

WHAT YOU NEED TO KNOW ABOUT OVERDRAFTS AND OVERDRAFT FEES

An overdraft occurs when you do not have enough money in your account to cover a transaction but the Credit Union elects to cover the cost for you in return for a fee. You must affirmatively agree to Overdraft Protection or Courtesy Pay Privilege in order for us to pay a transaction when your account has insufficient or unavailable funds in the account.

TRANSACTIONS ELIGIBLE FOR PAYMENT UNDER OUR OVERDRAFT PROTECTION OR COURTESY PAY PRIVILEGE SERVICES INCLUDE, BUT ARE NOT LIMITED TO:

- Checks and other transactions using your checking account number
- Electronic transfers
- Everyday debit card transactions (POS)
- Automated Teller Machine transactions (ATM)
- Automatic payments
- Recurring debit card payments

WHAT TYPE OF OVERDRAFT PROTECTION OPTIONS DO I HAVE?

First American Credit Union has two different options to cover your overdrafts:

Overdraft Protection – provides a link to a Money Market or Regular Savings Account that funds may be transferred from to cover the overdraft. This service incurs a **\$3 fee** per overdraft initiated transfer.

Courtesy Pay Privilege – pays your overdraft items within an approved Courtesy Pay Privilege limit as a non-contractual courtesy in return for a **\$35 fee**, per transaction. There is no limit to the total fees that we can charge you for overdrawing your account. *This option is not guaranteed, but is subject to our approval.*

WHAT IF I WANT FIRST AMERICAN CREDIT UNION TO AUTHORIZE AND PAY OVERDRAFTS ON MY ELIGIBLE TRANSACTIONS?

If you want us to authorize and pay overdrafts on your eligible transactions, please complete the form below affirming your consent.

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_____ No, I do not want First American Credit Union to authorize and pay overdrafts on my eligible transactions with respect to the account identified below. I understand by selecting to opt-out of Overdraft Protection and Courtesy Pay Privilege, my transactions may be declined if I do not have sufficient funds available in my account.

_____ Yes or _____ No, I do want First American Credit Union to authorize and pay overdrafts on my eligible transactions by setting up **Overdraft Protection** with respect to the account identified below.

_____ Yes or _____ No, I do want First American Credit Union to authorize and pay overdrafts on my eligible transactions by using my approved **Courtesy Pay Privilege** limit with respect to the account identified below.

_____ **OPT IN:** If approved for **Courtesy Pay Privilege**, I want First American Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

_____ **OPT OUT:** I do not want First American Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions. I understand that these transactions will be declined.

PRINTED NAME: _____

SIGNATURE: _____

ACCOUNT NUMBER: _____

DATE: _____

OVERDRAFT AND OVERDRAFT PROTECTION PLAN AGREEMENT. An overdraft occurs when you make or authorize any transaction that exceeds the balance in any account with us you access by check, electronically, or otherwise or if we impose a fee that exceeds the balance in your account. Unless you have an approved overdraft protection agreement with us, you agree not to cause any overdraft on your accounts with us. The Credit Union, in its sole discretion, may pay an overdraft, if you have an approved overdraft protection plan. 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 pay an overdraft, your transaction will be declined.

We may impose a fee as set forth in the Fee Schedule for any overdraft, whether paid or denied. The Credit Union has no obligation to notify you of any overdraft transaction or charge that creates an insufficient funds balance in your account. However, if for any reason we pay any transaction or impose a fee that creates an overdraft, you agree to pay us promptly the amount of the overdraft and the fee.

Transactions eligible for payment under our approved Overdraft Protection and Courtesy Pay Privilege services include, but are not limited to, checks, electronic transfers, point of sale transactions, automated teller machine transactions (ATM), payments authorized by any accountholder, unpaid return items deposited by any accountholder, and service charges imposed by the Credit Union or other financial institutions.

OVERDRAFTS AND GOVERNMENT BENEFITS. You agree that the Credit Union may utilize any funds in any of your accounts to pay overdrafts as defined herein or to pay any other debts that you owe as a result of any authorized acts. Authorized acts include, but are not limited to, any transaction on your accounts, payments on your loans, and other obligations whether pre-authorized otherwise, any default or transaction that exceeds your authorized credit limits. Funds may be applied from any account in which you have a beneficial interest and may include funds regardless of the source including, but not limited to, deposits of funds representing the payment of **Social Security, Veterans benefits, or any other funds that may be subject to limitations under federal or state laws.** Any application of funds hereunder shall be deemed a voluntary transfer that you have authorized. Further, you agree that any overdraft protection plans you have now or in the future are intended to cover and be utilized for any such matter addressed herein caused by or arising from the actions of any owner or authorized users.

OVERDRAFT PROTECTION. In addition to the terms set forth above you agree to the following: 1) in the event that you make a transaction that causes your checking account to be overdrawn, we shall transfer funds from your available money market or regular savings account as provided herein; 2) funds shall be transferred in a sufficient amount to honor the overdraft; 3) you will not have any overdraft protection if you do not have sufficient available funds in your money market or regular savings account to cover the amount of the overdraft and any fees associated with the overdraft. If you do not have sufficient funds in your approved money market or regular savings account, any overdraft will be subject to an insufficient funds fee; 4) if you have a joint account, you acknowledge that transactions made by any joint owner, authorized user, agent or fiduciary shall be protected by this agreement and will be paid to the extent funds are available to do so; 5) In accordance with Regulation D, members are limited to six transactions per statement cycle from each savings or money market account. A fee will be assessed for each transaction beyond that limit.

To the extent any term herein conflicts with an applicable loan agreement regarding the overdraft protection plan, then the applicable loan agreement and disclosures govern.

COURTESY PAY PRIVILEGE. We may provide you the ability to overdraw your checking account up to \$300, using Courtesy Pay Privilege. Eligibility conditions must be met and maintained. Eligibility conditions include, but are not limited to the following 1) your checking account have been open and active for at least 30 days; 2) the primary account holder is 18 years of age or older; 3) loan and negative balance obligations are current and there are no past due or charged off amounts owed; 4) the account has an established recurring direct deposit; 5) the account is not titled as or managed under a fiduciary arrangement, which includes an estate account, a representative payee account, an irrevocable trust or trusts managed by successor trustees, representative payees, guardianships, and conservatorships; 6) a deposit is made as soon as possible to establish a positive checking account balance; 7) you maintain current telephone and address information on file with us.

Note: For consumer accounts, we will not pay transactions from your eligible Courtesy Pay Privilege limit for ATM and everyday debit card transactions unless you have affirmatively told us to do so. If we do not have your affirmative consent, we will decline these transaction types.

If you meet and maintain eligibility conditions, we may, at our discretion, pay applicable transactions up to the authorized limit. We will assess a fee, as defined in the Fee Schedule for each Courtesy Pay Privilege transaction processed. Using Courtesy Pay Privilege does not release you from your obligation to pay your debts including any amount by which your account(s) may be overdrawn.

Contact us if you do not want us to pay overdrafts from the Courtesy Pay Privilege. The Credit Union reserves the right to limit or restrict your access to the Courtesy Pay Privilege at any time without notice.