESDEN TN COMMUNITY	1,425	126,507.76	89.00
332 FULTON MS COMMUNITY	4,013	353,414.83	88.00
334 SHERMAN MS COMMUNITY	1,196	102,922.75	86.00
607 EL DORADO AR COMMUNITY	5,644	483,758.66	86.00
603 TEXARKANA TX COMMUNITY	7,296	610,139.35	84.00
360 IUKA MS COMMUNITY	3,978	325,260.15	82.00
616 LONGVIEW TX COMMUNITY	521	39,221.22	75.00
610 MELBOURNE AR COMMUNITY	3,417	242,154.44	71.00
452 NORTHWEST DIV PREMIER BANKING	359	23,978.39	67.00

11/01/06

BEA W O R D S C O U N T H
FM OD-MATRIX REPORTING
* FMODRGAV *
NET NSF FEES
SORTED BY AVG FEES BY REGION
AS OF 10/2006

COMMUNITY BANK	# IM ACCTS	NET NSF FEES # 45820	NSF AVG/ REGN
453 MEMPHIS COMM/INDUST LENDING	56	3,523.56	63.00
506 HUNTSVILLE AL COMMUNITY	30	720.00	24.00
505 BALDWIN CO AL COMMUNITY	33	180.00	5.00
FINAL TOTALS ---			
	377,398	47,124,695.23	125.00

Shane Swift v. BancorpSouth, Inc.

MDL No. 2036

Motion for Class Certification

Plaintiff's Exhibit No. 47

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO. 1:09-MD-02036-JLK

**IN RE: CHECKING ACCOUNT
OVERDRAFT LITIGATION**

MDL No. 2036

**THIS DOCUMENT RELATES TO:
FOURTH TRANCHE ACTIONS**

Swift v. BancorpSouth, Inc.
S.D. Fla. Case No. 1:10-cv-23872-JLK

**STIPULATION REGARDING FACT PERTAINING TO CLASS
CERTIFICATION MOTION**

WHEREAS, pursuant to the Scheduling Order of this Court entered on April 13, 2011 (Dkt. 1340), Plaintiff is to file his motion for class certification on December 20, 2011; and

WHEREAS, Plaintiff requested that Defendant stipulate to a fact contained in this Stipulation, which Plaintiff wishes to include reference to in his motion for class certification;

NOW THEREFORE, IT IS HEREBY STIPULATED, by the parties hereto, through their respective counsel, that:

For purposes of class certification only, BancorpSouth Bank does not contest that during the course of the Class Period thousands of consumer account holders had at least one day during the Class Period on which they had more than one overdraft fee in a single day.

Dated December 19, 2011

/s/ Robert C. Gilbert

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