



What You Need to Know About Overdrafts and Overdraft Fees

An **overdraft** occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts using our Overdraft Privilege Program.

This notice explains our standard overdraft practices.

What is the standard overdraft practice that comes with my account?

Freestone Credit Union Offers a Overdraft Privilege Program:

- ❖ Your checking account must be open for 30 days, with no insufficient funds during the probation period.
- ❖ Overdrafts will not be paid if you are late on your loan payments.
- ❖ If funds are needed in your checking account, we will auto-transfer from your savings account to cover the item for a \$2 fee.
- ❖ Overdraft Privilege is not a line of credit. However, should you inadvertently overdraw your account we will normally cover your overdrafts up to \$500, including the per item overdraft fee.

When your checks are paid, this service will help save you the embarrassment and inconvenience of a returned check as well as the fee normally charged to you by merchants for checks returned to them.

What fees will I be charged if Freestone Credit Union pays my overdraft?

Should an overdraft occur, your account would be charged the overdraft fee of \$25 for handling each item. Should you not be eligible for the overdraft privilege or if you have reached the \$500 limit, your item will be returned and you will be charged a \$25 insufficient fund fee.

We do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number
- Automatic bill payments

We do not authorize and pay overdrafts for the following types of transactions unless you ask us to (see below):

- ATM transactions**
- Everyday debit card transactions**

We pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction. If we do not authorize and pay an overdraft, your transaction will be declined.

Under our standard overdraft practices:

- We will charge you a fee of \$25 each time we pay an overdraft.
- There is no limit on the total fees we can charge you for overdrawing your account.

What if I want Freestone Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions?

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, complete the form below and present it to Freestone Credit Union’s office at 613 Main Street Teague, TX 75860 or mail to P O Box 210 Teague, TX 75860.

- I do not** want Freestone Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions
- I want** Freestone Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions

Printed Name : _____ Date: _____

Account Number: _____

Authorized Account Member or Joint Member (s) Signature(s): _____
