

## Overdraft Information

# What You Need to Know about Overdrafts

Beginning this summer, new federal regulations will change the way banks handle overdrafts that occur when consumers use debit cards to make everyday purchases or ATM withdrawals that exceed the balance available in their account. The new regulation prevents banks from charging an overdraft fee for ATM and one-time point-of-sale transactions unless the customer has provided consent for the bank to do so. This change goes into effect July 1, 2010 for new personal accounts and August 15, 2010 for existing personal accounts. Business accounts are not impacted.

## Your Choice

By providing your consent, you allow Lake Shore Savings Bank to continue servicing your account the way we have in the past. If you make an ATM withdrawal or a one-time debit card purchase in a store or online that exceeds the balance available, we may authorize and pay the transaction. The bank uses its discretion on whether to make the payment based on your account history. If we approve and pay a transaction that overdraws your account, a \$32 fee will be assessed.

3 ways to contact us and provide your consent

1. Call us at 800.336.6116
2. Visit any Lake Shore Savings Bank office
3. Complete and return a printed consent form

You may change your choice at any time by contacting us. If you take no action, we will decline any requests for ATM withdrawals or one-time debit card purchases that would overdraw your account.



## What You Need 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:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to a savings account, 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 do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number
- 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 (POS 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 Lake Shore Savings Bank pays my overdraft?**

Under our standard overdraft practices:

- We will charge you a fee of \$32 each time we pay an overdraft.
- There is no limit on the total fees we can charge you for overdrawing your account.

### ➤ **What if I want Lake Shore Savings Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions?**

If you want us to authorize and pay overdrafts on ATM and everyday debit card transactions, call (716) 366-4070 or complete the form below and present it at a branch or mail it to: Lake Shore Savings Bank, 128 E 4<sup>th</sup> Street, Dunkirk NY 14048.

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 I do not want Lake Shore Savings Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions.

I want Lake Shore Savings Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Printed Name: \_\_\_\_\_

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

[Account Number]: \_\_\_\_\_