

# New Overdraft Rules for VISA Check Card Customers

(Does Not Apply to Business Customers)

The Federal Reserve has established new overdraft rules for consumers who use check cards. The new rules give consumers a choice of overdraft protection options.

As a Territorial Savings Bank VISA Check Card Customer you have the option to use the Standard Overdraft Practice. If you choose to use this, please sign the enclosed authorization form and return it to Territorial Savings Bank. Your agreement to use our Standard Overdraft Practice is called "OPT-IN."

If you choose not to "OPT-IN," then you need not reply. However, Territorial Savings Bank will not pay your VISA Check Card transactions when your checking account does not have sufficient funds. Your transactions will be denied at the point of purchase.

Please read the enclosed "What You Need to Know About Overdrafts and Overdraft Fees" information. It summarizes Territorial Savings Bank's Standard Overdraft Practices, provides alternatives to cover overdrafts, discloses our one-time overdraft fee (per overdraft), and most importantly the method by which you may OPT-IN to our Standard Overdraft Practice.

## What You Need to Know about Overdrafts and Overdraft Fees

An overdraft occurs when you make a purchase and do not have enough money in your checking account to cover the purchase. We can cover your overdrafts in two different ways:

- We have Standard Overdraft Practices that come with your account.
- We also offer a line of credit overdraft protection plan, which may be less expensive than our Standard Overdraft Practices. To learn more, ask us about this plan.

## 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.
- Automatic bill payments, including pre-authorized recurring VISA Check Card (debit card) transactions.

Unless you ask us to, we WILL NOT authorize and pay overdrafts for one-time VISA Check Card (debit card) purchase transactions effective as indicated below:

- July 1, 2010 for accounts opened on or after July 1, 2010.
- August 15, 2010 for accounts opened before July 1, 2010.

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 Territorial Savings Bank pays my overdraft?

Under our Standard Overdraft Practices:

- We will charge you a fee of **\$21** each time we pay an overdraft.
- There is no limit on the total fees we can charge you for overdrawing your account.

## What if I want Territorial Savings Bank to authorize and pay overdrafts on my one-time VISA Check Card (debit card) purchase transactions?

If you want us to authorize and pay overdrafts (at our discretion) on one-time VISA Check Card (debit card) transactions, you must "opt-in". You can opt-in by completing the form below.

The form below can be dropped off at a branch or mailed to:

Territorial Savings Bank  
PO Box 1481  
Honolulu, HI 96806  
Attn: Overdraft Service Opt-In

I authorize Territorial Savings Bank to pay overdrafts on my one-time VISA Check Card (debit card) purchase transactions – at their discretion.

Name: \_\_\_\_\_

I want to revoke my opt-in for Territorial Savings Bank to authorize and pay overdrafts on my one-time VISA Check Card (debit card) purchase transactions.

Date: \_\_\_\_\_

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

At anytime you may revoke your choice to opt-in to our Standard Overdraft Practice by visiting one of our 25 branches or through our website <http://www.territorialsavings.net>.



[www.territorialsavings.net](http://www.territorialsavings.net)

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