

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. AM Federal Credit Union can cover your overdrafts in the following ways:

We offer overdrafting services, such as a link to a savings account or a line of credit.

What is Overdraft Privilege?

Overdraft Privilege is a non-contractual service that allows AM Federal Credit Union to pay an item presented against your checking account, even if it causes the account to become overdrawn. This service is added to *qualified* checking accounts after the account has been open for 60 days. 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 AM Federal Credit Union's Overdraft Privilege Program:

- 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.

Our Overdraft Privilege Program authorizes us to pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number, including checks cashed at a teller window.
- Automatic Bill payments.
- Recurring debit cards transactions.
- Automated Clearing House (ACH) withdrawals – like a utility bill that is automatically paid from your checking account each month.

➤ Please note that although you may not participate in the Overdraft Privilege Program, AM Federal Credit Union may, at its discretion, pay an item against your checking account resulting in an overdraft.

After July 01, 2010, we will not authorize and pay overdrafts for the following types of transactions unless you ask us to:

- **ATM withdrawals and transfers**
- **Everyday debit card transactions (PIN based and signature based)**

If you want AM Federal Credit Union to authorize and pay overdrafts on ATM and everyday debit card transactions you must complete the Reg. E Opt-In Form below and return it to us at our branch location or mail it to: 101 W. Walnut St., Gardena, CA 90248 or fax to (310)604-8587.

Reg. E Opt-In Form

By signing the Reg. E Opt-In Form, I authorize AM Federal Credit Union to pay (at its discretion) ATM and everyday debit card transactions from July 2010 and thereafter, which will bring my account to a negative balance. I understand that if I wish to Opt-Out of any Overdraft Privilege or overdrafting service in the future, I may do so at anytime. You can revoke your authorization by coming to our branch or mailing a Revocation of Consent to 101 W. Walnut St., Gardena, CA 90248.

Member Number: _____

Print Name: _____

Signature of Authorization: _____

*Please complete a separate form for each checking account

For AMFCU employees only: Copy of Opt-In Form given to member (date): _____ By: _____