How would you like us to handle your overdraft?

Smart Financial Credit Union has Overdraft Protection resources which provide a convenient way to guard against the embarrassment and costs associated with returned checks. As hard as you try, it's easy to make a mistake in your checkbook or forget to write down a transaction and end up with an overdraft.

With the resources Smart Financial has available, you can guard against returned checks and Debit Card declination with your choice of three automatic transfer options. ***You can choose one or all three and place them in order of transfer.***

Overdraft Protection Options

☐ **Option 1: Savings Account**   ☐ **No Coverage**   _____**Order preference**

Primary Savings Account # _____   **Secondary Savings Account #** _____

You can designate your Smart Financial Membership Share Account as the source to cover any overdrafts in your checking account. The advantages of choosing this option are:

- There are no interest charges, unlike a line of credit or credit card.
- The limit for your overdraft coverage is as large as your Savings balance.
- Your monthly statement details the transfers between your accounts.
- A small fee may be incurred for the advance to the checking.
- You can review transactions via Virtual Branch or SmartLine (24 hour telephone banking).

☐**Option 2: Overdraft Line of Credit**   ☐ **No Coverage**   _____**Order preference**

Save yourself the cost and embarrassment of overdraft (NSF) checks with a Line of Credit (LOC). This Line of Credit has limits based upon your credit qualifications. It protects your checking account from overdrafts and embarrassing NSF notices and fees. This option will also allow you to use your Debit Card for purchases. The Line of Credit is a smart addition to any checking account so you can write yourself a small loan or cover expenses during an emergency. ***This option will require a credit approval.****

- Your monthly checking statement includes details of your LOC account.
- Outstanding LOC balances can be repaid with a small, minimum monthly payment.
- Enjoy unlimited transfers with LOC.
- A small fee may be incurred for the advance to the checking.
- You can review transactions via Virtual Branch or SmartLine (24 hour telephone banking).

☐**Option 3: Overdraft Privilege Program**   ☐**Opt-In** ☐**Opt-Out**

Overdraft Privilege Program can save you the embarrassment and additional cost of bouncing checks. After all other overdraft options have been exhausted, instead of returning checks and ACH items, unpaid, we may pay them for you automatically, up to a $700 Overdraft Privilege Program limit plus fees. The non-sufficient funds (NSF) fee of $30 still applies but you'll have no additional returned check charges from a merchant.

When an item is paid through Overdraft Privilege Program, you may be notified electronically or by mail that your account is negative and that the fee has been charged. Any deposits made may be applied to any overdrawn balance first. To be eligible for this service you must have a checking account with an average deposit of $700.00 for at least sixty (60) days. The service will automatically activate if you meet these qualifications. **

"The federal government has made changes to regulation E, which now requires us to get your permission to complete ATM and debit card transaction that would trigger an overdraft. An overdraft occurs when you do not have enough money in your account to cover the cost of the transaction."
"If you have not opted in, your transaction will be declined. If you have opted in and have enough overdraft available, your transaction will clear with a $30 privilege fee."

☐ *Opt-In For Debit Card Transactions* ☐ *Opt-Out For Debit Card Transactions*

*Limits and interest rates are subject to credit approval.

**Overdraft Privilege Program is a service offered by the credit union and can be withdrawn at a member's request or by the credit union at any time. The payment of items is at the discretion of the credit union. Some account types are not eligible for the Overdraft Privilege Program.

Member Name (Signature): _____   **Account Number:** _____

Member Name (Printed): _____   **Date Signed** _____