

What You Need to Know about Overdrafts and Overdraft Fees

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts in two different ways:

1. We offer standard Overdraft Protection which comes with your account.
2. We also have Courtesy Pay that you must opt-in for.

To learn more, ask us about these options.

What is the Overdraft Protection coverage that comes with my account?

We do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number
- Automatic bill payments

We do not authorize overdrafts for the following types of transactions unless you opt into Courtesy Pay using the form below:

- ATM transactions
- Everyday debit card transactions

We pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction. If we do not authorize and pay an overdraft, your transaction will be declined.

What fees will I be charged if North Towns Federal Credit Union (NTFCU) pays my overdraft?

Under our standard overdraft practices:

- We will charge you a fee of \$30.00 each time we pay an overdraft.
- There is no limit on the total fees we can charge you for overdrawing your account.

What if I want NTFCU to authorize and pay overdrafts on my ATM and everyday debit card transactions? You may “Opt-In” by completing the form below and doing one of the following:

Call:	Visit us online:	Mail or Deliver to:	Fax:
716-630-0888	www.northtownsfcu.com	North Towns Federal Credit Union 9145 Sheridan Drive, P.O. Box 657 Clarence, NY 14031	716-633-2407

COURTESY PAY OPT-IN

I want NTFCU to authorize and pay overdrafts on my ATM and Everyday Debit Card Transactions.

I do not want NTFCU to authorize and pay overdrafts on my ATM and Everyday Debit Card Transactions.

Name (*printed*): _____ Account #: _____

Signature: _____ Date: _____

You have the right to revoke your decision at any time.

OVERDRAFT PROTECTION vs. COURTESY PAY

	OVERDRAFT PROTECTION	COURTESY PAY
OVERVIEW	<p>Transfers money from your NTFCU Savings account to cover your overdrafts.</p> <p>“Your first line of defense”</p>	<p>NTFCU advances you funds, as a discretionary courtesy, to cover your overdrafts.</p> <p>Kicks in after Overdraft Protection – when you do not have an overdraft account setup or when there are not enough funds available to cover the overdraft.</p>
COVERED ITEMS <i>(automatically included with your NTFCU checking account)</i>	<ul style="list-style-type: none"> ~Checks you write ~Automatic payments deducted from your account (i.e.: bill payments) ~Everyday debit card transactions *ATM transactions 	<ul style="list-style-type: none"> ~Checks you write ~Automatic payments deducted from your account (i.e.: bill payments)
YOU MUST OPT-IN TO HAVE THESE ITEMS COVERED	N/A	<ul style="list-style-type: none"> ~Everyday debit card transactions ~ATM Transactions <p style="text-align: center;"><i>You must opt-in to have these covered.</i></p>
ELIGIBLE CHECKING ACCOUNTS	ALL NTFCU Checking Accounts	ALL NTFCU Checking Accounts
ADDITIONAL ACCOUNT REQUIREMENTS	N/A	<ul style="list-style-type: none"> ~Account is in good standing ~You are making regular deposits ~No excessive overdrafts ~Account is open for at least 60 days
COST	<ul style="list-style-type: none"> ~No charge to be enrolled ~\$5.00 per transaction when used* 	<ul style="list-style-type: none"> ~No charge to be enrolled ~\$30.00 per covered item when used(2)
BENEFITS	<ul style="list-style-type: none"> ~Provides back-up funds in savings ~Avoid potentially embarrassing situations ~Protects against additional fees from merchants ~Protects your credit history 	<ul style="list-style-type: none"> ~Offers additional line of protection beyond Overdraft Protection ~Avoid potentially embarrassing situations ~Protects against additional fees from merchants ~Protects your credit history

*Federal regulations establish the maximum number of remote transactions that can be made each calendar month on Share Accounts. Members may not make more than six transfers and/or withdrawal transactions on their Share Account by check, draft, debit card, PC, Telephone Access Line, Online Banking, telephone or written instruction. Transactions made in person, by mail or at an ATM do not apply.

(2) If a NTFCU Debit Card transaction occurs, an ACH transaction occurs, you write a check, you perform a transaction by any other electronic means, or you take other action that results in your Account becoming overdrawn, NTFCU may pay the item which exceeds the balance in your account up to \$300, including fees. If at any time the limit has been reached, items that exceed the limit will be returned unpaid and you will incur a charge for a returned item due to insufficient funds (NSF fee). Accounts are subject to closure if a negative balance remains after 10 business days. Whether or not the overdraft will be paid is discretionary and NTFCU reserves the right not to pay. For example, NTFCU typically does not pay overdrafts if your account is not in good standing, you are not making regular deposits, or if you have too many overdrafts. Your account may become eligible for Courtesy Pay after the account has been open for a minimum of 60 days.