

## Important Notice

This notice provides you with the standard overdraft practices of Magna Bank and with updates regarding overdraft fees. Effective July 1, 2010, we will charge you up to a maximum of four (4) overdraft fees per day when we pay items on your account that result in an overdrawn balance. Additionally, if your ending balance is overdrawn less than \$5, we will not charge an overdraft fee for that day. Please retain this information for your records.

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

An overdraft occurs when you do not have enough money available 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 additional services to link to your savings account or a formal overdraft line of credit to cover overdrafts. These plans may be less expensive than our standard overdraft practices. To learn more, ask us about these plans.

### Standard Overdraft Practices

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:

- Check and other transactions made using your account number
- Automatic bill payments

We do not authorize and pay overdrafts for the following types of transactions:

- 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 Magna Bank pays my overdraft?**

Under our standard overdraft practices:

- We will charge you a fee of up to \$32 per item, limited to 4 per day, for overdrafts that result in an overdrawn balance of \$5 or more.
- Also, every 5<sup>th</sup> consecutive business day your account continues in an overdrawn status, we will charge an additional \$5.