

## Overdraft Education

This document is meant to provide information to you about our overdraft processes, fees, products, and services to help you prevent unwanted overdraft expenses.

## Posting Transactions to Your Checking Account

The bank posts the day's debits and credits to your account Monday through Friday excluding bank holidays. If we receive multiple transactions of the same type, the order we pay those transactions varies based on type. We will be consistent in how we do this each day.

Let's assume that you conduct many different types of transactions. Below is the order we would post the transactions to your account:

1. Add all the deposits made to your account.
2. Deduct: all ATM withdrawals, debit cards transactions and check cashed in bank; we deduct them lowest to highest dollar amount
3. Deduct: all automatic electronic (ACH or Automated Clearing House) payments and all checks; we deduct them lowest to highest dollar amount.

We pay as many items we can pay for you in each category to reduce the number of items that would potentially overdraw your account-helping you avoid fees.

## Another Reminder...

Overdrafts only occur if you spend more than what you have available in your account. There are many convenient ways to access your account, and it can be easy to lose track of your balance.

## For More Information, Please Contact Us!

Since it is difficult to explain every situation in detail, we would be happy to provide you with additional information at your request. Simply call one of your Customer Service Representatives at 800-788-9469 or stop by any of our branches and speak with a bank employee.

## What Is An Overdraft?

An overdraft occurs when your account does not have enough money to cover a purchase that you made at a store via a check or debit card transaction or an online banking transaction. Overdrafts may also occur if you have authorized a bank or an insurance company to automatically deduct payments from your account. Sometimes it is hard to remember to deduct these items from your check register.

## How Do Overdrafts Happen?

An overdraft happens, for example, when you...

- Write a check
- Withdraw money from an ATM
- Make an automatic (ACH) payment
- Use your ATM/debit card to make a purchase

...and you do not have enough money in your account, the bank has the choice to either pay or not pay the transaction.

- If we pay the amount, you may be charged an Overdraft Paid Item fee of \$30.00
- If we return the item without paying it, you will be charged an Overdraft Returned Item Fee of \$30.00

Sometimes the company or person to whom your wrote the check may charge you a returned check fee in addition to the fee we may charge.

## Do We Always Authorize And Pay Overdrafts On Your Account?

We authorize and pay overdrafts on checks and automatic bill payments at our discretion.

## What Are The Best Ways To Avoid Overdraft Or Overdraft Returned Item Fees?

The best way to avoid overdraft and overdraft returned item fees is to manage your account so that you do not overdraw it. Here are some steps to help you.

- Know how much money you have in your account by keeping your check register current.
- Record all checks when you write them
- Check your balance frequently-it may take some checks and payments a few days to clear.
- Online Banking and mobile banking are excellent ways to check accounts 24/7 from home or your mobile device
- Call in to one of our Customer Service Representatives during regular business hours
- Review your account statements each month
- Mistakes happen sometimes. If you do overdraw your account, deposit money into your account as soon as possible to cover the overdrawn amount plus any fees. This will help you avoid additional overdrafts and overdrawn account fees.
- Good account management is the best way to protect your hard-earned money.
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## Are There Options To Help Avoid Overdrafts?

Yes there is! Below are the services we offer to help you avoid overdrafts.

### Sweeps\*\*

You can ask us to link your deposit account (checking) to your savings, money market, or another checking account.

In case you overdraw your checking account, we automatically transfer funds from the linked accounts to cover the shortage assuming you have sufficient funds in the linked accounts.

The bank offers this service free of charge.

### Overdraft Protection Line of Credit

You can apply for a Overdraft Protection Line of Credit. This loan is unsecured and will automatically sweep funds into your account when you need it subject to credit availability.

This is subject to approval.

\*\*Per Federal Regulation, there is a maximum of six (6) preauthorized or automatic transfers per cycle that can be made on a savings or money market account.