Preventing and Managing Overdraft Fees

What is an overdraft fee?

An overdraft can occur when you try to spend more money than you have available in your checking account. When you write checks or pay bills electronically that overdraw your account, we will decide whether to pay (or cover) those transactions that would cause you to exceed your balance. If we decide to cover the transaction, we may charge you an overdraft fee. If we decide not to cover the transaction, we may charge you an insufficient funds (NSF) fee and the merchant may charge you a returned check fee. However, if the overdraft was caused by an ATM or one-time debit card transaction, an overdraft fee will not be charged.

How can you avoid overdraft fees?

Overdraft fees can be avoided through a variety of methods including better management of account balances.

Monitor your balance. Track the money you deposit into and withdraw from your account on a regular basis. You can do this with your paper register or electronically. It may also be a good idea to keep a cushion of funds in your account to help prevent unintended overdrafts.

Link your checking account with other accounts at our bank. If the accounts are linked and you do not have enough money in your checking account to cover a transaction, we will transfer funds from another account to your checking account to cover the difference. However, transaction fees or limitations may apply. Contact the bank today to learn about options available to you.

Talk to one of our bank representatives about other ways you can avoid unnecessary fees. To learn more about smart ways to manage your money, complete the FDIC Money Smart financial education program online through www.fdic.gov/moneysmart.

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