

## OVERDRAFT COVERAGE OPTIONS: OVERDRAFT PRIVILEGE AND OVERDRAFT PROTECTION

Life happens! Franklin First Federal Credit Union understands that unexpected overdrafts occur from time to time – Overdraft Coverage can help.

### Overdraft Coverage Options

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

Service	Cost
<b>Overdraft Protection Link to a Savings Account you have at Franklin First Federal Credit Union<sup>1</sup></b>	<b>\$5 fee per transfer</b>
<b>Overdraft Protection Line of Credit<sup>1,2</sup></b>	<b>Subject to interest</b>
<b>Overdraft Privilege</b>	<b>\$30 Insufficient Funds Charge – Paid fee</b>

<sup>1</sup>Call us at (413) 774-6700, email us at [eft@franklinfirst.org](mailto:eft@franklinfirst.org), or come by our branch to sign up or apply for these services;

<sup>2</sup>Subject to credit approval.

**Overdraft Protection** services apply to all transactions and may help prevent overdrafts by automatically transferring funds to your checking account from your savings account(s) or line of credit you may have at Franklin First Federal Credit Union for a fee or finance charge. Please note that overdraft lines of credit are subject to credit approval.

**Overdraft Privilege** allows you to overdraw your account up to the disclosed limit for a fee in order to pay a transaction. Even if you have overdraft protection, Overdraft Privilege is still available as secondary coverage if the other protection source is exhausted. Please review the **“What Else You Should Know”** section included with this letter for other important information.

Transactions Covered with Overdraft Privilege	Standard Coverage (No action required)	Extended Coverage (Your consent required on consumer accounts) *	If you would like to select Extended Coverage for future transactions:
Checks	✓	✓	<ul style="list-style-type: none"> <li>• call us at (413) 774-6700,</li> <li>• email <a href="mailto:eft@franklinfirst.org">eft@franklinfirst.org</a></li> <li>• complete the online consent form found at <a href="http://franklinfirst.org">franklinfirst.org</a> via online banking,</li> <li>• visit our branch,</li> <li>• complete a consent form and mail it to us at: 57 Newton Street Greenfield, MA 01301, or</li> <li>• complete a consent form and fax it to 413-774-5014</li> </ul>
ACH - Automatic Debits	✓	✓	
Recurring Debit Card Payments	✓	✓	
Online Bill Pay Items	✓	✓	
Internet Banking Transfers	✓	✓	
Telephone Banking	✓	✓	
Teller Window Transactions	✓	✓	
ATM Withdrawals		✓ *	
Everyday Debit Card Transactions		✓ *	

\*If you choose Extended Coverage on your consumer account, **ATM withdrawals and everyday debit card transactions** will be included with the transactions listed under Standard Coverage. If you already have Extended Overdraft Privilege coverage, it is not necessary to request it again. Business accounts automatically have Extended Coverage.

You can discontinue the Overdraft Privilege in its entirety by contacting us at (413) 774-6700 , requesting it in person at the branch, via secure message in online banking, or by emailing us at [eft@franklinfirst.org](mailto:eft@franklinfirst.org).

## What Else You Should Know

- A link to another account or a line of credit may be a less expensive option than an overdraft. A single larger overdraft will result in just one fee, as opposed to multiple smaller overdrafts. Good account management is the best way to avoid overdrafts. Use our mobile banking, Internet banking, and telephone banking services to keep track of your balance. For additional financial education resources, please visit [www.mymoney.gov](http://www.mymoney.gov).
- The \$30 Insufficient Funds Charge – Paid fee is the same fee amount that is charged if a check is returned as unpaid. If multiple items overdraw your account on the same day, each item will be assessed an appropriate Insufficient Funds Charge - Paid Fee or an Insufficient Funds Charge - Return Fee of \$30. All fees and charges will be included as part of the Overdraft Privilege limit amount. Your account may become overdrawn more than the Overdraft Privilege limit amount because of a fee.
- For consumer accounts, there is no limit on the total Insufficient Funds Charge - Paid Fees per day we will charge. We will charge a reduced Insufficient Funds Charge – Paid fee of \$5 if a consumer account is overdrawn by \$5 or less. These exceptions do not apply to business accounts.
- Our general policy is to post items throughout the day and to post credits before debits. Paper check, ATM, ACH and debit card transactions are posted in the order in which the items are received. However, because of the many ways we allow you to access your account, the posting order of individual items may differ from these general policies. Holds on funds (described herein) and the order in which transactions are posted may impact the total amount of Insufficient Funds Charge - Paid Fees or Insufficient Funds Charge - Returned Fees assessed.
- Although under payment system rules, Franklin First Federal Credit Union may be obligated to pay some unauthorized debit card transactions, Franklin First Federal Credit Union will not authorize debit card or ATM transactions unless there are available funds (including Overdraft Coverage Options) to cover the transactions and any fee(s).
- Giving us your consent to pay every day debit card and ATM overdrafts on your consumer account (Extended Coverage) may result in you incurring Insufficient Funds Charge - Paid Fees for transactions that we would otherwise be required to pay without assessing an Insufficient Funds Charge - Paid Fee. However, this would allow us to authorize transactions up to the amount of your Overdraft Privilege limit and may also help you avoid overdrafts in excess of your available balance that could result in suspension of your debit card. If you consent to Extended Coverage on your consumer account, it will remain on your account until you otherwise withdraw it.
- Franklin First Federal Credit Union authorizes and pays transactions using the available balance in your account. Franklin First Federal Credit Union may place a hold on deposited funds in accordance with our Deposit Account Agreement and Disclosure, which will reduce the amount in your available balance. The available balance for checks, ACH items, and recurring debit card transactions is comprised of the ledger balance, less any holds on deposited funds and any debit card holds, plus the amount of the Overdraft Privilege limit and any available overdraft protection. The available balance for ATM and everyday debit card transactions on accounts with Standard Coverage is the ledger balance, less any holds on deposited funds and any debit card holds, plus any available overdraft protection, but does NOT include the Overdraft Privilege Limit. For accounts with Extended Coverage, the Overdraft Privilege Limit is included in the available balance for authorizing ATM and everyday debit card transactions.
- Please be aware that the Overdraft Privilege amount is not included in your available balance provided through online banking, mobile banking or Franklin First Federal Credit Union's ATMs.
- Franklin First Federal Credit Union will place a hold on your account for any authorized debit card transaction until the transaction settles (usually within two business days) or as permitted by payment system rules. In some cases, the hold may exceed the amount of the transaction. When the hold ends, the funds will be added to the available balance in your account. If your account is overdrawn after the held funds are added to the available balance and the transaction is posted to the available balance, an Insufficient Funds Charge - Paid Fee may be assessed.
- Except as described herein, Franklin First Federal Credit Union will not pay items if your account does not contain available funds (including the Overdraft Privilege limit) to cover the item(s) and the amount of any fee(s).
- Franklin First Federal Credit Union may suspend your debit card if you incur overdrafts in excess of the available balance in your account, including any Overdraft Privilege limit (as described herein). Debit cards on your account will remain suspended until you make sufficient deposits so that your available balance, taking into account any Overdraft Privilege limit, is positive and then you contact us.
- Franklin First Federal Credit Union may also suspend your debit card if your account is overdrawn more than 32 consecutive calendar days. Debit cards on your account will remain suspended until you make sufficient deposits so that your account balance is positive.

- Franklin First Federal Credit Union may also suspend your debit card if we are unable to contact you due to an incorrect mailing address or Phone Number(s). You must contact us with your correct mailing address and/or Phone Number(s) to have your debit card reinstated.
- If your debit card is suspended, you will be unable to use your debit card for purchases or to access your account at the ATM, and if you use your debit card for recurring payments, e.g., utilities, you are responsible to make other arrangements for your recurring debit payment(s).
- An Overdraft Privilege limit of \$500 or \$750 will be granted to Consumer Checking accounts opened at least 30 days in good standing. An Overdraft Privilege Limit of \$1,000 will be granted to eligible Business Checking accounts opened at least 30 days in good standing.
- Overdraft Privilege is not a line of credit; it is a discretionary overdraft service that can be withdrawn at any time without prior notice.
- Overdraft Privilege may be discontinued if you default on any loan or other obligation to us, your account becomes subject to any legal or administrative order or levy, or if you fail to maintain your account in good standing by not bringing your account to a positive balance within 32 days for a minimum of one business day. You must bring your account balance positive for at least one business day to have Overdraft Privilege reinstated.
- Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all overdraft and fee amounts, as described in the Deposit Account Agreement and Disclosure. The total (negative) balance, including all fees and charges, is due and payable upon demand.

If you have any questions about Overdraft Protection or Overdraft Privilege, please call us at (413) 774-6700 or visit our branch.



**OVERDRAFT SERVICES CONSENT**  
**ATM and One-Time Debit Card Transactions**

**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 have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to savings account or a line of credit, which may be less costly than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains our standard overdraft practices.

➤ **What are the standard overdraft practices that come 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 will not authorize and pay overdrafts for the following types of transactions without your consent.

- ATM transactions
- Everyday debit card transactions (point of sale)

**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 Franklin First Federal Credit Union pays my overdraft?**

Under our standard overdraft practices:

- We will charge you a fee of up to **\$30** each time we pay an overdraft
- We will charge a reduced fee of **\$5** if your account is overdrawn by \$5 or less on any given day
- **There is no limit** per day on the total fees we can charge you for overdrawing your account

➤ **What if I want Franklin First Federal Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions?**

If you want us to authorize and pay overdrafts on ATM and everyday debit card transactions, call (413) 774-6700, visit the service center in online banking, email us at [eft@franklinfirst.org](mailto:eft@franklinfirst.org), complete the form below and present it at our branch or mail it to: 57 Newton Street Greenfield, MA 01301. You can revoke your authorization for Franklin First Federal Credit Union to pay these overdrafts at any time by any of the above methods. Your revocation must include both your name and your account number so that we can properly identify your account.

\_\_\_\_\_ **I do not** want Franklin First Federal Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

\_\_\_\_\_ **I want** Franklin First Federal Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Printed Name: \_\_\_\_\_

Account Number: \_\_\_\_\_ Date: \_\_\_\_\_

**CREDIT UNION CONSENT CONFIRMATION**

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Effective Date

- Coverage Added
- Coverage Removed