

# NEW FEDERAL LAW CHANGES EFFECTIVE JULY 1, 2010

## 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 different ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to a share/savings account or overdraft line of credit, which may be less expensive than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains our standard overdraft practices.

### What are the standard overdraft practices that come with my account?

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

- \* Share drafts/checks, and other transactions made using your checking account
- \* Automatic bill payments
- \* ACH transactions

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

- \* ATM transactions (at this time we do not offer overdraft on ATM transactions)
- \* One-time 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.

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

Under our standard overdraft practices:

- \* We will charge you a fee of \$29.00 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 the Credit Union 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, complete the form below and mail it to: **AGC Credit Union, P.O. Box 929, Kingsport, TN. 37662.**

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If there are multiple owners on the ATM and/or debit card account, either account owner can act on behalf of all owners on this account. Only one (1) account signature is needed to add or remove the overdraft coverage.

**ADD COVERAGE**     I want the Credit Union to authorize and pay overdrafts on my ATM and one-time debit card transactions. I understand I will be charge fees as listed above.

*I have the right to revoke this coverage at any time by contacting the Credit Union in writing.*

**REMOVE COVERAGE**     I do not want the Credit Union to authorize and pay overdrafts on my ATM and one-time debit card transactions.

\_\_\_\_\_  
PRINTED NAME

\_\_\_\_\_  
MEMBER NUMBER

\_\_\_\_\_  
MEMBER/OWNER SIGNATURE                      DATE

***CREDIT UNION CONSENT CONFIRMATION***

\_\_\_\_\_  
SIGNATURE OF CREDIT UNION EMPLOYEE

\_\_\_\_\_  
EFFECTIVE DATE