

YOUR GUIDE TO Preventing & Managing Overdraft Fees

AVOID OVERDRAFT FEES

An overdraft can occur when you try to spend more money than you have available in your checking account. For example, let's assume you have \$40 in your account. You ask the phone company to electronically deduct \$35 from your checking account to pay the bill. You now have \$5 available. Next, you use your debit card to make a \$10 purchase. You could overdraw your account if the bank allows the \$10 purchase to be processed. This could cost you expensive overdraft fees. The amount you are overdrawn plus BancFirst's fees will be deducted immediately, in full, from your next deposit(s) -- including from payroll deposits made by your employer, government benefit deposits, and other direct deposits on which you may depend. These deductions will lower your account balance and may increase the risk of more overdrafts and costly fees.

CHECKS AND OTHER TRANSACTION ACCOUNT PAYMENTS

For transactions that would cause you to exceed your balance, such as if you write a check that overdraws your account or for recurring bills automatically deducted from your account, BancFirst can choose whether to "pay" (cover) the transaction that would cause you to exceed your balance. If BancFirst decides to cover the transaction, expect us to charge you an overdraft fee. If BancFirst decides not to cover the transaction, we may charge you a "non-sufficient funds" (NSF) fee and the merchant also may charge you a returned check fee.



POINT OF SALE DEBIT CARD PURCHASES

In 2010, federal regulations took effect that provide certain protections for BancFirst customers when their deposit account(s) are overdrawn due to the payment of an everyday debit card transaction. BancFirst customers now have a choice whether to opt-in to the point-of-sale (POS) debit card overdraft program. By choosing to opt-in, BancFirst can charge you a fee to process POS transactions that exceed your account balance.



This is called the "opt-in rule" -- if you do not opt in, the bank will decline your debit card transactions at POS terminals if you do not have enough money in your account to cover the withdrawal or purchase. If you do not opt-in but the bank pays a POS item when your account is overdrawn, the bank cannot charge you an overdraft fee.

WAYS TO AVOID COSTLY OVERDRAFT FEES IN AUTOMATED OVERDRAFT PROGRAMS

WATCH YOUR BALANCE

The best way to avoid overdrafts is to watch your account balance - track the money you deposit into and withdraw from your account. You can do this on a paper check register or electronically. Remember to track checks, ATM withdrawals, purchases you make with your debit card, bills that get debited electronically from your account and any fees charged to your account. BancFirst offers the free use of FinanceWorks, powered by Quicken, to our Personal On-line Banking customers. This financial management tool allows you to manage all your accounts, even those at other financial institution, in one easy-to-use place. It also may be a good idea to keep a cushion of funds in your account to help prevent unintended overdrafts.

OVERDRAFT PROTECTION

LINK YOUR CHECKING ACCOUNT TO A SAVINGS ACCOUNT

If your BancFirst checking and savings accounts are linked and you do not have enough money in your checking account to cover a transaction, BancFirst will transfer funds from your BancFirst savings account to your checking account to cover the difference. This can save you money over other overdraft programs. But, this option is useful only if you have enough money in the linked savings account to cover the entire transaction. To link your accounts, talk to a BancFirst representative.

HOME EQUITY LINE OF CREDIT

If you're a homeowner, the advantages of our Home Equity Line of Credit may fit your needs to help cover overdrafts. You can borrow up to 100% of the equity in your home, and you have access to your funds with the ease of a check or your line can be used as overdraft protection. Your line of credit can be advanced and paid down like a credit card. However, unlike a credit card, interest can sometimes be tax deductible! Consult a tax advisor regarding the deductibility of interest. To apply for a Home Equity Line of Credit, talk to a BancFirst representative.

COMMAND CASH

A Command Cash Line of Credit saves the embarrassment of returned checks by automatically transferring money from your line of credit to your checking account in case of an overdraft. To apply for a Command Cash Line of Credit, talk to a BancFirst representative.

OVERDRAFT PRIVILEGE

For eligible accounts, Overdraft Privilege is available for unforeseen circumstances if your account balance does not have sufficient funds to cover a transaction. We strive to pay items that are presented, however Overdraft Privilege is discretionary and limits are variable and may change daily based on your account status. Overdraft Privilege is designed to cover short-term financial needs if your account were to become overdrawn, and there is no charge unless Overdraft Privilege is utilized. If you do not wish for Overdraft Privilege to be available for your account, talk to a BancFirst representative.

What should I do if I have a problem?

If you have a concern about your account, contact the BancFirst in your community.

To learn more about smart ways to manage your money, complete the FDIC Money Smart financial education program online through www.fdic.gov/moneysmart or call the FDIC's Consumer Assistance Line at 1-877-ASK-FDIC (1-877-275-3342) or visit www.fdic.gov/consumer.

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