

## **Frequently Asked Questions Regarding ATM and Everyday Debit Card Overdraft Charges**

**1. What is an overdraft?**

An overdraft occurs when you do not have enough money in your account to cover a payment you have authorized, however the bank pays it as an accommodation, trusting that you will repay the amount of the overdraft.

**2. What kinds of transactions are included in the overdraft charges for debit card and ATM usage?**

This change applies to Automated Teller Machine (ATM) withdrawals and one-time debit card transactions. A one-time debit card transaction is a one-time, non-recurring purchase or payment made with your debit card. Examples of this include purchasing gas, groceries, shopping, restaurants or other everyday items with your debit card.

**3. Does this new regulatory change affect overdraft coverage for checks and automatic payments from checking?**

No. This change only affects one-time debit card transactions and ATM withdrawals that overdraw your account. Harford Bank will continue to consider, at our discretion, authorizing and paying items from checks, bill payments, recurring automatic payments using your debit card (such as gym memberships or utilities that draft automatically from your debit card) and other transactions made using your checking account number that overdraws your account.

**4. What happens if I do not participate in Harford Bank's Overdraft Privilege Service for one-time debit and ATM transactions?**

Beginning August 15, 2010, if you have not instructed Harford Bank to consider authorizing and paying one-time debit card transactions and ATM withdrawals that overdraw your account, these transactions will be declined if you do not have sufficient funds in your account, and you will not be able to complete your debit card transaction or ATM withdrawal. You will not be able to opt-in at the time of the debit card transaction.

**5. Does Harford Bank offer overdraft protection options?**

In addition to the Overdraft Privilege Service, Harford Bank offers a variety of overdraft protection services including linking your checking account to a Harford Bank Savings Account or an Overdraft Line of Credit. Transfer fees may apply.

**6. How can I avoid overdraft fees?**

The best way to avoid overdraft fees is to closely monitor your account and keep accurate records of your transactions. Harford Bank also provides a variety of resources to help you monitor your spending, including Harford Bank Internet Banking alerts and Bankline 24 Hour Telephone Banking (410-272-5545).