



Overdraft Privilege Disclosure

This Overdraft Privilege Disclosure describes the circumstances when we (MembersFirst Credit Union) will use the Overdraft Privilege service to pay overdrafts in your checking account and charge you a fee. "Overdraft" means there is not enough "available" balance in your account to pay for a transaction (see the "Checking Account Balances" section below for more information on your "available" balance). Should an overdraft occur, we will first attempt to pay the item by transferring funds to your Checking Account from your Savings Account (or other designated account) via our Overdraft Protection Transfer Program. If funds are not available in your designated Overdraft Protection Account, we may pay for an overdraft using the Overdraft Privilege service and you will be charged an Overdraft Privilege fee as described in the Credit Union's Fee Schedule, which is updated periodically.

The Overdraft Privilege service covers Check, Bill Pay, and ACH transactions on your checking account. Please note that for one-time debit card transactions to be covered under the Overdraft Privilege service, you must separately, affirmatively consent to this coverage by opting in. Without applying for this coverage and providing your consent, we may not authorize and pay a debit card transaction that will overdraft your account.

ELIGIBILITY. The Overdraft Privilege service is not a line of credit and does not require a credit application. However, this service will only be applied to your checking account if: You have a checking account type that is eligible for the Overdraft Privilege service; you have an active checking account open for at least 45 days with a positive balance; you have no delinquent loans with MembersFirst Credit Union; you have not caused a loss to the Credit Union; your accounts have not been restricted; and you are not subject to any legal or administrative order or levy.

CHECKING ACCOUNT BALANCES. Your checking account has two kinds of balances: the "actual" balance and the "available" balance. Both can be checked when you review your account online, at most ATMs, by phone, or at a branch. It is important to understand how the two balances work so that you know how much money is in your account at any given time and when Overdraft Privilege Fees may be assessed. This section explains actual and available balances and how they work.

Your **actual** balance is the amount of money that is actually in your account at any given time. It reflects transactions that have posted to your account but not transactions that have been authorized and are pending. While the term "actual" may sound as though the amount you see is the most up-to-date representation of what is in your account that you can spend, that is not always the case. Any purchases, holds, fees, other charges, or deposits made on your account that have not yet posted will not appear in your actual balance. For example, if you have a \$50 actual balance but you just wrote a check for \$40, then your actual balance is \$50, which does not reflect the pending check transaction. So at that point, you actually have \$50, but you have already spent \$40.

Your **available** balance is the amount of money in your account that is available to you to use without incurring an Overdraft Privilege Fee. The available balance takes into account things like holds placed on deposits and pending transactions (such as pending debit card purchases) that the Credit Union has pre-authorized but that have not yet posted to your account. For example, assume you have an actual balance of \$50 and an available balance of \$50. If you were to use your debit card at a restaurant to buy lunch for \$20, then that merchant could ask us to pre-authorize the payment. In that case, we will put a "hold" on your account for \$20. Your actual balance would still be \$50 because this transaction has not yet posted, but your available balance would be \$30 because you have committed to pay the restaurant \$20. When the restaurant submits its bill for payment (which could be a few days later), we will post the transaction to your account, and your actual balance will be reduced by \$20. **Your available balance is used to determine when your account is overdrawn.**

It is very important to understand that you may still overdraw your account even though the available balance appears to show there are sufficient funds to cover a transaction that you want to make. This is because your available balance may not reflect all your outstanding checks, automatic bill payments, and/or debit card transactions that you have authorized but have not been paid from your account.



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HOW TRANSACTIONS ARE POSTED TO YOUR ACCOUNT. There are two types of transactions in your account: “credits” or deposits of money into your account, and “debits” or payments out of your account. It is important to understand how each is applied to your account so that you know how much money you have and how much is available to you at any given time. This section explains generally how and when we post transactions to your account.

Credits. Most deposits are added to your account when we receive them. However, some checks you deposit may be subject to extended holds. Thus, your available balance may not reflect the most recent deposits to your account. For more information on the availability of funds from your deposits, see the section of your Truth-in-Savings Disclosure entitled "YOUR ABILITY TO WITHDRAW FUNDS".

Debits. Debit Transactions include payment items such as Checks, ACH payments, Bill Pay, and Debit Card Point-of-Sale and Signature Transactions. Debit Transactions will be processed against the available balance in your account at the time of processing (see “Checking Account Balances” above for more details on available balance). Debit transactions are processed in the order that they are received and may not be processed in the order in which they occurred. The order in which transactions are processed may impact the total amount of fees incurred. There are many ways transactions are presented for payment by merchants, and we are not in control of when transactions are received. We may receive multiple credit and debit transactions on your account in many different forms throughout each business day. This means you may be charged more than one fee if multiple transactions overdraw your account.

The best way to know how much money you have and avoid paying Overdraft Privilege Fees is to record and track all of your transactions closely.

OVERDRAFT PRIVILEGE OPT-OUT. If you do not want Overdraft Privilege coverage and you would like us to remove this benefit from your account, you may opt out by contacting us at 404-978-0080 or by visiting any of our branch locations. It is important for you to consider that there is no additional cost for Overdraft Privilege and that by opting- out you are instructing us to return all items as unpaid that are presented against insufficient funds. If you opt-out, you will be charged a Non-Sufficient Funds (NSF) Fee for each item returned; this fee is equal to the Overdraft Privilege Fee. Members who receive Social Security, federal direct deposit, or any other entitlement benefit must opt-out if they do not want the Credit Union to apply those funds to pay an overdraft.

ADDITIONAL TERMS. The Credit Union is not under any legal obligation to pay overdrafts and holds no responsibility for unpaid items. We may refuse to pay any items without first notifying you, even though your account is in good standing and even if we have paid previous overdrafts. For overdrafts that we have paid on your account, you promise to immediately pay us all sums, including any applicable fees associated with this service. You understand and agree that we may transfer funds to your checking account from any of your other account(s) with us (excluding IRA accounts), including account(s) upon which you are a joint owner, in an amount equal to the overdrawn check, ACH item, or other transaction which we paid plus any applicable fees, according to the terms and conditions of this disclosure and the Truth-in-Savings Disclosure provided to you at account opening. We may terminate or suspend your Overdraft Privilege services at any time without prior notice. In no event shall any termination relieve you of your obligation to repay items already paid and owed to the Credit Union, including but not limited to, paid overdrafts, Overdraft Privilege fees, collection costs, and attorneys' fees, if applicable. We reserve the right to limit the Overdraft Privilege service to one (1) account or member per household without notice of reason or cause.

IF YOU DO NOT UNDERSTAND THIS DISCLOSURE OR HAVE ANY QUESTIONS, PLEASE CONTACT US AT 404-978-0080 OR VISIT ANY OF OUR BRANCH LOCATIONS.