



## **Overdraft Agreement**

### **1.1. Overdraft Protection – What it is**

An overdraft on your Account means your Account has withdrawn more money than the account holds. Overdraft coverage (“Overdraft Protection”) is an optional service that may protect your account from incurring the Non-Sufficient Funds Fee, as well as permit the processing of your transactions (instead of declining them), if the balance of the Account could fall below \$0.00 after the transaction is processed. An Account with Overdraft Protection will have a limit assigned to it which will define the maximum amount that you may overdraw on your Account (“Overdraft Protection Limit”). There is no monthly fee for Overdraft Protection if you do not use this service. However, fees and charges apply for the use of Overdraft Protection, each month until your Account is brought back to \$0.00. These fees and charges are disclosed to you below in Section 1.6.

These Overdraft Protection terms and conditions (“Terms”) are subject to and should be read together with your PC Money™ Account Agreement between you and President’s Choice Bank. We may change these Terms at any time.

### **1.2. Overdraft Protection – What it isn’t**

Overdraft Protection should not be thought of, and should not be used like a line of credit, or another product which offers revolving credit, variable credit or open credit. Unlike these products, Overdraft Protection is not intended to be used as an outstanding loan to revolve month to month. When you have Overdraft Protection, the amounts outstanding are due to be repaid immediately in full, and in any event, no later than the payment due date printed on the first Statement you receive which outlines the transactions where Overdraft Protection was used. Please contact us through the PC Financial Website or by calling the toll-free number on the back of your Card for an alternative product which may be more appropriate for you if you do require revolving credit as part of your needs.

### **1.3. Eligibility**

Overdraft Protection (when available and approved for your Account) is for any overdrawn balances in your Account. You must consent to a credit check in order to be considered and approved for Overdraft Protection. We may deny Overdraft Protection if your credit history does not meet our criteria. Overdraft Protection is available after we have approved you, and received all documentation necessary to activate your account. ATM Cash Withdrawals, and other cash equivalent transactions may be used one business day after Overdraft Protection approval. If you have more than one Account, you must obtain separate Overdraft Protection for each Account.

## **1.4. Your Overdraft Protection Limit**

Your Overdraft Protection Limit is the maximum amount that you may overdraw your Account. Once your request for Overdraft Protection is approved, we will tell you how much coverage you are entitled to. We will determine, in our discretion, the amount of coverage we will make available to you.

### **1.4.1. Do not exceed your Overdraft Protection Limit**

Your available Overdraft Protection decreases by the amounts overdrawn on your Account. Do not exceed your Overdraft Protection Limit. We reserve the right to reject any use of your Account that would cause you to exceed your Overdraft Protection Limit. If we allow you to exceed your Overdraft Protection Limit or provide you with any other accommodation, we do not surrender any of our rights, including refusing to allow you to exceed your Overdraft Protection Limit at a future date. We are not responsible for any damage (monetary or otherwise), inconvenience or loss you suffer if we do not allow you to exceed your Overdraft Protection Limit.

However, if we do allow the total you owe on your Account to exceed your Overdraft Protection Limit (such as with a merchant hold as described in your Account Agreement), this does not mean that your Overdraft Protection Limit has changed. You remain responsible for, and must immediately pay, any amount that exceeds your Overdraft Protection Limit.

### **1.4.2. We may change your Overdraft Protection Limit**

We may decrease your Overdraft Protection Limit at any time without prior notice. We may increase your Overdraft Protection Limit at your request or with your express consent.

### **1.4.3. You may request a change to your Overdraft Protection Limit**

You may ask for an Overdraft Protection Limit increase or decrease online by logging in to your Account at the PC Financial Website. Overdraft Protection Limit increases are subject to credit approval, and we may decline or authorize only a portion of any Overdraft Protection Limit increase you request. If you ask for an Overdraft Protection Limit increase, you agree to reaffirm these Terms at such time.

## **1.5. Cancellation of Overdraft Protection**

You can cancel Overdraft Protection on your Account any time, however you must first pay off any overdraft amount owing. Any fees and charges in effect at the date of cancellation will still apply after your Overdraft Protection is cancelled. The cancellation will be effective the day all fees and charges are repaid. To cancel your Overdraft Protection, you may do so by contacting us through the PC Financial Website. We may cancel your overdraft protection at any time and decline to

process any further transactions against the Account, including those that you requested before we cancelled your overdraft protection.

## 1.6. Overdraft Protection Fees and Charges

The fees and charges applicable to Overdraft Protection on your Account are:

<b>Overdraft Protection– Monthly Fee</b> Charged each month when overdraft is used.	<b>\$5.00</b>
<b>Overdraft Protection– Annual Interest Rate</b> Applies to overdrawn balances, calculated daily and charged monthly.	<b>19%</b>

The Overdraft Protection – Monthly Fee is charged the first time in a statement period when Overdraft Protection is used, by bringing your Account below a balance of \$0.00. This fee will be charged again if your Account balance remains below \$0.00 on the date your Statement is posted to the PC Financial Website, on your Statement date.

We may change the fees or charges applicable to your Account at any time. In each case, you will be provided with the required notice of the change.

## 1.7. How we calculate interest for Overdraft Protection

The interest charge is calculated by multiplying together the applicable average daily Overdraft Protection balance, Annual interest rate, and the number of days in the current Statement Period. The average daily Overdraft Protection balance is determined by adding together the Overdraft Protection balance on your Account each day during the applicable Statement Period, and dividing the total by the number of days in the Statement Period. Interest is calculated and posted to your Account on your Statement date. There is no interest payable on Fees.

## 1.8. Repayment

You must pay back the full amount of Overdraft Protection you have used and bring your Account back to at least a \$0.00 balance by the payment due date shown on your Statement, and keep your Account in a positive balance for at least 24 hours before using Overdraft Protection again. You will be in default of these terms and conditions if you miss a payment or any amount payable required under these Terms.

## 1.9. Payment methods

You are responsible for selecting a payment method that ensures your payment is received and applied to your Account by the payment due date. Disruptions or delays do not relieve you of this responsibility.

Generally, payments are applied to your Account on the day that we receive them provided they are received during business hours on a banking day in Ontario. Otherwise, they will be applied to your Account on the next banking day. Payments will not be applied to your Account on the day

you request them to be made from another financial institution. For partial payments to repay your Overdraft Protection, the amount will be applied to your Account, first to interest, second to Fees, and the remainder, if any, to transactions on the Account.

Your available Overdraft Protection Limit may not reflect your payment until your payment has cleared.

You are responsible for paying all amounts owing on your Account even if you do not receive statements due to an invalid e-mail address.