

# Standard Overdraft Practices

An overdraft occurs when you do not have enough money in your account to cover a transaction, but as a convenience to you, we pay it anyway. We can cover your overdrafts in two different ways:

1. We have standard overdraft practices that apply to our accounts.
2. We also offer **overdraft protection plans**, such as a link to a savings account or to an overdraft line of credit 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 apply to my account?

We do authorize and pay overdrafts for the following types of transactions based on the length of time your account has been open and the activity in and your usage of the account:

- Checks and other transactions made using your checking account number such as ACH direct debits.
- 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 Academy Bank pays my overdraft?

Under our standard overdraft practices:

- We will charge you a fee of up to \$32 each time we pay any overdraft item.
- The maximum fee we will charge your account for overdrafts and returned items on any business day is \$128.00.

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

If you want us to authorize and pay overdrafts on everyday debit card and ATM transactions, **log on to your account through Online Banking, click the "Reg E Overdraft Opt In" button, and follow the instructions.**

## OVERDRAFT ALTERNATIVES DISCLOSURE

To prevent returned item fees or overdraft fees, we recommend you maintain all account activity in a check register and routinely reconcile your account to the balance reported by the bank. Using our automated telephone information system, Online or Mobile Banking, Online or Mobile Banking Alerts, Email Notifications, and Text Messaging (fees may apply, contact your mobile carrier for details) to monitor your account balance and account activity can assist you in managing your account. Knowing your account balance also requires consideration of pending items such as checks you've written that have not reached the bank, or pre-authorized ACH debits that have not yet posted to your account. **Please call us at 1-877-712-2265 to learn how to sign up for these services or for assistance with reconciling your account.**

Academy Bank offers the following alternatives to avoid overdraft fees or returned item fees, which are less expensive when compared to our Standard Overdraft Practices.

<b>Ways to Avoid / Cover Overdrafts at Academy Bank</b>	<b>Examples of Associated Fees<sup>1</sup></b>	<b>Comparative Cost<sup>2</sup></b>
Good Account Management	\$0	Not Applicable
Ready Cash Reserve	15.9% APR <sup>3</sup>	\$0.22
Returned Item / Overdraft Fee	\$32.00 <sup>4</sup>	\$32.00

1 - These costs are provided only as examples. Please ask us about specific products and fees.

2 - Comparative cost based on one (1) insufficient item per month resulting in an overdraft of \$50.00, and the credit line or overdraft not being paid for 10 calendar days .

3 - Rate subject to change.

4 - Refer to [What You Need To Know About Overdrafts And Overdraft Fees](#) disclosure for additional information.

**You may instruct us to never pay any item that would overdraw your account. Opting out of all overdrafts may still result in returned item fees being assessed. To opt out of all overdrafts, contact any Banking Center, call toll free 1-877-712-2265 or email us at [ODOptOut@academybank.com](mailto:ODOptOut@academybank.com)**

### **Overdraft Protection Transfers**

Secondary checking, savings and money market accounts may be used to avoid overdraft fees for customer checking accounts. Only one account may be linked to each checking account for this service. When checks or other debits present against your account in amounts that would create an overdraft or returned items, the bank will transfer funds from your linked account in \$100 increments sufficient to cover the items (subject to funds availability in the linked account). If the balance in the linked account is not sufficient to cover the items, all available funds will be transferred, and you will be charged overdraft fees or returned item fees, as applicable, for any remaining items that cannot be covered by the transfer. Linking a secondary checking account for overdraft protection transfers could result in overdrafts or returned items in the secondary account. Certain account types have transaction limitations; please speak to a representative to determine whether transaction limitations apply. Sign up for this service at any Banking Center or by calling toll-free: **1-877-712-2265**.

### **Ready Cash Reserve**

The Bank offers a Ready Cash Reserve line of credit that is attached to any checking, or Money Market account. Based on credit qualification, lines are available for a minimum of \$300 to a maximum of \$3,000, with an APR of 15.9%; interest is charged only for the number of days outstanding. A minimum monthly payment equal to the greater of 5% of the outstanding balance or \$25 will be auto-deducted from the consumer's checking account. Additional or larger payments may be made at any time through online banking or by contacting the

Bank. Advances are in \$100 increments and are transferred automatically to cover a negative balance. An advance may be made manually through online banking or upon request. Visit any Banking Center or call us toll-free at **1-877-712-2265** to apply or obtain additional information.