

# OVERDRAFT SERVICES



***Banterra***<sup>®</sup>

# Conveniences With Helping You To Manage Your Checking Account

At Banterra, we constantly strive to offer convenient and helpful products and services to meet your ongoing financial needs. We know that when managing your checking account, mistakes can happen to anyone and withdrawals can be made when the funds are not actually available. When this occurs, Banterra temporarily lends you money for these withdrawals and an Overdraft Fee<sup>1</sup> may be charged.

We want to help you with those situations; that's why we offer two overdraft service options for customers:

- **Overdraft (OD) Protection**
- **Debit Card Overdraft Service**

## Overdraft Protection

You can avoid being overdrawn in your checking account by signing up for Overdraft Protection. If your account does not have funds to cover items, this service will automatically transfer funds from your designated accounts, up to the available balance in the accounts. We can set up Overdraft Protection for your eligible personal and business accounts including:

- Checking accounts
- Savings accounts<sup>2</sup>
- Money Market accounts
- Home Equity Line of Credit

You can choose from one of the following options:

- Transfer the exact amount overdrawn plus the transfer fee.
- Transfer in \$10 increments to cover amount overdrawn plus transfer fee.
- Transfer in \$1,000 increments with a target balance of \$1,000 to cover amount overdrawn plus transfer fee.

It's easy to sign up for Overdraft Protection. Simply fill out the attached form and drop it off at your local Banterra or drop in the mail. You can also go to Banterra.bank and if enrolled in digital banking, you can fill out an online form.

A small, one-time set-up fee of \$4.50 is required to sign up for Overdraft Protection. This fee is automatically charged to the protected checking account.<sup>3</sup>

<sup>1</sup> The bank classifies overdrafts in two ways - **Paid Item Fee** and **Uncollected Funds (UCF) Paid Item Fee**. When the bank determines that you do not have enough available funds to cover an item, we will either return the item unpaid or pay the item, overdrawing your account (an overdraft item). This fee will appear as "Paid Item Fee" on your monthly statement. Uncollected Funds Fee or a UCF charge occurs when funds are in the account, but are not available to pay the item, due to holds on the account. Holds could be present on an account due to pending purchases, holds placed on deposits, or other misc. holds. This fee will appear as "UCF Paid Item Fee" on your monthly statement.

<sup>2</sup> Savings accounts are subject to a \$2 service fee for withdrawals in excess of four (4) per statement cycle. Smart Kids Savings or any other minor savings account cannot be used to fund Overdraft Protection.

<sup>3</sup> Customer signing up for Overdraft Protection must be the owner on all funding accounts and the protected checking account. Consumer accounts can only be funded by consumer accounts; business accounts can only be funded by business accounts. Some reasons why funds will not be transferred include these events: Not sufficient funds available in the funding account; account is pending closed status or is a debit post restricted account; loan is delinquent, at maturity, or bankruptcy.

# How Overdraft Services Work

An easy way to understand our overdraft services is to consider the situations below:

Situation	Standard Overdraft Practice	Overdraft Protection	Debit Card Overdraft Service
Wrote one check in an amount higher than current checking account balance.	Check may be approved (at bank's discretion). \$37 Overdraft Fee may be charged.	Funds will be transferred from your linked account. \$10 Transfer Fee* will be charged.	N/A
Made one debit card transaction in amount higher than current checking account balance.	Transaction may be denied.	Funds will be transferred from your linked account. \$10 Transfer Fee* will be charged.	Transaction may be approved (at bank's discretion). \$37 Overdraft Fee may be charged.
Wrote six (6) checks (or more) in an amount higher than current checking account balance in one business day.	Check may be approved (at bank's discretion). \$222 (\$37 x 6) Overdraft Fee may be charged. Same charge for more than six (6) as Overdraft Fees are limited to six (6) per day.	Funds will be transferred from your linked account. \$10 Transfer Fee* will be charged.	N/A
Made six (6) debit card transactions (or more) in amount higher than current checking account balance.	Transactions may be denied.	Funds will be transferred from your linked account. \$10 Transfer Fee* will be charged.	Transactions may be approved (at bank's discretion). \$222 (\$37 x6) Overdraft Fee may be charged. Same charge for more than six (6) as overdraft fees are limited to six (6) per day.

\*Fee will be waived if overdraft amount is \$5 or less or if the amount needed to maintain the target balance is \$5 or less. There is a \$10 Transfer Fee per day, regardless of the number of transactions presented for payment that day. When OD Protection is utilized, transfers will appear as "OD Transfer" on your monthly statement.

## Debit Card Overdraft Service

Banterra offers an optional method to customers for handling your ITM/ATM<sup>4</sup> and debit card transactions if there are non-sufficient funds in your checking account. If you choose to add Debit Card Overdraft Service<sup>5</sup> to your checking account, the bank may approve (at our discretion) ITM/ATM and debit card transactions in the event you do not have enough funds to cover the transaction.

- There is no fee for signing up for this service.
- If your account is negative, a standard Overdraft Fee of \$37 per item may be charged if a covering deposit or transfer is not made prior to the transaction posting.
- If you do not add this service, your ITM/ATM and everyday debit card transactions will be declined at the time of the transaction if there are not sufficient funds in your account; you will not be charged an Overdraft Fee if these types of transactions cause an overdraft.

## Ways To Help Manage Your Account

**Digital Banking** - One simple way to manage your account balances is to use Banterra's Digital Banking for online and mobile. Check account balances, transfer funds, pay bills and more using this free and convenient service.

**Telephone Banking** - Simply call 877-859-BANK to access a range of banking options including balance inquiries. To use this service, register quickly through Digital Banking or call a Banterra representative to assist you.

**Account Alerts** - Set up a low-balance alert via Digital Banking.

**Routine Practices** - Put these routine practices in place to help avoid overdrafts:

- Keep track of your spending.
- Don't spend more than you have.
- Don't forget outstanding transactions.
- Keep a cushion in your account.

## To Get Started Or To Learn More

Stop by any Banterra location and a representative will be happy to discuss these services with you, assist you with getting started and help you with methods to better manage your checking account.

For convenience, to sign up for our Banterra Overdraft Services, you can fill out and mail the attached form or you can log in to Digital Banking at [Banterra.bank](https://Banterra.bank) and submit a secure online form.

<sup>4</sup>ATM includes both automated teller machines and interactive teller machines.

<sup>5</sup>Banterra reserves the right to discontinue the service at any time and without notice. Transactions may not be processed in the order in which they occur, and the order in which transactions are received and processed can affect the total amount of Overdraft Fees assessed. Debit Card Overdraft Service is applied at the account level, meaning that once you opt-in for an account, any debit cards tied to that account are opted-in as well.

# ATM / Debit Card Opt-In Form

## Things To Know About Overdrafts And Overdraft Fees

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

- We have standard overdraft practices that we use in connection with servicing your account.
- We also offer overdraft protection plans, such as a link to another checking account, a savings account or a home equity 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 come with my account?

We authorize and pay overdrafts for the types of transactions below:

- Checks and other transactions made using your checking account.
- Automatic bill payments.

We do not authorize and pay overdrafts for the following types of transactions unless you ask us to do so (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 Banterra Bank pays my overdraft?

Under our standard overdraft practices:

- We may charge you a **\$37** fee each time we pay an overdraft.

There is no limit on the total fees we can charge you for overdrawing your account. However, the maximum number of Overdraft Fees that may be assessed in one day is six (6).

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

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, call our Overdraft Services Department at 866-BANTERRA (226-8377), option 5 and tell us, visit [Banterra.bank](http://Banterra.bank) (a form is available through Digital Banking) or simply complete the form below and bring it to any Banterra location or mail it to **Banterra Bank, Attn: Overdraft Services Dept., P.O. Box 291, Eldorado, IL 62930.**

\_\_\_ Yes, I want Banterra Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions.

\_\_\_ No, I do not want Banterra Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Customer Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Account Number: \_\_\_\_\_

# Overdraft Protection Authorization Agreement

\_\_\_\_\_ Yes, I would like to utilize Overdraft Protection.

Select one of the following options:

- Option 1 - Transfer funds from the designated funding account(s) only when the covered account becomes overdrawn. Transfer the overdraft amount plus the transfer fee.
- Option 2 - Transfer funds from the designated funding account(s) only when the covered account becomes overdrawn. Unless otherwise noted below, Banterra Bank will transfer funds in increments of \$10 until the overdrawn amount and the transfer fee are covered.

Please transfer from my funding accounts in increments of \$ \_\_\_\_\_. (Enter amount)

- Option 3 - Transfer funds from the designated funding account(s) only when the covered account balance falls below the target balance. Unless otherwise noted below Banterra Bank will transfer funds in increments of \$1,000 until the target balance of \$1,000 including the transfer fee is achieved.

Please transfer from my funding accounts in increments of \$ \_\_\_\_\_ based on attaining a target balance of \$ \_\_\_\_\_ in the covered checking account. (Enter amounts)

\*Covered Checking Account: \_\_\_\_\_

\*Funding Account(s) Numbers (Up to four accounts):

Checking     Savings     Home Equity Line Of Credit

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Checking     Savings     Home Equity Line Of Credit

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Checking     Savings     Home Equity Line Of Credit

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Checking     Savings     Home Equity Line Of Credit

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\*Customer Name:

Signature:

\*Social Security Number:

I have read the Terms & Conditions on panel prior to this form and agree to these terms.



## Overdraft Protection Authorization Agreement Terms & Conditions

If you request Overdraft Protection for your Banterra checking account (known as the covered account), money for the overdraft automatically transfers from another Banterra deposit account (checking, savings or money market) or your Banterra home equity line of credit that you previously selected (known as the funding account). You may select up to four (4) funding accounts. Personal checking accounts may only be linked to personal funding accounts, and business accounts may only be linked to business funding accounts. Any person who is an owner of both the covered account and the funding account may request the service without the consent of other owners. Overdraft Protection will become effective within a reasonable time after we have approved your request.

The funding account available balances can be used to authorize transactions that memo post during the day for debit card purchases, ATM/POS transactions, mobile banking transfers or internet banking transfers that are presented to a covered account. Transfers will be done based on the Plan Code that you chose and will include the Overdraft Protection Transfer Fee. Overdraft Protection will transfer all available funds in order to reduce the amount of the overdraft.

**Fees:** There is an initial set-up fee of \$4.50 that will be assessed the day that the overdraft protection is established on the account. There is an Overdraft Protection Transfer Fee charged to the covered account each day funds are transferred. Only one fee per business day will be assessed. The fee amount is disclosed in our fee schedule and is currently \$10 for each day that a transfer occurs. If you use a savings account as a funding account, there is a \$2 fee per withdrawal in excess of 4.

**Limits:** Smart Kids Savings accounts and Uniform Transfers to Minors Accounts (UTMA) cannot be used as funding accounts. We will not transfer more than the available account balance in the funding account(s). We are not required to notify you if the funding account becomes unavailable. Overdraft Protection will not be available if the funding account is blocked for usage.

Funds you deposit into your funding accounts may not be available immediately for overdraft protection transfers.

Any owner of the covered account or funding account may initiate or cancel Overdraft Protection in writing. Cancellation will be effective after we have received written notice and had reasonable time to act on it. Banterra may cancel Overdraft Protection upon notice to the Customer or upon closing of a linked account.

# BANTERRA BANK SERVICES

## PERSONAL BANKING

Personal Checking  
Personal Savings  
CDs & IRAs  
Mortgage & Equity  
Digital Banking  
Personal Loans

## BUSINESS BANKING

Business Checking  
Business Savings  
Business & Agricultural Lending  
Specialized Lending  
- Aircraft, Corporate Banking, Machine Tool,  
RV & Marine, Transportation  
Treasury Management  
Banterra Business Mobile App  
Merchant Processing  
checkXchange™ Check Recovery Service  
IntraFi® Network Deposits  
Private Banking  
Workforce Banking

## OTHER SERVICES

Credit Cards – Consumer & Business  
Foreign Currency  
Security & Fraud Protection  
Wire Transfers



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866-BANTERRA (226-8377)

Banterra.bank

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