

Overdraft Policy Explanation

Date: [Insert Date]

Dear [Customer Name],

We hope this letter finds you well. We are writing to provide you an overview of our overdraft policy for credit card holders. Understanding this policy is essential for managing your account effectively.

What is an Overdraft?

An overdraft occurs when you attempt to withdraw more funds than your available credit limit. This can result in additional fees and interest charges.

Overdraft Fees

If your transaction exceeds your credit limit, an overdraft fee of [Insert Amount] will be applied. Please note that multiple overdraft transactions may incur additional fees.

Payment Policy

Payments on overdraft amounts will be applied to the highest interest rate balances first. We recommend making payments as soon as possible to minimize interest charges.

How to Avoid Overdrafts

- Monitor your balance regularly through online banking.
- Set up alerts for low balances and transaction notifications.
- Consider enrolling in overdraft protection services.

Need Assistance?

If you have any questions or need assistance, please feel free to contact our customer service at [Insert Phone Number] or visit our website at [Insert Website URL].

Thank you for choosing [Your Company Name].

Sincerely,

[Your Name]

[Your Position]

[Company Name]

[Contact Information]