

Nantahala Bank & Trust wants our customers to understand our overdraft product and any related fees and learn how you can minimize the cost to you while still providing peace of mind knowing that your debit card, online banking and check transactions may be covered.

What is an Overdraft?

It is your responsibility to know when your account is overdrawn and to immediately repay Nantahala Bank & Trust or deposit sufficient funds into your account to cover the overdraft and any related fees.

Overdrafts are situations when your checking account does not have enough funds to cover incoming transactions such as ATM transactions, debit cards that you are using at a merchant, checks, online payments, or recurring payments for monthly bills where you may have authorized the power company or cable company to automatically deduct payments from your account. Having checks in your checkbook does not always guarantee there is money in your account to cover these checks.

If Nantahala Bank & Trust chooses to pay an item on your behalf where there are not enough funds to pay the item, it's called an overdraft. If Nantahala Bank & Trust does not pay this item for you, it will be returned unpaid and called a returned item or we may use the term "Non-Sufficient Funds" or the acronym NSF.

As a courtesy to you, Nantahala Bank & Trust will notify you by mail when an overdraft occurs. You can also set up alerts that will notify when your balance is below an amount you specify in Online Banking to avoid overdrawing your account.

How do I find out which overdraft plan I currently have and how to obtain another form of overdraft coverage that may be less costly to me?

Please call us at 828-369-2265, send us an email to info@nantahalabank.com or visit a branch and a representative will help you.

You have the right to decide if you want to participate (opt-in) or not to participate (opt-out) in the process that covers your use of debit cards, online transactions, recurring bill payments, etc. Your decision to opt-in or opt-out of our overdraft program will typically be effective within three business days after we receive your notification. Participation in an overdraft review does not guarantee Nantahala Bank & Trust will always authorize and pay your transactions and items. Nantahala Bank & Trust still retains the discretion to decline payment of items or transactions that will overdraw your account whether you opt-in or not. We will consider the age of your account (how long it has been open), the number of overdrafts generated in a day as well as those over time, how often you make deposits along with the dollar total of the deposits and your overall account standing with us.

Nantahala Bank & Trust will allow you to "link" your checking account to other checking accounts; MMDAs or Savings accounts and funds from these accounts will be used to pay for incoming transactions in situations where the account that triggered the incoming transaction did not have enough money to pay for the transaction.

What if I do not want to enroll in any overdraft plan?

When you opened your checking account we asked you to make a decision whether you wanted us to pay for any overdrafts that might be created by your use of your debit card at ATMs and use of your debit card at a merchant for one-time purchases such as dinner or a movie. If you said yes, we pay these overdrafts at our discretion and charge a one-time fee as shown in the Schedule of Fees provided to you at account opening, if we pay the item. If you said No or didn't specifically say Yes to this service, we considered you opted-out and do not pay ATM and one-time debit transactions that would have over drafted your account. If you change your mind, let us know and we will be happy to cover such transactions for a fee. You can always change your mind at any time and opt-out of this service by notifying the bank through the channels we have listed elsewhere in this announcement.

For other than the ATM and one-time debit card transactions, we automatically enroll customers, once certain conditions are met and maintained such as having the account opened for a minimal number of days and maintaining your account in a satisfactory manner such as not abusing the number of overdrafts, in our automated overdraft plan that covers transactions involving checks, recurring debit card transactions, online bill payments such as ACHs, etc. If you do not want to participate in our automated coverage program please call us at 828-369-2265, or email us at info@nantahalabank.com or visit one of our branch office locations and see a representative to assist you. For these types of accounts, fees will apply when items are presented in the form of an overdraft fee or returned item (NSF) fee.

How do I enroll in an overdraft plan?

No need to enroll, if you answered your initial disclosure as "opt in", once your account is open for 30 days, it will be available to you. To setup a linked account or to apply for a Line of Credit please visit or call the branch most convenient to you at one of the numbers listed below:

Franklin – 828-369-2265
Hayesville – 828-389-0700
Murphy – 828-837-1402

What is the processing order for transactions on my deposit account?

In the past many banks paid your largest transactions first but Nantahala Bank & Trust has determined that it may be less costly to our customers to pay in a more neutral order such as in the sequential order in which a transaction, such as a check or online bill pay, was received.

How does overdraft review work for business accounts?

At account opening, your business account is automatically subject to overdraft coverage within a certain period of time after account opening and this coverage will stay in place unless you do not handle your financial responsibilities adequately. If you wish to opt-out of automatic overdraft coverage you may notify us by any of the methods mentioned elsewhere in this communication. If you opt-out, all of your attempted transactions and withdrawals will be returned unpaid or declined when sufficient funds are not available and an NSF fee will be charged.

How do I determine my balance for determining if an overdraft took place, especially when I have a number of transactions which haven't "cleared"?

Nantahala Bank & Trust, as noted in your initial account opening documents, utilizes the "available balance method" to determine if you have sufficient funds to pay an incoming item. For example, transactions you may make during the day such as online bill payments, use of your debit card at a local or national merchant, etc. are "authorized" transactions which we are required to pay and will reduce your ledger balance. There may be situations where there were enough funds in your account when the amount was authorized and due to other transactions clearing, there may not be enough funds in your account to cover the charge when it is presented by the merchant for payment. This will be considered an overdraft and will trigger a fee in the automated overdraft program.

Is there anything else I need to know?

The amount of the overdraft and its related fee is assessed against the next deposit to your account. The good news is that we only charge one fee per overdraft where many banks charge "continuous" activity fees if the account is not returned to a positive status within a few days.

Our employees are trained, and periodically reminded, to assist you in obtaining the type of overdraft account that results in both the best coverage given your usage habits at the lowest cost to you.