

OVERDRAFT COVERAGE OPTIONS: OVERDRAFT PRIVILEGE AND OVERDRAFT PROTECTION

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

Overdraft Coverage Options

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- **Overdraft Protection Link to your Primary Savings Account at Belco Community Credit Union** (\$0 fee per Transfer)
- **Overdraft Protection Link to your Line of Credit at Belco Community Credit Union** (Subject to interest charges; Subject to credit approval)
- **Overdraft Privilege Standard or Extended Coverage** (\$35 Overdraft Fee per item presented*)

***Per item presented means each time an item is presented, including re-presentation**

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 have at Belco Community Credit Union. 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. Good account management is the best way to avoid overdrafts.

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*)	To select Extended Coverage on your consumer account for future transactions: <ul style="list-style-type: none"> • Call us at 800.642.4482 • Visit any branch • Send us a secure message through your online banking
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	X*	
ATM Transactions	Not Covered	X*	
One-Time Debit Card Transactions	Not Covered	X*	

*If you choose Extended Coverage on your consumer checking account, **ATM transactions and one-time 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?

You 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 your 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.

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 online, mobile, 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.
- 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.
- 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 of \$35 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.
- For consumer and business accounts, there is no limit on the total number of Overdraft Fees per day we may charge.
- Recipients of federal or state benefits payments who do not wish us to deduct the amount overdrawn and the Overdraft Fee from funds that you deposit or that are deposited into your account may call us at 800.642.4482 to discontinue Overdraft Privilege.
- If an item is returned because the Available Balance (as defined below) in your account is not sufficient to cover the item and the item is presented for payment again, Belco Community Credit Union ("We") will charge a Return Item (NSF) Fee each time we return the item because it exceeds the Available Balance in your account. Because we may charge a Return Item (NSF) Fee each time an item is presented, we may charge you more than one fee for any given item as a result of a returned item and re-presentation of the item. When we charge a Return Item (NSF) Fee, the charge reduces the Available Balance in your account and may put your account into (or further into) overdraft. If, on a subsequent re-presentation of the item, the Available Balance in your account is sufficient to cover the item, we may pay the item, and, if payment causes an overdraft, charge an Overdraft Fee. We may use the terms "item" and "transaction" interchangeably.
- 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.
- Overdraft Privilege is not a line of credit; it is a discretionary overdraft service that can be withdrawn by Belco Community Credit Union at any time without prior notice to you.
- 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.
- Under payment system rules, we 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.
- However, we 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).
- Giving us your consent to pay one-time debit card and ATM overdrafts on your consumer account (Overdraft Privilege 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 one-time debit and ATM transactions up to the amount of your Overdraft Privilege limit. If you consent to Overdraft Privilege Extended Coverage on your consumer account, it will remain on your account until you withdraw your consent to Extended Coverage or until Belco Community Credit Union discontinues the Overdraft Privilege Service.

Understanding your Available Balance: Your account has two kinds of balances: the Ledger Balance and the Available Balance.

- We authorize and pay transactions using the Available Balance.
- Your Ledger Balance reflects the full amount of all deposits to your account as well as payment transactions that have been posted to your account. It does not reflect checks you have written and are still outstanding or transactions that have been authorized but are still pending.
- Your Available Balance is the amount available to you to use for purchases, withdrawals, or to cover transactions. The Available Balance is your Ledger Balance, less any holds due to pending debit card transactions and holds on deposited funds.

- The balance used for authorizing checks, ACH items, and recurring debit card transactions is your Available Balance plus any available Overdraft Protection and includes the Overdraft Privilege limit
- The balance used for authorizing one-time debit and ATM transactions on accounts with Overdraft Privilege Standard Coverage, but without Overdraft Privilege Extended Coverage, is your Available Balance plus any available Overdraft Protection but does NOT include the Overdraft Privilege limit.
- The balance used for authorizing one-time debit and ATM card transactions on accounts with Overdraft Privilege Extended Coverage is your Available Balance plus any available Overdraft Protection and includes the Overdraft Privilege limit.
- Because your Available Balance reflects pending transactions and debit holds, your balance may appear to cover a transaction but later upon settlement it may not be sufficient to cover such transaction. In such cases, the transaction may further overdraw your account and be subject to additional overdraft fees. You should assume that any item which would overdraw your account based on your Available Balance may create an overdraft. Note that we 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.
- Please be aware that the Overdraft Privilege limit amount is not included in your Available Balance provided through online banking, mobile banking, telephone banking, or Belco Community Credit Union's ATMs.
- We may place a hold on your account for any authorized debit card transaction until the transaction settles (usually within two business days, in some cases more) 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 funds held are added to the Available Balance and the transaction is posted to the Available Balance, an Overdraft Fee may be assessed.
- Except as described herein, we will not pay items if the Available Balance in your account (including the Overdraft Privilege limit, if applicable) is not sufficient to cover the item(s) and the amount of any fee(s).

Understanding Overdraft Privilege Limits

- A starting Overdraft Privilege limit of \$100 may be granted to eligible consumer checking accounts one calendar day after the checking account has been opened. Following the starting limit, a limit of up to \$750 may be automatically granted to eligible consumer checking accounts in good standing. All fees and charges will be included as part of the maximum Overdraft Privilege limit amount.
- A starting Overdraft Privilege limit of \$250 may be granted to eligible business checking accounts one calendar day after the checking account has been opened. Following the starting limit, a limit of up to \$1,000 may be automatically granted to eligible business checking accounts in good standing. All fees and charges will be included as part of the maximum Overdraft Privilege limit amount.
- Overdraft Privilege may be discontinued or the limit may be reduced if you default on any loan or other obligation to us, your account becomes subject to any legal or administrative order or levy, 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 may be restricted including access to your online banking, and if you have Overdraft Privilege the limit may be reduced to \$100. Transactions you authorize may 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 to a positive balance within sixty (60) 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. The charged off account may be closed by Belco Community Credit Union if paid in full at a later date.
- To have your Overdraft Privilege limit restored after it has been reduced, you must bring your account balance positive for at least 24 hours and meet current program eligibility requirements. Reinstatement of the Overdraft Privilege limit is given at the discretion of Belco Community Credit Union.
- Belco Community Credit Union may also reduce your Overdraft Privilege limit 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 limit restored. Reinstatement of the Overdraft Privilege limit is given at the discretion of Belco Community Credit Union.
- 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.