



1201 Wayne Street
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800.854.6052
www.highpointfcu.com

OVERDRAFT PROGRAM

What is Overdraft Program?

Overdraft Program is a discretionary service designed to help prevent your insufficient funds items from being returned or declined. With the Overdraft Program, we have the option to cover your overdrafts up to your Overdraft Program limit (including fees) if you inadvertently overdraw your checking account. This can save you the embarrassment and inconvenience of a returned or declined item and the fees normally charged by merchants for items returned to them.

High Point Federal Credit Union will provide you with a specific Overdraft Program limit depending on the type of account you have. You will receive a first use letter the first time you use Overdraft Program.

Please be aware that the Overdraft Program amount is not shown in your available balance, it is not a line of credit and it does not replace existing overdraft options such as drawing funds from another account or line of credit, which may be less expensive alternatives to the Overdraft Program.

How Does the Overdraft Program Work?

These are the steps taken when you do not have enough money to cover a transaction:

- First, we will try to move funds from other overdraft protection sources, such as a savings account (if you are signed up for it) or a line of credit.
- If these resources are unavailable, we may pay the item and overdraw your account up to the amount of your Overdraft Program limit (including the overdraft fees).
- If the Overdraft Program is utilized, we will charge the standard overdraft fee(s) for each paid item.
- Finally, you will need to bring your account current within 30 calendar days for at least 24 hours or we will withdraw your Overdraft Program

What Types of Transactions Does the Overdraft Program Cover?

Checks, ACH (Auto Debits), Recurring Debit Card Payments, Online Bill Pay Items, Internet Banking Transfers, and Telephone Banking transactions. It also covers ATM Withdrawals and Everyday Debit Card Purchases, but you will need to give your advance consent (opt in) if you want us to authorize and pay overdrafts caused by ATM and everyday debit card transactions. **IMPORTANT:** If you do not give us your prior consent, your ATM or debit card transaction may not be authorized if you have insufficient funds in your account.

How Much Does the Overdraft Program Cost?

There is no fee for having the Overdraft Program unless you use it. The Overdraft Fee of \$27 will be imposed for overdrafts created by checks, ACH, point-of-sale, ATM withdrawals or by other electronic means (If multiple items are presented against your account on the same day, each item will be assessed the appropriate fee). This is the same fee that High Point Federal Credit Union charges for items returned to the payee due to insufficient funds.

What if I Don't Want Overdraft Program?

You can request to discontinue the Overdraft Program service in its entirety at any time by contacting us at 800.854.6052. Without the Overdraft Program, your insufficient funds items will be returned to the payee and/or declined at the point of purchase. You will be charged the standard NSF fee of \$27 for all returned items.

What if I want High Point Federal Credit Union to pay my ATM and everyday debit card overdrafts?

If you want us to authorize and pay overdrafts caused by ATM and everyday debit card transactions, tell us by using one of the following methods:

- Complete the Opt-in Form which is available at any branch and send it to us at 1201 Wayne Street, Olean, NY 14760
- Bring it by one of our convenient branch locations
- Call us at 800.854.6052.

Additional Information

Transactions may not be processed in the order in which they occurred and the order in which transactions are received and processed may impact the total amount of fees incurred on your account.

We may not pay items under your Overdraft Program if you do not maintain your account in good standing such as:

- Not bringing your account to a positive balance within every thirty (30) day period for a minimum of one business day
- If you default on any loan or other obligation to High Point Federal Credit Union
- If your account is subject to any legal or administrative order or levy

The Overdraft Program does not constitute either a written agreement of an obligation or a prearranged agreement to pay your overdraft. We may withdraw this Program at any time.

Overdraft Program Summary

- Will consider overdraft payments of up to \$500 with Personal Checking accounts or \$200 with Business Checking accounts.
- Checking account must be open for 90 days.
- May be available for eligible checking accounts in good standing.
- Available for checks, Online Bill Pay, ACH transactions, or automatic/pre-authorized debits that you establish (insurance premiums, utility bills, etc.)
- Available for ATM and everyday debit card transactions with your prior consent.
- May enable you to avoid expensive merchant returned-check charges.
- May enable you to avoid having your ATM or debit card transactions declined due to insufficient funds.
- Please note that the balance displayed/printed at the ATM does not include the Overdraft Program limit.
- You must deposit the full amount of the overdraft within 30 days, including any fees assessed, and maintain a positive balance for at least 24 hours.
- If you have questions about this service or other overdraft coverage options, please call us at 800.854.6052.
- Not available to organization, estate, representative payee, dedicated, trust, NYSUTMA, guardianship, or non-profit accounts.

Overdraft Program Options

- *Standard:* checks, ACH, Online Bill Pay, telephone and internet banking and recurring debit card transactions overdrafts are covered.
- *Full:* ATM and everyday debit card overdrafts are covered in addition to those listed above. Requires your prior consent.
- *None:* No overdrafts covered. NSF items are returned to the payee or declined.

<u>With Overdraft Program</u>	<u>vs.</u>	<u>Without Overdraft Program</u>
Written Check Amount: \$50		Written Check Amount: \$50
Overdraft Fee: \$27		NSF/Return Fee: \$27
You Pay: \$77		Merchant Fee (up to): \$40
		2nd NSF/Return Fee* \$27
		You Pay: \$144

*If merchant re-deposits check and funds are still unavailable.

Ways to Cover Overdrafts

The choice is yours. Consider these ways to cover your overdrafts:

<u>Ways to Cover Your Overdrafts</u>	<u>Cost for Each Overdraft</u>
Good account management	\$0
Overdraft Program	\$27 per overdraft
Link to savings account	\$3
Overdraft line of credit*	\$0**

*Subject to credit approval. Contact us for current rates.

**11.9% Annual Percentage Rate on outstanding balance.

Even if you elect to have additional forms of overdraft coverage, such as a transfer from a savings account, the Overdraft Program is still available as secondary coverage if the other sources are exhausted.