

Overdraft charging scenarios

In 2009, the OFT and the major Personal Current Account (PCA) providers agreed that PCA providers would publish information showing how much would be charged in a series of six scenarios of consumers going into **unarranged overdraft**. These are borrowing facilities that have **not** been pre-arranged or authorised by your bank. This will be the rate you are charged for going overdrawn and is usually higher than an authorised one (these scenarios only relate to the cost of unarranged overdrafts). Some scenarios are typical of consumer behaviour whilst others are examples of more extreme cases. Here are the scenarios below (relating to some of the providers and accounts listed in our comparison table) and the amount each provider would currently charge if the scenario applied to you.

Overdraft scenario	Bank of Ireland	Barclays	Danske Bank	Halifax	HSBC	Nationwide	Santander
We refuse a payment from your account because there is not enough money in your account.	£38.50	£8	£28 ¹	Nil for Current Account, Reward C/A and Ultimate Reward C/A Other accounts vary	0	Flex Account £15 Flex Direct £5 Flex Plus N/A	Nil for 123 C/A, 123 Lite C/A and Choice C/A. £10 for Everyday Current Account. Other accounts vary.
A payment from your account takes you into an	£10	0	£50 ²	0	0	0	Nil for 123 C/A ³ , 123 Lite C/A ⁴ ,

¹ Danske Bank will not charge this fee if the amount you would have been overdrawn by is £5 or less.

² Danske Bank will not charge this fee if the amount you would have been overdrawn by is £5 or less.

³ If you are in an arranged overdraft of £12 or less you won't incur any arranged overdraft usage fees. If you are in an unarranged overdraft of £12 or less you won't incur any unarranged overdraft usage fees or paid transaction fees.

⁴ If you are in an arranged overdraft of £12 or less you won't incur any arranged overdraft usage fees. If you are in an unarranged overdraft of £12 or less you won't incur any unarranged overdraft usage fees or paid transaction fees.

unauthorised overdraft by less than £10. You are overdrawn for one day during the month.							Everyday C/A ⁵ and Choice C/A Other accounts may vary.
A payment from your account takes you into an unauthorised overdraft and you make another payment from the account while you are overdrawn. You are overdrawn for two days in a row during the month.	£20	£10	£75	£10 for Current Account, Reward C/A and Ultimate Reward C/A Other accounts vary	£10	Flex Account £30 Flex Direct £20 Flex Plus £10	£12 for 123 C/A and 123 Lite C/A. £32 for Everyday C/A. £0 Choice C/A. Other accounts may vary
A payment from your account takes you into an unauthorised overdraft, and you make nine more payments from the account while you are overdrawn. You are overdrawn for 10 days in a row during the month.	£60	£35	£150	£50 for Current Account, Reward C/A and Ultimate Reward C/A Other accounts vary	£50	Flex Account £75 Flex Direct £95 Flex Plus £50	£60 for 123 C/A and 123 Lite C/A. £95 for Everyday C/A ⁶ . £0 Choice C/A. Other accounts may vary
A payment from your account takes you into an unauthorised overdraft. You are overdrawn for	£40	£35	£125	£50 for Current Account, Reward C/A and	£45	Flex Account £45 Flex Direct	£60 for 123 C/A and 123 Lite C/A.

⁵ If you are in an arranged overdraft of £12 or less you won't incur any arranged overdraft usage fees (unpaid transaction fees may still apply). If you are in an unarranged overdraft of £12 or less you won't incur any unarranged overdraft usage fees or paid transaction fees (unpaid transaction fees may still apply).

⁶ A total monthly overdraft fee cap of £95 applies for each monthly statement period.

one day. However, on three more occasions during the month, a payment takes you into an unauthorised overdraft. On each of these occasions you are overdrawn for three days in a row.				Ultimate Reward C/A Other accounts vary		£60 Flex Plus £45	£95 ⁷ for Everyday C/A. £0 Choice C/A. Other accounts may vary
A payment from your account takes you into an unauthorised overdraft. You are overdrawn for 21 days in a row during the month and you make 12 more payments from the account while you are overdrawn.	£80	£35	£150	£100 for Current Account, Reward C/A and Ultimate Reward C/A Other accounts vary	£80	Flex Account £75 Flex Direct £95 Flex Plus £50	£95 ⁸ for 123 C/A and 123 Lite C/A. £95 ⁹ for Everyday C/A. £0 Choice C/A. Other accounts may vary

⁷ A total monthly overdraft fee cap of £95 applies for each monthly statement period.

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