

## OVERDRAFT COVERAGE OPTIONS:

### OVERDRAFT PROTECTION AND OVERDRAFT PRIVILEGE



*Life happens! Peoples Trust Company 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
Overdraft Protection Link to Another Deposit Account you have at Peoples Trust Company <sup>1</sup>	\$5.00 fee per transfer
Overdraft Privilege	\$25.00 Overdraft Paid Item Fee per item.

<sup>1</sup>Call us at 1-800-479-2196, email us atm@ptcvt.com, or come by a branch to sign up or apply for this service.

**Overdraft Protection** services apply to all transactions and may help prevent overdrafts by automatically transferring funds to your checking account from another account you may have at Peoples Trust Company for a fee.

**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 ***What Else You Should Know*** for other important information.

Transactions Covered with Overdraft Privilege	Standard Coverage (No action required)	Extended Coverage (Your consent required)*	If you would like to select Extended Coverage for future transactions:
Checks	X	X	<ul style="list-style-type: none"> <li>• call us at <b>1-800-479-2196</b></li> <li>• complete the online consent form found at <a href="http://www.ptcvt.com">www.ptcvt.com</a></li> <li>• visit any branch</li> <li>• complete the consent form and mail it to us at: PO Box 320, St. Albans, VT 05478</li> <li>• e-mail us at: atm@ptcvt.com</li> </ul>
ACH _ Auto Debits	X	X	
Recurring Debit Card Payments	X	X	
Online Bill Pay Items	X	X	
Internet Banking Transfers	X	X	
Telephone Banking	X	X	
Teller Window Transactions	X	X	
ATM Withdrawals		X*	
Everyday Debit Card Transactions		X*	

\*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 Overdraft Privilege Extended 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 1-800-479-2196 or sending us an e-mail at [atm@ptcv.com](mailto:atm@ptcv.com).

### What Else You Should Know

- A link to another account may be less expensive than an overdraft. A single larger overdraft will result in just one fee, as opposed to multiple smaller overdrafts.
- Even if you have overdraft protection, Overdraft Privilege is still available as a secondary coverage if the other protection source is exhausted.
- Good account management is the best way to avoid overdrafts. Use our mobile, Internet, and telephone banking services to keep track of your balance. For financial education resources, please visit [www.mymoney.gov](http://www.mymoney.gov).
- The \$25.00 Overdraft Paid Item Fee that is charged if you overdraw your account is lower than the fee that is charged if an item is returned as unpaid. If multiple items overdraw your account on the same day, each item would be assessed an appropriate Overdraft Paid Item Fee or an Overdraft Returned Item Fee of \$28.00. All fees and charges will be included as part of the Overdraft Privilege limit amount. Your account may become overdrawn in excess of the Overdraft Privilege limit amount because of a fee.
- For consumer accounts, there is a limit of five Overdraft Fees (\$125) per day we will charge. We will not charge an Overdraft Paid Item Fee if a consumer account is overdrawn by \$5.00 or less. These exceptions do not apply to business accounts.
- Recipients of federal or state benefits payments who do not wish us to deduct the amount overdrawn and the Overdraft Paid Item Fee from funds that you deposit or that are deposited into your account may call us at 800-479-2196 to discontinue Overdraft Privilege.
- If an item is returned because the Available Balance (as defined below) in your account is not sufficient to cover the item and the item is presented for payment again, Peoples Trust Company ("We") will charge an Overdraft Return Item Fee each time we return the item because it exceeds the Available Balance in your account. Because we may charge an Overdraft Return Item Fee each time an item is presented, **we may charge you more than one fee for any given item as a result of a returned item and re-presentation of the item.** When we charge an Overdraft Return Item Fee, the charge reduces the available balance in your account and may put your account into (or further into) overdraft. If, on re-presentation of the item, the available balance in your account is sufficient to cover the item we may pay the item, and, if payment causes an overdraft, charge an Overdraft Paid Item Fee. We may use the terms "item" and "transaction" interchangeably.
- We post items in the following order: 1) Credits, 2) ATM and debit card transactions (low to high by dollar amount), 3) Recurring debit card payments (low to high by dollar amount), 4) ACH debits (low to high by dollar amount), 5) checks (low to high by dollar amount); 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. Transactions may not be processed in the order in which they occurred. Hold on funds (described below) and the order in which transactions are posted may impact the total amount of Overdraft Paid Item Fees or Overdraft Returned Item Fees assessed.
- Overdraft Privilege is not a line of credit; it is a discretionary overdraft service that can be revoked at any time without prior notice.

- 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.
- We may be obligated to pay some debit card transactions that are not authorized through the payment system but which we are required to pay due to the payment system rules, and as a result you may incur fees if such transactions overdraw your account. However, we will not authorize debit card or ATM transactions unless your account's Available Balance (including Overdraft Coverage Options) is sufficient 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 Overdraft Paid Item Fees for transactions that we would otherwise be required to pay without assessing an Overdraft Paid Item Fee. However, this would allow us to authorize transactions up to the amount of your Overdraft Privilege limit. If you consent to Extended Coverage on your consumer account, it will remain on your account until it is otherwise withdrawn.

**Understanding your Available Balance:** Your account has two kinds of balances: the Ledger Balance and the Available Balance.

- We authorize and pay transactions using the Available Balance.
- Your Ledger Balance reflects the full amount of all deposits to your account as well as payment transactions that have been posted to your account. It does not reflect checks you have written and are still outstanding or transactions that have been authorized but are still pending.
- Your Available Balance is the amount available to you to use for purchases, withdrawals, or to cover transactions. The Available Balance is your Ledger Balance, less any holds due to pending debit card transactions and holds on deposited funds.
- The balance used for authorizing checks, ACH items, and recurring debit card transactions is your Available Balance plus the amount of the Overdraft Privilege limit and any available Overdraft Protection.
- The balance used for authorizing ATM and everyday debit card transactions on accounts with Standard Coverage is your Available Balance plus any available Overdraft Protection but does NOT include the Overdraft Privilege limit.
- The balance used for authorizing ATM and everyday debit card transactions on accounts with Extended Coverage is your Available Balance plus any available Overdraft Protection and includes the Overdraft Privilege limit.
- Because your Available Balance reflects pending transactions and debit holds, your balance may appear to cover a transaction but later upon settlement it may not be sufficient to cover such transaction. In such cases, the transaction may further overdraw your account and be subject to additional overdraft fees. You should assume that any item which would overdraw your account based on your Available Balance may create an overdraft. Note that we 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.
- Please be aware that the Overdraft Privilege amount is not included in your Available Balance provided through online banking, mobile banking or Peoples Trust Company's ATMs.
- Except as described herein, we will not pay items if the Available Balance in your account (including the Overdraft Privilege limit, if applicable) is not sufficient to cover the item(s) and the amount of any fee(s).

**Understanding Overdraft Privilege Limits**

- New consumer and business checking accounts will receive an \$100 introductory Overdraft Privilege limit at account opening that will be increased to \$500 or \$750 with direct deposit after 30 days in good standing for consumer accounts or to \$750 after 60 days in good standing for business accounts.
- 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, you do not provide us with your current mailing address, or if you fail to maintain your account in good standing by not bringing your account to a positive balance within thirty-two (32) days for a minimum of one business day. You must bring your account balance positive for at least one business day to have the Overdraft Privilege limit reinstated.

If you have any questions about Overdraft Protection or Overdraft Privilege, please call us at 1-800-479-2196 or visit a branch.

*Revised 11/2022*