

## OVERDRAFT COVERAGE OPTIONS: OVERDRAFT PRIVILEGE AND OVERDRAFT PROTECTION

Life happens! Belco Community Credit Union understands that unexpected overdrafts occur from time to time – Overdraft Coverage can help.

### Overdraft Coverage Options

The choice is yours. Consider these ways to cover overdrafts:

Service	Cost
Overdraft Protection Link to your Primary Savings Account <sup>1</sup>	\$0 Fee per transfer
Overdraft Protection Line of Credit <sup>1</sup>	Subject to interest charges; Subject to credit approval
Overdraft Privilege	\$35 Overdraft Fee per item

<sup>1</sup>Call us at 800.642.4482, send us a secure message through your online banking, or come by a branch to sign up or apply for these services.

**Overdraft Protection** applies to all transactions and may help prevent overdrafts by automatically transferring funds to your checking account from your primary savings account and/or line of credit you may have at Belco Community Credit Union. There is no fee for Overdraft Protection through your primary savings account. There is a finance charge for Overdraft Protection Lines of Credit. Overdraft lines of credit are subject to credit approval.

**Overdraft Privilege** allows you to overdraw your checking account up to a limit for a fee (as disclosed in our schedule of fees) to pay a transaction. Even if you have Overdraft Protection, Overdraft Privilege is still available as secondary coverage if the other protection source is exhausted. Please review the **“What Else You Should Know About Overdrafts”** section included with this disclosure for other important information.

Transactions Covered with Overdraft Privilege	Standard Coverage (No action required)	Extended Coverage (Your consent required on consumer accounts)*	If you would like to select Extended Coverage on your consumer account for future transactions:
Checks	X	Items that are covered under Standard Coverage will still be covered when the Extended Coverage is selected.	
ACH - Automatic Debits	X		
Recurring Debit Card Payments	X		
Online Bill Pay Items	X		
Internet Banking Transactions	X		
Telephone Banking Transactions	X		
Teller Window Transactions	X		
ATM Transactions	Not Covered	X*	
Everyday Debit Card Transactions	Not Covered	X*	

\*If you choose Extended Coverage on your consumer checking account, **ATM transactions and everyday debit card transactions** will be included with the transactions listed under Standard Coverage. If you already have Overdraft Privilege Extended Coverage, it is not necessary to request it again. Business accounts are automatically enrolled in Extended Coverage.

### What if I don't want Overdraft Privilege?

Both consumer and business accounts can request to discontinue Overdraft Privilege in its entirety by contacting us at 800.642.4482, visiting any branch, or sending us a secure message through online banking. If you have already discontinued Overdraft Privilege, it is not necessary to make this request again. Please be aware that without Overdraft Privilege, your insufficient funds items will be returned to the payee and/or declined at the point of purchase, unless you have Overdraft Protection available to cover the item(s). You will be charged the standard Return Fee of \$38 for all returned items.

## What Else You Should Know About Overdrafts

- A link to your primary savings account or a line of credit is a less expensive option than an overdraft. When using Overdraft Privilege, a single larger overdraft will result in just one fee, as opposed to multiple smaller overdrafts.
- Good account management is the best way to avoid overdrafts. Remember these tips when using your account:
  - Keep your check register or account ledger up-to-date.
  - Record your ATM and Point-of-Sale or debit card transactions when they are made.
  - Don't forget about any automatic bill payments you may have scheduled.
  - Use our mobile banking, internet banking, and telephone banking services to keep track of your balance and set up low balance alerts.
  - Review and reconcile your account statements each month.
  - For additional financial education resources, please visit [www.mymoney.gov](http://www.mymoney.gov).
- An overdrawn account must be brought to a positive balance within thirty (30) calendar days of the date that the account became negative for a minimum of 24 hours to remain in good standing.
- Belco Community Credit Union will charge a Return Item (NSF) Fee each time we return the item because it exceeds the available balance in your account. If an item is presented and returned multiple times because the available balance in your account is not sufficient to cover the item, multiple Return Item (NSF) Fees may be assessed. If, on a subsequent presentment of the item, the available balance in your account is sufficient to cover the item, Belco Community Credit Union may pay the item, and, if payment causes an overdraft, charge an Overdraft Fee.
- The \$35 Overdraft Fee to pay a transaction is lower than the \$38 Non-Sufficient Funds (NSF) Fee that is charged if a check or ACH item is returned as unpaid. If multiple items overdraw your account on the same day, each item will be assessed an appropriate Overdraft Fee or an NSF fee of \$38. All fees and charges will be included as part of the maximum Overdraft Privilege limit amount. It is possible that your account may become overdrawn in excess of the Overdraft Privilege limit amount because of fee assessments.
- This describes the transaction posting order for purposes of determining overdrafts. Our general practice is to post items throughout the day and to post ACH credits before debits. We generally post transactions in the following order: ACH Credits, ACH Debits (in the order received), Checks (low to high check numbers), ACH transfers, and Bill Pay Transactions. Please be aware that ATM and Debit Card transactions may be posted to your account at any time and are independent of the general posting order described above. Because of the many ways we allow you to access your account, the exact posting order of individual items may differ from this general posting order. Holds on funds (described herein) and the order in which transactions are posted may impact the total amount of Overdraft Privilege Fees or Return Item Fees assessed.
- Giving us your consent to pay everyday debit card and ATM overdrafts on your consumer account (Extended Coverage) may result in you incurring Overdraft Fees for transactions that we would otherwise be required to pay without assessing an Overdraft Fee. However, this would allow us to authorize transactions up to the amount of your Overdraft Privilege limit and may also help you avoid overdrafts in excess of your available balance. If you consent to Extended Coverage on your consumer account, it will remain on your account until you otherwise withdraw it.
- Belco Community Credit Union authorizes and pays transactions using the available balance in your account. Belco Community Credit Union may place a hold on deposited funds in accordance with our Deposit Account Agreement and Disclosure, which will reduce the amount in your available balance. The available balance for checks, ACH items, recurring debit card payments, internet and telephone banking transactions, and teller window transactions is comprised of the ledger balance, less any holds on deposited funds and any debit card holds, plus the amount of any Overdraft Privilege limit and any available Overdraft Protection.
  - If you have not given consent for the authorization and payment of overdrafts caused by ATM and everyday debit card transactions on your consumer account, the available balance for these transactions is the ledger balance, less any holds on deposited funds and any debit card holds, plus any available Overdraft Protection, but does NOT include the Overdraft Privilege Limit.
  - If you have given us your prior consent to authorize and pay overdrafts for ATM and everyday debit card transactions on your consumer account or if you have a business account, the Overdraft Privilege Limit is included in the available balance for authorizing and paying these transactions.
- Please be aware that the Overdraft Privilege limit amount will not be displayed in your available balance provided through online banking, mobile banking, telephone banking or Belco Community Credit Union's ATMs.
- Belco Community Credit Union may place a hold on your account for any authorized debit card transaction until the transaction settles (usually within two business days) or as permitted by payment system rules. In some cases, the hold may exceed the amount of the transaction. When the hold ends, the funds will be added to the available balance in your account. If your account is overdrawn after the held funds are added to the available balance and the transaction is posted to the available balance, an Overdraft Fee may be assessed.
- Except as described in this notice, Belco Community Credit Union will not pay items if the available balance in your account (including the Overdraft Privilege limit and any available Overdraft Protection, if applicable) is not sufficient to cover the item(s) and the amount of any fee(s).
- An Overdraft Privilege limit of \$100 may be granted to eligible consumer checking accounts one calendar day after the checking account has been opened. The limit will be incrementally increased throughout the first year, and a limit of up to \$750 may be granted to eligible consumer checking accounts that have been open for at least 1 year and are in good standing. All fees and charges will be included as part of the maximum Overdraft Privilege limit amount.
- An Overdraft Privilege limit of \$250 may be granted to eligible business checking accounts one calendar day after the checking account has been opened. The limit will be incrementally increased throughout the first year, and a limit of up to \$1,000 may be granted to eligible business checking accounts that have been open for at least 1 year and are in good standing. All fees and charges will be included as part of the maximum Overdraft Privilege limit amount.
- Under payment system rules, Belco Community Credit Union may be obligated to pay some debit card transactions under force post situations, even if the available balance in the account (including Overdraft Coverage Options) is not enough to cover the transaction. This may result in an overdrawn account balance.
- Although Belco Community Credit Union may be obligated to pay some debit card transactions as described herein, Belco Community Credit Union will not authorize debit card or ATM transactions unless your account's available balance (including Overdraft Coverage Options) is sufficient to cover the transactions and any fee(s).
- Overdraft Privilege is not a line of credit; it is a discretionary overdraft service that can be withdrawn at any time without prior notice.
- Overdraft Privilege may be suspended or discontinued if you default on any loan or other obligation to us, your account becomes subject to any legal or administrative order or levy, your account has instances of NSF abuse, or if you fail to maintain your account in good standing by not bringing your account to a positive balance within thirty (30) calendar days for a minimum of 24 hours.
- If your account comes to exceed thirty (30) consecutive calendar days with a negative balance, your account access will be restricted, and your Overdraft Privilege will be suspended. When your account is restricted, you will not be able to access your account electronically, and transactions will be returned to the payee and/or declined at the point of purchase. This may expose you to fees assessed by merchants to whom those items are returned.
- Your account may be charged off and may be sent to a collection agency if not brought positive within forty five (45) calendar days of the date it became overdrawn. This action may result in additional fees charged by a collection agency, and we may report information about your account to credit reporting agencies and consumer reporting agencies. A charged off account may be closed by Belco Community Credit Union if paid in full at a later date.
- To have Overdraft Privilege restored after it has been suspended, you must bring your account balance positive for at least 24 hours and meet current program eligibility requirements. Reinstatement of Overdraft Privilege is given at the discretion of Belco Community Credit Union.
- Belco Community Credit Union may also suspend your Overdraft Privilege if we are unable to contact you due to an incorrect mailing address or phone number(s). You must contact us with your correct mailing address and/or phone number(s) to have your Overdraft Privilege restored.
- Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all overdraft and fee amounts, as described in the Deposit Account Agreement and Disclosure. The total (negative) balance, including all fees and charges, is due and payable upon demand.
- Both consumer and business accounts can request to discontinue Overdraft Privilege in its entirety by contacting us at 800.642.4482, visiting any branch, or sending us a secure message through online banking. Please be aware that without Overdraft Privilege, your insufficient funds items will be returned to the payee and/or declined at the point of purchase, unless you have Overdraft Protection available to cover the item(s). You will be charged the standard Return Fee of \$38 for all returned items.

If you have any questions about Overdraft Protection or Overdraft Privilege, please call us at 800.642.4482, send us a secure message through your online banking, or visit any branch.