

Overdraft Protection and Courtesy Pay Policy

Policy Statement

It is the policy of the Credit Union to comply with all applicable federal and state laws and regulations, including guidance issued by the National Credit Union Administration (NCUA), and to operate in a safe and sound manner.

Courtesy Pay Program

The Courtesy Pay program is a discretionary service provided by the Credit Union and does not constitute a contractual obligation or a guaranteed line of credit. The Credit Union is under no obligation to pay any overdraft, even if it has done so in the past.

An account is eligible for Courtesy Pay only if it has been open for a minimum of thirty (30) days and remains in good standing. An account is considered in good standing if, at a minimum:

- (A) The member continues to make deposits consistent with past practices;
- (B) The member is not in default on any loan or other obligation to the Credit Union;
- (C) The account is brought to a positive balance at least once every thirty (30) days; and
- (D) The account is not subject to any legal or administrative order, garnishment, or levy.

The Credit Union reserves the right to determine eligibility for Courtesy Pay and to suspend or terminate the service at any time without prior notice.

Authorization of Overdrafts

The Credit Union may, at its discretion, authorize and pay overdrafts for checks, ACH transactions, and other transactions made using the account number, unless the member has opted out of such coverage.

The Credit Union will not authorize and pay overdrafts for ATM withdrawals or one-time debit card transactions unless the member has affirmatively opted in to such coverage in accordance with Regulation E requirements.

Causes of Overdrafts

An overdraft or non-sufficient funds (NSF) condition may result from, but is not limited to:

- (A) Payment of checks, ACH transactions, or other withdrawal requests;
- (B) Transactions authorized by the member;
- (C) The return of unpaid deposited items;
- (D) The assessment of fees or service charges; or
- (E) Deposited funds that are not yet available in accordance with the Credit Union's Funds Availability Policy.

Fees and Charges

The overdraft/NSF fee is a fixed (static) amount of \$25.00 per item. The Credit Union will assess no more than one (1) overdraft or NSF fee per transaction, and multiple fees will not be assessed on a single transaction.

There is no maximum limit on the total amount of overdraft or NSF fees that may be assessed to a member within a given statement period or other time frame; however, each NSF transaction will be assessed no more than one (1) fee.

All fees and charges are disclosed in the Credit Union's current Fee Schedule, which is incorporated herein by reference.

Payment of Overdrafts and Member Liability

The total amount of any overdraft, including all applicable fees and charges, is due and payable immediately upon demand.

If an account has multiple owners, each owner, and any authorized agent who initiates a transaction that results in an overdraft, shall be jointly and severally liable for the full amount of the overdraft and any associated fees.

Order of Payment

When multiple items are presented for payment on the same day, the Credit Union may post and pay items in any order it determines, including but not limited to the order in which transactions are received. The order of posting may affect the number of overdraft or NSF fees assessed. The Credit Union reserves the right to change its posting order at any time without prior notice, subject to applicable law.

Limitations

The Credit Union may limit Courtesy Pay service to one (1) account per household.

Notice and Opt-Out

The Credit Union will provide notice of overdraft and NSF items in accordance with applicable laws and regulations. The Credit Union is not required to provide prior notice before paying or returning any item.

Members may opt out of the Courtesy Pay program at any time by notifying the Credit Union. (Refer to opt-in form for details)

Disclaimer

Courtesy Pay is a discretionary service and does not create any actual or implied agreement between the member and the Credit Union. The service may be withdrawn, suspended, or withheld at any time, with or without notice, except as required by law.