

# What You Need to Know About Overdrafts and Overdraft Fees

An overdraft/insufficient funds item 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/insufficient funds items 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 savings account, 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/insufficient funds items 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/insufficient funds items 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/insufficient funds item, your transaction will be declined. **If an everyday debit card transaction is forced through by a merchant or the merchant receives an approval code at the time of transaction, we may not be able to decline your transaction. This may cause your account balance to become negative, and other transactions may be declined.**

## What fees will I be charged if 1st Security Bank pays my overdraft/insufficient funds item?

Under our standard overdraft practices:

- We will charge you a fee of up to \$30 each time we pay an overdraft/insufficient funds item.
- There is no limit on the total fees we can charge you for overdrawing your account.

## What if I want 1st Security Bank to authorize and pay overdrafts/insufficient funds items on my ATM and everyday debit card transactions?

If you want us to authorize and pay overdrafts/insufficient funds items on ATM and everyday debit card transactions, call your local branch, complete the form below and mail it back to us at PO Box 97000, Lynnwood, WA 98046; *deliver it* to your local branch; or *fax it* to: 425.771.6969. If you're an Online Banking user, you may also email us your request via *Secure Support*.

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\_\_\_\_\_ YES, I DO WANT 1st Security Bank to authorize and pay overdrafts/insufficient funds items on my ATM and everyday debit card transactions.

\_\_\_\_\_ NO, I DO NOT WANT 1st Security Bank to authorize and pay overdrafts/insufficient funds items on my ATM and everyday debit card transactions.

**The signature of only one accountholder is required to authorize the payment of overdraft/insufficient funds items on joint/multiple owner accounts.**

\_\_\_\_\_  
Customer's Printed Name

\_\_\_\_\_  
Customer's Signature

\_\_\_\_\_  
Account Number

\_\_\_\_\_  
Date