

Answers to Your Questions About **Automatic Drafts**

How does Automatic Draft work?

Under this program, your payment is drafted from your account at the financial institution of your choice. Instead of issuing invoices, the organization furnishes computer-readable data to Pinnacle National Bank. Pinnacle will then process the information and debit the accounts of members at their financial institutions through the Automated Clearing House (ACH), which is a computerized banking network.

Why would I want to have Automatic Draft?

Through Automatic Draft, you can be confident that your payment will be debited from your account even if you are on vacation, ill, out of town or unable to send your payment for some other reason. You don't have to take the time to sit down, write your check and mail it. You eliminate the postage and envelope cost. You don't have to worry about your check being lost or stolen. Finally, one of the nicest benefits is the fact the Automatic Draft is highly confidential.

Are there any disadvantages to Automatic Draft?

Not really. You do need to remember to enter the amount of your payment in your register at the time each payment will be made.

Must I have my account at a particular financial institution to be able to participate in the program?

No. You may keep your account at the financial institution of your choice. The Automated Clearing House mechanism allows the funds to be drafted from virtually any bank, federal credit union, or savings and loan association.

When will my account actually receive a debit for my payment?

You should agree upon a set day of each month for the organization to draft your account.

What do I do if I change financial institutions, accounts or decide to discontinue participation in the program?

Just notify the organization drafting your account. The change can be made quite simply.

What if I find an error in the amount debited from my account?

The likelihood of this occurring is remote. However, if it happens, the first step would be to contact your own financial institution to ensure that the information was posted as received. If the discrepancy is not resolved at that point, you should contact the organization drafting your [account](#) immediately. The ACH network contains a very effective tracer system that enables financial institutions to identify the problem and make any necessary adjustments promptly.

How will I know how much has been debited from my account? Will I receive a confirmation slip from my financial institution?

The amount debited from your account will be the exact amount of your payment obligation. If the amount is scheduled to change, the organization must notify you. Some institutions may send out confirmations, but this decision is left entirely up to the receiving financial institution. The amount and date of the debit will be reflected on your monthly account statement.

I consider my payment amount to be a confidential matter. Will this new service infringe on the confidentiality?

No. Your payment information is highly secure. Because the processing is done directly by computer rather than being handled in several stages by various people, payment data is actually more confidential under this system.

Is Automatic Draft a new idea?

No. Numerous Automatic Draft systems have been in existence for a number of years. In the past, however, a person had to maintain his/her account at a particular financial institution to be able to participate in the program. Development of the Automated Clearing House system now makes it possible for organizations to offer Automatic Draft to their members no matter where they maintain their accounts.