



Frequently Asked Questions about Check Protect overdraft protection

A change is coming to your Lakes checking account that will affect how you're able to use your debit card in certain instances. Your account currently has a feature called Check Protect overdraft coverage. This feature allows one-time debit card purchases and ATM transactions to be approved even when there isn't enough money in your account at the moment.

However, because of a new banking regulation, we will not be able to authorize and pay overdrafts for your everyday ATM and debit card transactions as of August 15, 2010, **UNLESS YOU ASK US TO**.

As of August 15, 2010, Check Protect will be disabled unless you tell us that you want to continue it. Below you'll find some answers to frequently asked questions about this feature.

1. What is Check Protect overdraft protection?

The Check Protect overdraft protection you currently have on your checking account allows us to cover your insufficient funds items on one-time debit card purchases, ATM withdrawals, checks and ACH transactions, up to your approved limit.

As of 8/15/2010, you must opt-in to have Check Protect for one-time debit card purchases and ATM withdrawals. We must decline the transactions if you do not opt-in.

Your recurring debit card purchases (such as monthly gym memberships), checks, and ACH transactions will continue to be covered by Check Protect and will be charged a fee if we pay these transactions when they overdraw your account.

2. Why does Lakes pay overdrafts on ATM and everyday debit card transactions?

Lakes pays overdrafts because members often are willing to pay a fee to have important payments made even if they don't have enough money in their account, in order to avoid the inconvenience, additional merchant fees, and embarrassment. Many members want their ATM and other debit card transactions paid in order to avoid embarrassment or to help them in an emergency or to get through a temporary cash-flow problem.

3. How do I opt in to keep my Check Protect overdraft protection working as it does now?

You may opt-in by either calling 1.800.306.9740 or 248.814.4000, visiting our web site, or stopping by any of our branches.

4. If I have another form of overdraft protection set up for my checking account, do I still need Check Protect overdraft protection?

We will first attempt to clear the transaction by using other overdraft protection you may have set up, including transferring any available funds from your:

1. Savings account
2. Overdraft Line of credit

Depending on how the overdraft protection is set up, you may choose your savings account or your line of credit to cover the overdraft. If there are no funds available in any of these overdraft protection options, your one-time debit card purchases and ATM/POS transactions will be denied. That's where Check Protect overdraft coverage can help. It may allow your debit card to keep working if you're not signed up for overdraft protection from your other accounts. This can help when you are facing an unexpected emergency.

5. Are there fees?

There is no charge if you don't use the service. But you will be charged a \$25 fee for each item that brings your account balance to a negative status. Again, there are not any fees if you do not use the service.

6. When do I have to make my deposit to avoid a Check Protect overdraft fee?

You must make a deposit prior to any transaction posting to your account to be covered without a fee.

7. If I sign up for Check Protect overdraft protection, will my debit card charges always go through?

No. Whether or not a transaction will be paid is discretionary and we reserve the right not to pay. Most overdrafts are paid, but there is no guarantee.

8. If I don't sign up for Check Protect overdraft protection, when will you stop covering my ATM withdrawals and one-time debit card purchases?

If we do not receive an opt-in authorization from you, we will stop paying your one-time debit card purchases (made in person, by telephone, or online) and ATM/POS transactions beginning 8/15/2010

9. How much time do I have to cover an overdraft paid by Check Protect?

You have up to 30 days to cover the overdraft, either through a direct deposit, transfer of funds or a deposit at one of our branches, shared branches, or at an ATM.

10. What about my automatic debit card payments that I've set up with a merchant?

Debit card purchases that are set up to bill automatically (like a gym membership) may continue to be authorized at our discretion even though you do not sign up for Check Protect overdraft protection. If

this type of recurring debit card transaction overdraws your account and we pay the overdraft, a fee will be assessed.

11. What if I decide I don't want Check Protect overdraft protection?

We're happy to talk with you about other options for managing your account. Call 1.800.306.9740 or 248.814.4000 and if you're certain you don't want your debit card overdrafts authorized when you don't have sufficient funds in your account, we can remove this service. But try to talk with us before 8/15/2010 so that you can keep your account working as conveniently as it does now.

12. Can I opt in by phone to keep my Check Protect coverage?

Yes, you can easily opt in by calling 1.800.306.9740 or 248.814.4000 and a Lakes' staff member will assist you.

13. What if I overdraft and haven't opted in for Check Protect for one-time debit card and ATM transactions?

In that event, Lakes will most likely decline the transaction.

For some members, having Lakes cover certain debit card or ATM transactions is an important service- perhaps as a safeguard for an emergency situation or for an unavoidable everyday expense. In the event you're ever caught in a jam, it may even be your best option until you're able to deposit more funds.

Utilizing such services as Check Protect or Overdraft Line of Credit protection to cover those debit card or ATM transactions is one way your account may be covered in the event that any of these real world examples happen to you. And considering the alternative, it's best to have coverage and never need it than to be caught without it, because we can't help with these services unless you opt in ahead of time.