

OVERDRAFT SERVICES DISCLOSURE

ESTACADO FCU

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What is Estacado Federal Credit Union's Overdraft Service?

Courtesy Pay is Estacado Federal Credit Union's Overdraft Service for consumer checking accounts. Our Overdraft Services are offered to add an extra layer of protection and safety net to your checking account. If you don't have enough money in your account to cover a transaction, we may cover the transaction and overdrawn balance up to an approved limit. Our Overdraft Service eliminates the embarrassment and expense of returned checks, and also protects your credit rating. There is no fee for Overdraft Services, unless you use the service.

Estacado Federal Credit Union provides many different ways to help you avoid Non-Sufficient Funds (NSF) incidents. We offer free Internet Home Banking with e-Alerts so you can check your account balance every day in real-time, review payments made, view checks you've written, transfer funds between your accounts, and receive update when your balances drops below your pre-determined level. We also offer a mobile banking application, which allows you to manage your accounts from the ease of your smart phone.

Nevertheless, NSFs do occur, and when they do, we offer additional protection and options to help ensure that your payments go through as you intended. Members have 30 days to bring their accounts back to positive.

How does Estacado Federal's Overdraft Services work?

If you overdraw your account by a check, ACH electronic payment, bill pay, ATM or point-of-sale debit card transaction, Courtesy Pay may cover your transaction even though you do not have enough money in your account. If you use the Courtesy Pay service, your account will have a negative balance. You will incur a \$30.00 Courtesy Pay fee for each item; however, you will not incur any merchant fees.

If you have established overdraft protection to cover a negative balance through an automatic transfer from a designated savings account, the Credit Union will access funds from these sources before using your Courtesy Pay overdraft limit. The fee for the Overdraft Transfer is \$0.00 (Free) per item.

You do not have to sign up for Estacado Federal Credit Union's Courtesy Pay to work for your paper checks, BillPay or electronic (ACH) items you originated from your checking account. However, you do have to "Opt-In" if you want the protection of Estacado Federal Union's Courtesy Pay to apply to your everyday debit card and ATM transactions by completing the **Courtesy Pay Opt-In Form**.

You may opt-out of Estacado Federal Credit Union's Courtesy Pay for all transaction types by calling 575-393-1596 and choose to have any item presented for payment without sufficient funds returned NSF. If you do not want us to pay your overdrafts through Courtesy Pay, you

must tell us ("opt-out"). If you receive a direct deposit social security or other federal benefit check, you must opt-out if you do not want us to apply those funds to repay an overdraft. Should you elect to "opt-out" of Courtesy Pay coverage and your paper checks, BillPay or electronic (ACH) items you originated from your checking account be presented without adequate funds in the account, you will be charged a \$30.00 NSF fee per item.

What does it cost to cover an overdraft?

We encourage you to maintain accurate records and practice good account management. This will help you avoid writing checks or drafts without sufficient funds and incurring the resulting fees.

Ways to Cover Overdrafts (See Fee Schedule)

Good Account Management with no overdrafts	\$0.00 (FREE)
Overdraft Transfer Fee (Automated from Savings)	\$0.00 per item (FREE)
NSF Item (non-sufficient funds fee)	\$30.00 per item
Courtesy Pay (overdraft fee)	\$30.00 per item

Estacado Federal Overdraft Service Guidelines

As a service to members in good standing and to help you avoid the fees that may be charged by third parties for "bad" checks, we may, at our sole discretion, approve your reasonable overdrafts up to a dollar amount (inclusive of fees). A fee will be charged for each overdraft item or non-sufficient fund (NSF) item as outlined in our fee schedule.

Estacado Federal Credit Union's Overdraft Service is extended to all account holders (minimum 18 years old) with checking accounts in good standing **after 90 days of being open**, defined as:

- 1) Making regular deposits sufficient to cover transactions
- 2) Bringing the account to a positive balance when overdrawn within 30 days
- 3) There are no legal orders outstanding on your account
- 4) There is no negative check reporting history with the consumer reporting agencies.

We may, at our sole discretion, pay overdrafts up to the limits mentioned above, including our normal Non-Sufficient Funds or Overdraft item charge(s).

You will be notified if an overdraft occurs and Courtesy Pay is used, and you are expected to bring your account to a positive balance within 24 hours. The total fees you have paid for NSF items (both paid and returned, for the current month and year-to-date) will be on your monthly statement.

The Courtesy Pay limit we offer to our members is \$500 for personal checking accounts.
The Courtesy Pay access depends upon your account status and financial history.

Limits are subject to change daily without notification. Therefore, just because we may pay your overdraft transaction today, does not guarantee that we will always pay your transaction when

you do not have enough money in your account to cover the payment. Your Courtesy Pay limit is not reflected in your balance provided at the ATM, by members of our team, Home Banking, or Enacomm IVR (telephone banking).

As always, we encourage you to manage your finances responsibly; however, as long as you maintain your account in good standing, we may, as a courtesy, approve your overdrafts within your current available Courtesy Pay limit. However, we reserve the right to pay overdraft at our discretion. If you do not have sufficient funds, and we return the item non-sufficient funds (NSF), you will be assessed the NSF Fee. You may also be subject to fees on the merchant's end.

Termination of Service

On the 31st day past the first day of negativity, Overdraft Privilege/'Courtesy Pay is removed for all accounts under the member's name.

A member's overdraft privileges MAY be revoked by management under the following circumstances:

1. Draft account is closed
2. Debit card was revoked due to member abuse
3. Excessive NSF within a 90-day period or unpaid NSF
4. Account abuse such as fraud, kiting, forgery, violations of the Unlawful Internet Gambling Policy, or any illegal actions.
5. Member loan(s) or Visa exceed 10 days delinquent
6. Management's reasonable belief that the member is incapable of maintaining a checking based on past 90 days account history.
7. Member has another account overdrawn and is outside the Overdraft/Courtesy Pay Policy.

For more details about Estacado Federal Credit Union's Overdraft Services, please visit our website (www.estacadofcu.com), email contactus@estacadofcu.com, call 575-393-1596 to speak to a Member Service Representative, or stop by one of our branch locations.