

Holston Methodist Federal Credit Union

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 in two (2) different ways:

1. We offer overdraft protection plans, such as a link to a savings account or a line of credit. These plans are less expensive than our "Courtesy Pay" program. To learn more, contact our Member Services Department.
2. We offer a Courtesy Pay program that may be added to your account.

What is Courtesy Pay?

Courtesy Pay is a non-contractual service that allows us to pay an item presented against your checking account, even if it causes the account to become overdrawn. We will pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction.

Under our Courtesy Pay Program:

- We will charge you a fee of **\$35** each time we pay an overdraft.
- There is no limit on the total fees we can charge you for overdrawing your account.

What services are included in the Standard Courtesy Pay option?

Our Standard Courtesy Pay service authorizes us to pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number.
- Automatic bill payments.
- Recurring debit card transactions.
- Automated Clearinghouse (ACH) withdrawals – like a utility bill that is automatically paid from your checking account each month.

After **August 15, 2010**, we **will not** authorize and pay overdrafts for the following types of transactions unless you ask us to:

- ATM withdrawals.
- One-time debit card transactions.

What services are included in the Courtesy Pay Opt-In option?

Our Opt-In Courtesy Pay service authorizes us to pay overdrafts on transactions covered by the Standard option, as well as:

- ATM withdrawals.
- One-time debit card transactions.

What if I want Holston Methodist FCU to authorize and pay overdrafts on my ATM and one-time debit card transactions?

If you want us to authorize and pay overdrafts on ATM and one-time debit card transactions (in addition to the other types of transactions listed above) you must complete the **OPT-IN FORM** below and return it to us. Mail it to: Holston Methodist Federal Credit Union, PO Box 52688, Knoxville, TN 37950 or send by fax to: 865-558-0016. For additional information, call us at 800.782.9257 or visit us at www.hmfcu.org.

OPT-IN FORM

By signing this Opt-In form, I authorize Holston Methodist Federal Credit Union to pay ATM and one-time debit card transactions (in addition to the other types of transactions listed above), which will bring my account to a negative balance.. If I wish to opt-out of any Courtesy Pay service in the future, I may do so at any time. (By providing Holston Methodist Federal Credit Union with your email address below and signing this form you are giving consent to send the Opt-In confirmation to you electronically.)

I wish to have Courtesy Pay services extended to me (or continue to be extended to me) on ATM and one-time debit card transactions on August 15, 2010 and thereafter on the following member number and account ID(s):

Member#: _____

Print Name _____

Signature: _____

Date: _____

Email address for Opt-In confirmation: _____

For Holston Methodist Federal Credit Union Employees Only: Copy of Notice/Opt-In form given to member on (date)

_____ by (employee initial) _____ Revised 05/19/2010