



You Need to Know about Overdraft Privilege

At Mechanics Savings Bank, we do not encourage overdrafts. As always, we encourage you to manage your finances responsibly. However, we want to save you from the additional merchant fees and possible damage to your credit history that might result if a check is returned. That's why we provide Overdraft Privilege, a special overdraft service for Mechanics Savings Bank's customers.

What is Overdraft Privilege?

Overdraft Privilege is a discretionary overdraft service with two types of coverage. Basic overdraft coverage requires no action on your part and provides a safety net up to an automatically assigned overdraft limit. Limits may be available for checks and other transactions made using your checking account number or automatic bill payment and recurring debit card payment. At your request, you can opt-in to the extended overdraft coverage, which allows us to authorize and pay ATM transfers or withdrawals and everyday debit card purchases using your limit.

How does Overdraft Privilege work?*

As long as you maintain your account in "good standing," we may approve your overdraft items within your current available Overdraft Privilege limit as a non-contractual courtesy.

For overdraft privilege consideration, your account is in "good standing" if you (1) deposit enough money to bring your account to a positive end-of-day balance at least once every 30 calendar days (including the payment of all bank fees and charges); (2) avoid excessive overdrafts suggesting the use of Overdraft Privilege as a continuing line of credit; and (3) there are no legal orders, levies or liens against your account.

Please note that the amount of the overdraft plus our NSF Paid Item(s) Fee of \$27 for each item will be deducted from your overdraft limit. If the item is returned, the NSF Returned Item(s) Fee of \$27 will be deducted from your account. No interest will be charged on the overdraft balance.

**Please refer to the customer overdraft disclosure for additional details.*

What is my Overdraft Privilege limit?

Locate your checking account type below and make note of the corresponding basic program limit.

| | |
|----------------------|-------|
| Straight Forward | \$300 |
| Interest Checking | \$300 |
| On The Move | \$300 |
| Deposit Relationship | \$500 |
| Time Honored | \$500 |
| Total Relationship | \$500 |

How do I know when I access the overdraft limit?

You will receive an overdraft notice each time items are paid, including fees. You will need to subtract the total fees when balancing your checkbook.

How soon can I access my Overdraft Privilege?

If you are a new consumer checking customer, you may begin using it immediately.

What are some other ways I can cover overdrafts at Mechanics Savings Bank?

The best way to avoid overdrafts and fees is to keep track of your account balance by entering all checks, debit card purchases and ATM withdrawals in your check register, reconcile your checkbook regularly and manage your finances responsibly. However, if a mistake occurs, Mechanics Savings Bank offers additional ways to cover overdrafts in addition to Overdraft Privilege.

Ways to Cover Overdrafts at Mechanics Savings Bank

Good account management
 Link to Another MSB Deposit Account*
 Overdraft Privilege

Example of Associated Rates and Fees

\$0
 \$5 transfer fee
 NSF Paid Item(s) Fee of \$27 for each item

*Six transfers allowed from savings account each month \$15 per transaction fee exceeding six per month. Additional consequences for exceeding this limit may apply.