

## Summary of Overdraft Privilege Options

Overdraft Privilege is a backup in emergency situations or to cover you in case of accounting errors. You can elect one of the following options related to Overdraft Privilege:

1. **You can elect to have Overdraft Privilege cover ATM and everyday debit card transactions in addition to checks and ACH items. Just fill out the form I'm presenting to you.** You get the peace of mind of knowing that your transactions will be covered up to the amount of your limit in case of an emergency or if you make an accounting error. For example, your rent or mortgage check gets paid, your bill at the restaurant is approved, etc. You avoid expensive merchant fees for items returned due to insufficient funds and the consequences of having a returned check, such as being reported to check and/or credit reporting agencies. You avoid the embarrassment of having your debit card transaction declined at the checkout counter.
2. **You can elect to have Overdraft Privilege cover only checks and ACH items, but NOT authorize ATM or everyday debit card transactions. No action is necessary.** Keep in mind that if the amount of an everyday debit card or ATM transaction exceeds your current balance, it will be declined. For example, if you were trying to pay for groceries and the amount due totaled more than your current account balance, the transaction would be declined at the checkout counter (**Note:** Overdraft Privilege will continue to authorize ATM and everyday debit card transactions until August 15, 2010, when the regulation takes effect).
3. **You can opt out of the Overdraft Privilege service entirely. Just tell us you want to opt out at any time.** This means that if your checks or ACH items exceed the current balance in your account, they will be returned to the payee **and** you will be charged a Returned Item fee of \$35 in addition to whatever fees the merchant may charge you for items returned as insufficient. If you try to use your debit card or ATM card and the amount of the transaction is more than your current balance, the transaction will be declined.

Overdraft Privilege is there in case of an emergency. If you elect to have Overdraft Privilege, there is no charge unless you use the service. If you do not overdraw your account, you will never be charged an Overdraft fee or Returned Item fee.

**Remember: You do not have Overdraft Privilege until you receive a letter from North Carolina Community FCU informing you that Overdraft Privilege has been activated on your account.**