

Overdrafts and Managing your Deposit Account

What is an overdraft? An overdraft occurs when a debit transaction (or multiple transactions) posted against a deposit account exceeds the account balance.

This can happen in several ways:

- Writing a check;
- Authorizing an automatic payment from the checking account to pay for recurring expenses such as utility bills, mortgage payments, gym memberships, etc.;
- Paying for purchases with a debit card;
- Making withdrawals from an automated teller machine (ATM).

We may, at our discretion, honor transactions that overdraw your account, or we may decide to return the items, also called insufficient funds (NSF) items, to the payee. In either case, you will be charged an **overdraft or NSF fee of \$35.00 for each item**. Even if we do decide to pay an overdraft item, we are not obligated to pay overdrafts that occur at a later date. **The payment of overdrafts is never guaranteed.** We can charge you up to eight (8) times per day for overdrafts occurring on your account.

Overdraft Privilege:

This is a discretionary, non-contractual service that may be terminated at any time by the Bank and is offered as an alternative to an overdraft line of credit. For a new account, coverage is automatic after 30 days, as long as the account is in good standing* unless you decline to participate in the program. You have a right to opt out of overdraft services for ATM withdrawals and one-time debit card purchases. Under this program, if you opt out of overdraft services, we will not pay overdrafts caused by ATM withdrawals or one-time debit card purchases, and we will not charge you for those items. This means your ATM withdrawals and one-time debit cards transactions will be rejected if you do not have enough money in your account to cover the transaction amount. We also allow you to opt out of overdraft services for all other types of transactions. If you choose this opt-out option, we will never pay any transactions that overdraw your account. However, we will still charge you as described in this document for NSF transactions, other than ATM withdrawals and one-time debit card purchases.

*An account that has a positive average balance of \$250.00 or more for at least 30 days, has either Direct Deposit or consistent regular deposits, no Insufficient Funds and no deposits returned for 30 days.

For both types of opt-out programs, you can change your opt in or out selections at any time by calling Deposit Operations at 617-484-6700 and ask for or dial Ext 1015 or by completing and returning the form on the reverse side of this notification - What You Need to Know About Overdrafts and Overdraft Fees.

Alternatives to help you Manage Your Account more Effectively

Less Costly Options: In addition to the opt-out programs, we also offer other options which can be less costly than overdraft and NSF fees:

- Overdraft Line of Credit - This is a revolving credit product that automatically transfers money to your checking account when you overdraw, subject to your credit limit. You must apply and meet credit eligibility requirements. An annual fee is charged, and interest will accrue on the outstanding balance of the line of credit.
- Linked Savings Account - A Belmont Savings Bank savings account is linked to your checking account. When you overdraw your checking account, we automatically transfer money from your savings account to cover the overdraft, subject to the savings account balance. Monthly maximum transaction limitations apply, and a fee will be charged for each transfer.

To discuss other options regarding your deposit account management you may call Deposit Operations at 617-484-6700, and ask for or dial Ext 1015 or come in to one of our conveniently located branches.





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 a savings account or an overdraft line of credit, if applied for and approved, which may be less expensive 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 do not authorize and pay overdrafts for the following types of transactions unless you ask us to (see below):

- ATM transactions
- Everyday debit card transactions

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 Belmont Savings Bank pays my overdraft?

Under our standard overdraft practices:

- We will charge you a fee of **\$35.00** each time we pay an overdraft.
- We can charge you up to eight (8) times per day for overdrafts occurring on your account.

What if I want Belmont Savings Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions?

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, you may call Deposit Operations 617-484-6700 and ask for or dial Ext. 1015 or complete the form below and present it to a colleague at one of our convenient branch locations or you may mail it to Belmont Savings Bank P.O. Box 146, Belmont, MA 02478. ATM and debit card transactions will not be honored unless we have your authorization to do so.

You have the right to revoke your consent at any time by contacting the Bank.

____ I want Belmont Savings Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions.

____ I do not want Belmont Savings Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions.

____ I do not want Belmont Savings Bank to authorize any type of transaction that would cause an overdraft balance on my account. (Opt Out completely.)

Date: _____ Printed Name: _____

Account No: _____ Customer Signature: _____