

## Overdraft Privilege

### *Can Mean . . .*

- ✓ You may avoid high charges from merchants for returned checks or automatic payments
- ✓ You may avoid the embarrassment and inconvenience of checks and automatic payments being dishonored
- ✓ Payment of your occasional and inadvertent overdrafts up to your assigned Overdraft Privilege Limit of \$800 for eligible personal checking accounts or \$1,500 for eligible business checking accounts will normally be considered.
- ✓ These limits include our customary fees set out in our Fee Schedule. Our fees will be added to any outstanding overdrafts you may have and will be applied against your Overdraft Privilege Limit.

If you have questions concerning the Overdraft Privilege Service, please contact a Customer Service Representative at (518) 758-7101.

[www.kinderhookbank.com](http://www.kinderhookbank.com)

**Member FDIC**

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## OVERDRAFT PRIVILEGE SERVICE

OVERDRAFT CONSIDERATION  
EXCLUSIVELY FOR ELIGIBLE  
CHECKING ACCOUNT CUSTOMERS



**K**inderhook Bank

## HAVE YOU EVER . . .

- ✓ Had the embarrassment and expense of a check or automatic payment returned NSF?
- ✓ Had a check denied at checkout?
- ✓ Forgotten to record a deposit? A purchase? A withdrawal?
- ✓ Had to “guess” at what transactions a joint owner has made?

**WE CANNOT PROMISE OR GUARANTEE THESE THINGS WILL NEVER HAPPEN!**

## YOU DESERVE CONSIDERATION...

**Rather than automatically returning unpaid all insufficient funds items that you may have, we will consider, without obligation on our part, payment of your reasonable overdrafts up to your assigned Overdraft Privilege Limit.**

You do not have to apply for or sign any additional documents for this service for checks, ACH or recurring debit transactions. For personal checking accounts, if you want us to consider paying everyday debit card transactions that would overdraw your account we need your affirmative consent to do so.

For personal checking accounts, if you want us to authorize and pay overdrafts on everyday debit card transactions, call 518-758-7101 or visit one of our local offices.

If you do not use Overdraft Privilege it costs you nothing. “Use” means you initiate insufficient funds transactions.

If you do use Overdraft Privilege you will be subject to our customary fees set out in our Fee Schedule and Overdraft Privilege Service Program Description.

## Overdraft Privilege Service Program Description

(A Discretionary Overdraft Service)

Kinderhook Bank (“we, us or our”) offers the Overdraft Privilege Service. If your account qualifies for Overdraft Privilege, we will consider, without obligation on our part, paying items for which your account has insufficient or unavailable funds, instead of automatically returning those items unpaid. This document explains how Overdraft Privilege operates.

### Transactions that May Qualify for Overdraft Privilege

An overdraft occurs when you do not have enough money in your account to cover a transaction. Although there are many reasons why your account might become overdrawn, most overdrafts result from the following:

- a) You write a check, swipe your debit card or initiate an electronic funds transfer in an amount that exceeds the amount of funds available in your account;
- b) You deposit a check or other item into your account and the item is returned unpaid, which causes a negative balance in your account once your balance is reduced by the amount of the returned check;
- c) You have inadequate funds in your account when we assess a fee or service charge; or
- d) You initiate a transaction before funds deposited into your account are “available” or “finally paid” according to our Funds Availability Policy. For example, if you deposit a check into your account, the proceeds of that check may not be available to you for up to four days after you deposit the check. If you do not have sufficient funds in your account, independent of the check deposited, to cover the transaction, you will incur an overdraft.

The Overdraft Privilege Service applies to a variety of transactions, including checks and other transactions made using your checking account number, automatic bill payments, and everyday debit card transactions. However, for personal checking accounts, we will not include everyday debit card transactions within our Overdraft Privilege Service without first receiving your affirmative consent to do so. Absent your affirmative consent, everyday debit card transactions generally will be not be paid under Overdraft Privilege.

Participation in Overdraft Privilege is not mandatory. You may opt-out of the service any time by notifying one of our service representatives. Furthermore, for personal checking accounts, you may revoke your affirmative consent to have everyday debit card transactions considered for payment under Overdraft Privilege without removing other items from the service. Simply inform us of your preference. As noted above, we retain full discretion to decline to pay any item under the Overdraft Privilege Program. This means we can refuse to pay any overdraft for any reason. Even if we decide to pay an overdraft item, absent an agreement to the contrary, such payment does not create any duty to pay future overdrafts. If we do not authorize and pay an overdraft, your transaction will be declined and we may assess NSF fees on your account in accordance with your account agreement and the fee schedule in effect at the time of the overdraft.

### Fees

For each overdraft we pay, we will charge the standard per item overdraft fee set forth in our fee schedule (**currently \$35.00**). There is no limit to the total of fees we can charge you for overdrawing your account. In addition, we will charge your account a **\$35.00** “continuous overdraft fee”. Typically, we will assess the continuous overdraft fee when an account is overdrawn by at least \$50.00 for 10 calendar days. We will not charge an overdraft fee if an account is overdrawn by \$10.00 or less. We will notify you by mail if we pay or return any insufficient or unavailable funds items on your account; however, we have no obligation to notify you before we pay or return any item. The amount of any overdrafts, including our fees, is due and payable immediately or on demand. Accounts Eligible for Overdraft Privilege

Overdraft Privilege is a discretionary service and is generally limited to an \$800 overdraft (negative) balance for eligible personal checking accounts; or a \$1,500 overdraft (negative) balance for eligible business checking accounts. Please note that per item overdraft fees count toward your Overdraft Privilege Limit. We may in our sole discretion limit the number of accounts eligible for Overdraft Privilege to one account per household or per taxpayer identification number. Further, Overdraft Privilege is usually extended only to accounts in good standing. An account in good standing exhibits, but is not limited to, the following characteristics:

- a) The account has been open for at least thirty (30) days;
- b) The account has deposits totaling at least \$400 or more within each thirty (30) days day period;
- c) The account demonstrates consistent deposit activity;
- d) The account owner is current on all loan obligations with us; and
- e) The account is not subject to any legal or administrative order or levy, such as bankruptcy or tax lien.

We offer other overdraft protection services in addition to Overdraft Privilege. These include an overdraft line of credit. If you apply and are approved for an overdraft line of credit, you may save money on the total fees you pay us for overdraft protection services.

Overdrafts should not be used to pay ordinary or routine expenses and you should not rely on overdrafts as a means to cover these expenses. If at any time you feel you need help with your financial obligations, please contact one of our customer service representatives at your local branch office.