

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 savings account, or reserve checking 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:

- 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 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 Texas State Bank pays my overdraft?**

Under our standard overdraft practices:

- We will charge you a fee, currently \$25, for each item we pay in overdraft.
- There is no limit on the total fees we can charge you for overdrawing your account.

➤ **What if I want Texas State Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions?**

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, complete the form below and bring this form to any one of our three convenient locations or mail the form back to us: Texas State Bank, P O Box 3186, San Angelo, TX 76902.

****After August 15, 2010, we will no longer authorize and pay overdrafts for ATM and every day debit card transactions unless you ask us to.**

.....
 I do not want Texas State Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions.

I want Texas State Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Printed Name: _____

Signature: _____

Date: _____

Account Number: _____

Should you change your mind and decide you no longer want us to continue to authorize and pay overdrafts on your ATM and everyday debit card transactions, you may revoke your authorization at any time by notifying us in writing.