

Courtesy Overdraft Privilege (ODP) limit, what you need to know

Good account management is the most cost effective way to protect your hard earned money. If overdraft protection is needed every now and then, ask FMFCU about the service right for you.

- Avoid using ODP as a short term "loan." It is a costly short-term solution.
- When overdrawing your account, get money back into your account as soon as possible. Remember to deposit enough money to cover both the amount of your overdraft, plus any fees.
- With Overdraft Privilege, please remember the Credit Union has no obligation to cover checks, Debit Card, or other electronic transactions that overdraw an account. ODP is a courtesy service and your relationship with the Credit Union must remain in good standing.

Two Simple Ways to Lower These Fee

1. Track balances, deposits, and spending habits carefully. Sign up for FREE Online/Mobile Banking, Alerts, or MoneySmart (our money management service within Online Banking) and receive an email or text message with account balance information.
2. Link a savings account to your checking account. When an overdraft occurs in the checking account, any available money will be automatically transferred first from the savings account to avoid overdrawing. A transfer fee will apply for each transfer. If you have Opted In to ODP coverage on Debit Card transactions, consider Opting Out. Debit Card transactions are declined if funds are not available and no fee would be assessed. You can also request to Opt Out of all overdraft coverage.

Additional resources for good money management

FMFCU partners with **Clarifi**, a trusted local non-profit agency that provides counseling, workshops, and budgeting assistance. Visit fmfcu.org/member-support and mymoney.gov for more information.

Have a concern? If the problem can not be directly solved at an FMFCU branch or by calling the Member Service Center, please contact FMFCU Chief Operations Officer at:

Franklin Mint Federal Credit Union
Attn: COO
5 Hillman Drive, Suite 100
Chadds Ford, PA 19317-9998

If unable to resolve the problem and want to file a formal complaint with the agency responsible for federal credit unions, you may:

Write:
National Credit Union Administration (NCUA)
Office of Consumer Protection
1775 Duke Street
Alexandria, VA 22314-3428

Call:
NCUA Consumer Assistance Center
800-755-1030


Email:
consumerassistance@ncua.gov

Fax:
703-518-6602

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Protecting Yourself from Overdraft and Bounced-Check Fees



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Questions & Answers

How do overdrafts and “bounced” checks occur?

When a transaction clears for more than the amount available in a checking account, the funds will overdraw. Check holds from recently deposited items can affect your available balance as well. Overdrafts happen when:

- Writing a check
- Making automatic bill or electronic payments
- Debit Card or ACH purchases are authorized

Franklin Mint Federal Credit Union (FMFCU) has a choice to cover **OR** reject the transaction(s). If an item is paid without sufficient funds in the account, an “overdraft privilege” (ODP) fee may occur. If an item is returned unpaid, a “non-sufficient” fund fee (NSF) may be charged.

The person or company the check was written or authorized to, may also charge a “returned item” fee in addition to the FMFCU fee.

How can you avoid Overdraft Privilege and Non-Sufficient Fund fees?

The BEST way to avoid ODP and NSF fees is account management:

- Keep track of funds in your account.
- Record all checks and other transactions when making them. Don't forget to subtract any fees associated with those transactions.
- Monitor account balance(s) using FMFCU Mobile/ Online Banking and setting up Alerts. Be sure to check the balance before making a large purchase.
- Review receipts when making deposits and take into account deposit check hold days.
- Remember when looking at your balance, some checks and automatic payments may not have cleared yet.
- Review your account statement each month. In addition to your account activity being listed, see how many NSF and/or ODP fees you have paid on your account to date.

You can find out which payments have cleared and your account balance anytime by contacting the Credit Union for your most up to date information via:

- FMFCU Online/Mobile Banking
- Telephone Banking @ 610-325-5100
- At an FMFCU branch







Be sure to find out the actual amount in your account, as your account balance will not include the amount of Overdraft Protection available.

What is the “Overdraft Privilege (ODP) Program?”

Many financial institutions offer “overdraft privilege” (ODP) plans so that checks and electronic payments do not bounce and Debit Card transactions are approved. With FMFCU's Overdraft Privilege (ODP), you will still pay an overdraft fee to the Credit Union for each item, but avoid fees passed along by the merchant such as a return check fee. The item being paid on your behalf will help maintain a good standing with the people you do business with.

Everyday Debit Card transactions are only covered with ODP by “Opting In.” Recurring Debit Card transactions do not require Opt In steps. If you do not want recurring Debit Card POS coverage, a complete Opt Out of ODP is needed.

Let's breakdown the differences between:

RECURRING POS	VS	EVERYDAY POS
Authorized payment in advance		Authorized payment at time of purchase
 Subscriptions to streaming services like Hulu and Netflix.		 Trip to the grocery store or going out to dinner.
 Automatic payments like EZ Pass or a gym membership.		 Online shopping.
 Auto saving a card for online shopping at stores like Etsy.		 One-time online bill payments.

How much does the Overdraft Privilege (ODP) plan cost?

FMFCU charges a flat fee (see fee schedule) for each item covered. A dollar limit is set on the total amount your account may be overdrawn at any one time. For example, FMFCU may cover overdrafts up to the total of your ODP limit including all fees.

Example: You forgot your available checking account balance is \$15, you wrote a check for \$25, and used your Debit Card to purchase \$30 worth of groceries.

In these two transactions you've spent a total of \$55 and overdraw your account by \$40. How much will your forgetfulness cost you?

If your checking account has ODP, including Debit Card OPT In, FMFCU may decide to cover both transactions. Each of the 2 overdrafts will trigger a fee.

Based on the example, you will owe the \$40 you spent and the 2 overdraft fees. If for example, the overdraft fee is \$35 per overdraft, you will owe \$110: \$40+\$70 (2x35).

What are some other options available to cover overdrafts?

FMFCU does provide other ways of covering overdrafts that are less expensive.

Tips to cover your OVERDRAFTS

1

Good account management

Stay on top of your accounts and track monies coming in and out.

Cost = \$0

2

Personal Line of Credit

If you overdraw your account FMFCU will cover the funds using your PLOC for the overdraft. See fmfcu.org/loans for more information.

No annual fee + Variable Annual Percentage Rate (APR)

3

Link a savings account to your checking

FMFCU will advance the funds from your savings to cover activity in your checking account.

Transfer fee applies

4

Courtesy Overdraft Privilege (ODP)

A dollar limit is set on the total amount your account may be overdrawn at any one time.

Cost = \$35 per use