



# Bank of Botetourt

## ***Consumer Overdraft Services Q and A - Disclosure***

### ***Handling Overdrafts***

***How do you handle an item presented for withdrawal on my account when there are insufficient funds in my account to cover the transaction?***

A non-sufficient fund item (NSF item) is a transaction on your account where the amount of the transaction is greater than the available balance in your account. If an NSF item is presented on your account, we strive to pay your overdrawn item in accordance with our **Standard Discretionary Overdraft Service** policy or our other **Overdraft Protection** services.

### ***Standard Discretionary Overdraft Service – Courtesy Coverage***

#### ***What is Courtesy Coverage?***

Courtesy Coverage is a discretionary, non-contractual courtesy, where we strive to pay your overdrawn items and charge our standard NSF/OD fee of up to \$35.00 for each item overdrawn. This program is a discretionary courtesy and may be withdrawn at any time. The overdraft limit could go to \$0, and the overdraft limit could change at any time. Our payment of your NSF item is NOT guaranteed.

#### ***What types of transactions are covered by Courtesy Coverage?***

We extend our Courtesy Coverage automatically to eligible accounts for the following types of transactions.

- Checks
- Automatic Bill Payments
- Telephone-initiated transfers or other electronic transfers
- Preauthorized automatic debits
- ATM withdrawals and transfers (included for business accounts, consumer accounts must opt in)
- Everyday Debit Card Purchases (included for business accounts, consumer accounts must opt in)

#### ***Payment Order of Items:***

Items presented to your account may not be processed in the same order as they are received. This order may affect the total fees assessed to your account.

- Generally, the first items that we pay are ATM withdrawals, debit card transactions, and any checks cashed by our employees or that you have written to us.
- We then pay any items that were submitted electronically, such as ACH items, preauthorized automatic transfers, telephone-initiated transfers, and any other electronic transfers
- Finally, we pay the remaining items based on presentment sequence.

For consumer accounts, Courtesy Coverage may also be extended to cover the following types of electronic transactions. Payment of these items requires your advance authorization.

*See Courtesy Coverage Reg E - Questions and Answers for more information.*

- ATM withdrawals and transfers
- Everyday Debit Card Purchases

***How will it benefit me?***

In the event something unexpected happens where your account does not have the available funds to cover your checks, ATM withdrawals, debit card transactions, preauthorized automatic debits, telephone-initiated transfers or other electronic transactions, this program may help you avoid the embarrassment and costs of returned items.

***Are my ATM and everyday Debit Card transactions included in my Courtesy Coverage?***

We must have your authorization on file before setting up the service for ATM and everyday Debit Card transactions. There is no additional charge to activate service for your ATM and everyday Debit Card transactions. Please call us at 540-591-5000 or Toll Free at (866)-420-2265 to activate this service.

***Is Courtesy Coverage a line of credit or loan?***

Courtesy Coverage is not a line of credit or a loan. As a non-contractual courtesy, we will strive to pay your overdrafts based on your account performance, which includes your past deposit history, the age of your account and how quickly you have repaid any overdrawn items in the past. This service may be withdrawn at any time.

***Do I have to apply for Courtesy Coverage?***

No. This is an internal program that covers your checking accounts that meet our requirements and are in good standing.

***What do I have to do when I have a non-sufficient funds (NSF) item?***

If you overdraw your account and we choose to cover your overdraft, the transaction will take place automatically.

Accountholders should not become dependent on this program to meet short-term cash needs.

***How will I know I am overdrawn?***

We will mail you a letter to notify you each time there is an NSF item processed on your account. To help manage your account, you can choose to receive emails when your account drops below a certain balance or when you have an overdraft. Go to [www.bankofbotetourt.com](http://www.bankofbotetourt.com) to set up your account alerts through Online Banking.

***How quickly do I have to deposit funds to cover an overdraft?***

Your account agreement states that you are required to deposit funds immediately to cover any overdrafts. If your account has a negative balance for more than 60 days, and you do not contact us or deposit funds, your account will be closed and reported to a consumer reporting agency and/or collection agency.

***Can I opt-out of Courtesy Coverage for my ATM and everyday Debit Card transactions at any time?***

Yes, if you do not wish to have your ATM and everyday Debit Card purchases included under this program and would prefer to have these types of NSF items returned and/or denied, please call 540-591-5000 or Toll Free at (866)-420-2265.

***Other Overdraft Protection Services***

Additional Overdraft Protection options are available in a variety of methods, including:

- **Transfers from Savings Accounts**
- **Transfers from a Bank of Botetourt Line of Credit**
- **Transfers from a Bank of Botetourt VISA® Cash Advance**

For more information about these options, please contact your local branch representative. Loan terms and conditions vary depending on the product and are subject to credit approval. Restrictions apply. For specific restrictions, limitations and other details, please refer to the card holder agreement or loan terms and conditions regarding each account.

