**Overdraft Services**

**FAQs**

We are committed to serving you. Every customer has unique financial needs, and at GFM Bank, we provide options to manage your account based on your personal financial style. This guide will explain our overdraft services and fees, and will offer tips for overdraft prevention and account management. Responsible account management is important and monitoring your account activity will allow you to keep track of your balance, identify unauthorized activity, and help you avoid overdrawing your account. You should make every effort to avoid overdrawing your account. When you overdraw your account, our resulting fees and charges can be very expensive. By not overdrawing your account, you can avoid these fees.

**What is an overdraft?**

An overdraft occurs when you do not have enough available funds in your account to cover a transaction, but the Bank processes and pays the transaction.

**How do overdrafts occur?**

Overdrafts can happen when funds are not available to cover the entire amount of a transaction. These transactions include the payment of checks, debit card purchases, ATM transactions, automatic bill payments and electronic transfers. Deposited items which are returned unpaid can also cause your account to be overdrawn

**What are Overdraft Services?**

Overdraft Services are a form of overdraft coverage that we use at our discretion to pay transactions when you do not have sufficient available funds in your account. After your account has been opened, you may be eligible for this discretionary service. If you are eligible, an Overdraft Service limit will be assigned to your account. The amount of the Overdraft Service limit assigned to your account can change (go up or down) at any time. The amount may be based on several factors including your account history and deposit activity and patterns.

**How does it work?**

With Overdraft Services, we may choose (but are not obligated) to cover overdrafts on your account. This is a discretionary service, which means we have the right to refuse to pay any transaction that would overdraw your account.

**Are there fees?**

Yes, we charge a 35 EURO Overdraft Fee each time we pay a transaction presented against insufficient available funds in your account and a 35 EURO Insufficient Funds Fee each time we return a transaction presented against insufficient available funds in your account. We may impose multiple fees as well as the same fees multiple times in connection with a single check, ACH, or other transaction that has been returned or presented multiple times. We do not charge the 35 EURO Overdraft Fee for any item which overdraws your account by 5 EURO or less. The maximum amount of Overdraft Fees and/or Insufficient Funds Fees we will charge per day is 210 EURO (or a total of six paid and/or returned items). Refer to our Schedule of Fees and Charges for additional information regarding these fees.

**What types of Overdraft Service options are offered?**

Our Overdraft Services are divided into two coverage options: Standard Overdraft Service and Expanded Overdraft Service, depending on the types of transactions for which you want overdraft coverage.

**What is Standard Overdraft Service?**

Upon account opening, you are automatically enrolled in our Standard Overdraft Service. Under our Standard Overdraft Service, we may at our discretion cover overdrafts resulting from your checks, ACH transactions (including automatic bill payments), and other transactions made using your account number. We charge your account a 35 EURO Overdraft Fee for each of these transactions that overdraw your account (up to 210 EURO per day, or a total of six paid and/or returned items). You can opt out of Standard Overdraft Service coverage anytime.

**What is Expanded Overdraft Service?**

If you want to have your ATM transactions and everyday debit card transactions (such as a purchase you make at a merchant) covered in addition to what is covered under our Standard Overdraft Service then you must elect to opt in to our Expanded Overdraft Service. Under our Expanded Overdraft Service, we may at our discretion cover overdrafts resulting from ATM transactions and everyday debit card transactions in addition to your checks, ACH transactions (including automatic bill payments), and other transactions made using your account number. If you opt in to Expanded Overdraft Service coverage, we will charge your account a 35 EURO Overdraft Fee for each ATM transaction or everyday debit card transaction that we pay that overdraws your account, as well as for each check, ACH transaction (including automatic bill payments), and other transactions made using your checking account number that we pay that overdraws your account (up to 210 EURO per day, or a total of six paid and/or returned items). You can choose not to have Expanded Overdraft Service coverage at any time.

**Opting Out: Can I choose not to have any Overdraft Service?**

Yes. If you do not want us to pay any items that will cause an overdraft on your account, you may choose to have No Overdraft Service coverage. If you opt out of Overdraft Service coverage, we will return checks, ACH transactions (including automatic bill payments), and other transactions made using your account number that are presented against insufficient available funds (unless you have Linked Overdraft Protection or Extra Cash Overdraft Protection). We charge a 35 EURO Insufficient Funds Fee for returning these types of transactions (up to 210 EURO per day, or a total of six paid and/or returned items). Your ATM or everyday debit card transactions that would cause an overdraft will generally be declined, and we do NOT charge a fee if this happens.

**Can I Have Linked Overdraft Protection, Extra Cash and Overdraft Service?**

Yes. In addition to our Standard or Expanded Overdraft Service, you may also have Linked Overdraft Protection and/or Extra Cash Overdraft Protection.

**What will happen to my transaction if I don’t have enough money in my account?**

The Overdraft Service option you choose, along with any Linked Overdraft Protection or Extra Cash Overdraft Protection line of credit you may also have, will determine whether a transaction may be approved and paid, and what fees may be charged, should the transaction be presented against insufficient available funds in your account.

**What will happen to my transaction if I don’t have enough money?**

The Overdraft Service option you choose, along with any Linked Overdraft Protection or Extra Cash Overdraft Protection line of credit you may also have, will determine whether a transaction may be approved and paid, and what fees may be charged, should the transaction be presented against insufficient available funds in your account.

**How can I avoid overdraft fees?**

**Automatic Balance Alerts**

You can sign up for our automatic balance alerts which are available to StarConnect Plus online banking customers. If you sign up for automatic balance alerts, we will notify you if the account reaches a preset threshold you select. Alerts may help you avoid an overdraft, but are not intended to serve as a substitute for carefully monitoring the account balance and transactions. You should NOT rely solely on automatic balance alerts to avoid an overdraft. Additional terms and fees may apply.

**Don’t “play the float” and don’t spend more than you have**

When you write a check or authorize other transactions, record the check or other transaction immediately and consider the money unavailable for anything else. It is difficult to predict when it will be presented to us for payment by the payee. Guessing the length of time before a check or other transaction clears and using those funds for something else (“playing the float”) could cause costly overdrafts if the check or other transaction is presented to us for payment sooner than you anticipate and sufficient funds are no longer available.

**Keep extra money in your account**

Extra money in your account provides a safety net, which could keep you from becoming overdrawn.

**Establish Direct Deposit**

You may not always have time to go to the Bank, so set up direct deposit of your payroll, social security, retirement or pension to have your income conveniently deposited into your account.