

# What You Need to Know About Overdrafts and Overdraft Fees

The following notice explains TCF National Bank's standard overdraft practices beginning August 15, 2010 for accounts opened before July 1, 2010, and beginning July 1, 2010 for accounts opened on or after that date. See below for more information.

## 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 an overdraft protection plan, in the form of a written overdraft protection line of credit, which may be less expensive than our standard overdraft practices. To learn more, ask us about this plan.

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

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 TCF pays my overdraft?**

Under our standard overdraft practices:

- We will charge you a fee of up to **\$35** 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 TCF 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, stop by any TCF branch, visit [www.tcfbank.com](http://www.tcfbank.com), or call us at 1-866-823-4472. You may also send a written request, including your name, address, date of request, and account number(s), to us at:

TCF NATIONAL BANK  
PO BOX 9110  
MINNEAPOLIS MN 55480-9110

### ➤ **What if I want to revoke my decision to have TCF authorize and pay overdrafts on my ATM and everyday debit card transactions?**

If you opt-in and decide later that you want to revoke your decision to have TCF authorize and pay overdrafts on ATM and everyday debit card transactions, stop by any TCF branch, visit [www.tcfbank.com](http://www.tcfbank.com), or call us at 1-866-823-4472. You may also send a written request, including your name, address, date of request, and account number(s), to us at:

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# New Rules Give You More Choices for Your Account

Thank you for using TCF's online banking service.

You may have heard about new federal rules that require banks to ask their customers if they want overdraft coverage for their ATM and check card transactions. Here, we explain what you can do to take advantage of these new rules.

Before the new rules, banks could approve overdrafts for all types of transactions, including checks, check card purchases, ATM transactions, and other electronic transactions. And it was up to the bank to decide in its own discretion whether or not to approve them. They did not need to get your permission first.

Under the new rules, banks can still decide whether or not to approve your overdrafts. However, for consumer accounts, they must now get your permission before approving overdrafts and charging a fee for certain kinds of transactions. Those transactions are ATM transactions and one-time, or everyday, check card transactions. Checks and monthly electronic withdrawals are not affected by the new rules.

So now you have a choice. You can say "yes" to ATM and everyday check card overdrafts. This gives TCF the right to pay these overdrafts and charge a fee if we want. Saying "yes" can have benefits, such as when you need money late at night or in an emergency and your account is unexpectedly low. But overdraft charges will apply.

Or you can say "no" to these overdrafts. Saying "no" can prevent unexpected overdraft charges on your account. However, it means that these transactions will be declined.

You will need to let TCF know, if you have not already done so, if you want us to cover overdrafts for your ATM and everyday check card transactions. Your giving us permission to do that is called opt-in. If we don't hear from you, you will not be opted-in. Whatever you decide, you can change your mind later. All you have to do is let us know.

The new rules are in effect July 1, 2010, but if you opened your account before July 1<sup>st</sup>, they are effective August 15, 2010.

More information about the new rules and how to opt-in can be found in this web site, including the federal required notice that explains our overdraft policies. Just go to our home page at [tcfbank.com](http://tcfbank.com), and click on the link at the bottom of the page. Or you can call us at 1-800-TCF-BANK (823-2265).

TCF would like to remind you to use your account wisely, and to do whatever you can to avoid overdrafts whenever possible. TCF offers tips in this website to help you avoid overdrafts. And we offer credit products that may be lower cost alternatives to overdrafts.

Contact us today and let us know how you want your account to be handled. The *Frequently Asked Questions* below may help if you have more questions about overdrafts on your TCF account. And thank you for banking with TCF.

## Frequently Asked Questions

### Federal Overdraft Rules

#### ***How do federal rules affect overdraft practices by banks?***

Federal rules require TCF to get your permission before approving overdrafts and charging a fee for certain kinds of transactions. Those transactions are ATM transactions and one-time, or everyday, check card transactions. Checks and preauthorized withdrawals are not affected by the new rules. Banks only need your permission once. Your permission is not required separately for each transaction.

#### ***Are business accounts affected?***

No. The new rules only apply to accounts used for personal, family, or household purposes.

#### ***What does it mean to “opt-in” to TCF’s payment of ATM and everyday check card overdrafts?***

“Opt-in” is when you give TCF permission to approve overdrafts for ATM and everyday check card transactions, and to charge a fee for doing so.

#### ***What is an “everyday” check card transaction?***

An everyday check card transaction is any one-time, nonrecurring transaction using a TCF debit card or ATM card. Transactions you authorize in advance using your check card, such as a monthly bill payment, are not considered “everyday” transactions. TCF relies on transaction coding provided by the merchant in determining if a transaction is recurring.

#### ***Will my ATM and everyday check card transactions always be approved if I opt-in?***

No. TCF retains discretion to authorize or not authorize these transactions when there are not enough available funds in your account to cover them at the time of the transaction. For example, we typically do not pay overdrafts if your account is not in good standing, or you are not making regular deposits, or you have too many overdrafts.

***Will there be fees on my ATM and everyday debit card overdrafts if I opt-in?***

Yes. If you opt-in, you will be charged our standard NSF/overdraft fee of \$35 if there are not enough available funds in your account to cover the transaction when it settles.

***Are checks and recurring bill payment transactions affected?***

No. Checks, ACH, recurring withdrawals (like an automatic monthly bill payments), and other types of withdrawals not involving ATM or everyday debit card use are not affected by the rules (even if these transactions involve the use of your check card). TCF may, in its discretion, continue to approve overdrafts for these transactions even if you have not opted-in. You will be charged our standard NSF/overdraft fee of \$35 each time one of these transactions is presented for payment against your account when there are not enough available funds in your account to cover them (whether or not TCF pays the transaction).

***What if I don't want this service, I don't notify you of my choice, or I can't decide?***

Opt-in is not automatic. If you do not opt-in, or if you do nothing, TCF will not approve ATM and everyday check card overdrafts for your account. If you decide later that you want to opt-in, you can do so by contacting TCF.

***What if I change my mind?***

If you opt-in, you can always change your mind later by notifying TCF.

***How do I notify TCF of my decision to opt-in or not opt-in?***

If you want us to authorize and pay overdrafts on your ATM and everyday debit card transactions, stop by any TCF branch, visit [www.tcfbank.com](http://www.tcfbank.com), or call us at 1-866-823-4472. You may also send a written request, including your name, address, date of request, and account number(s), to us at:

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PO BOX 9110  
MINNEAPOLIS MN 55480-9110

***What if I have an overdraft line of credit agreement?***

The rules do not affect any written overdraft line of credit agreement you have with TCF where we have committed to pay your overdrafts up to your credit limit. Overdrafts under those agreements will be honored up to the amount of your credit limit according to the terms of the agreement.

***Do the new rules require banks to give notice to me of my options under the rules?***

Yes. TCF's notice is shown above. The notice explains TCF's standard overdraft practices beginning August 15, 2010 for accounts opened before July 1, 2010, and beginning July 1, 2010 for accounts opened on or after that date.

***What if I have more questions?***

See your account disclosures and the disclosure called *What You Need to Know about Overdrafts and Overdraft Fees* for more information. If you need another copy, please call or write us, or they are available online at [www.tcfbank.com](http://www.tcfbank.com).

## **Other Overdraft Questions**

***What is TCF's current overdraft charge?***

TCF currently charges \$35 each time a transaction is submitted for payment from your account when there are not enough funds available in the account to cover the transaction. This includes checks, in-person withdrawals, ATM and check card transactions, or other electronic withdrawals and debits. This charge applies whether or not we pay the transaction. You could incur multiple charges in a single day. However, see above about your options for ATM and everyday check card transactions. TCF may increase, or add to this charge.

***When am I required to pay my overdrafts?***

Overdrafts must be paid immediately. There is no grace period or payment schedule.

***How do overdrafts compare to other forms of credit?***

While overdrafts provide a benefit in occasional situations and emergencies, you should not rely on them as a long term source of credit. Alternative forms of credit may be less expensive and more suitable for your longer term financial needs. Alternative forms of credit can include credit card cash advances, overdraft line of credit agreements, personal loans or lines of credit.

***How can I avoid overdrafts?***

There are several ways in which you can avoid overdrafts and overdraft fees:

- Check your account regularly. To check your balance and recent transactions posted to your account, you can call TCF at 1-800-TCF-BANK (823-2265) and

use the automated service or speak to a customer service representative, or you can go online to [www.tcfbank.com](http://www.tcfbank.com). Remember that not all funds in your account may be available for immediate withdrawal or other transactions. Also keep in mind that your balance may not reflect the full amount of all your recent transactions. For example, checks you have written recently may not have been processed yet. And if you used your debit card recently, the full amount of the transaction might not be reflected in your balance.

- With TCF Online Banking, you can create customized alerts that are activated according to the balance specifications you set. You can set up alerts to notify you when your account balance at the end of the previous business day fell below or went above the dollar amount you specify. Or you can set up periodic balance alerts to be sent to an Internet email address or any Internet-enabled mobile device.
- Record transactions in your register immediately and keep a current balance. To avoid service charges, do not write checks or perform transactions if you do not have enough money in your account. Remember to anticipate and record any recurring automatic payments.
- Promptly correct your register if you receive notice of an NSF, overdraft, or returned deposited item. Remember to also deduct any related service charges.
- Reconcile your account to your monthly statement to identify any unauthorized transactions and to ensure accuracy in your record keeping. Notify TCF immediately of any errors or if you suspect any unauthorized transactions occurred.
- If you have not already done so, notify us if you do not want TCF to authorize ATM and everyday debit card transactions when there are insufficient available funds in your account to cover them at the time of the transaction. You may do so online at [www.tcfbank.com](http://www.tcfbank.com), in person at a TCF branch, or by contacting us at the number shown above.

There are other ways you can avoid overdrafts. For example, you have the option to automatically deposit your paycheck into your checking account. You can also arrange for direct deposit of any social security, retirement, or disability benefits, as well as interest and dividend payments from your investments. There is no cost to you for direct deposit.

TCF also offers an overdraft protection line of credit, which may be a lower cost alternative to overdrafts. You can apply for an overdraft protection line of credit at any neighborhood TCF Bank location. If you have any questions, please contact us at 1-800-TCF-BANK (823-2265).

Remember, TCF encourages you to use your account responsibly and you should take steps to avoid overdrafts whenever possible.