



## Overdraft Services Supplemental Disclosure

Please read the following disclosure which provides details about Overdraft Protection, Courtesy Pay, and Courtesy Pay Plus. **If you have any questions about overdraft services, including changing your opt in status, or any matter concerning your accounts with Abound Federal Credit Union (Credit Union), please reach out to our Member Resource Branch at 800-285-5669 during normal business hours, or anytime through our online and mobile banking messaging system.**

An overdraft occurs when you make any transaction that exceeds the available balance in the account you access by check, electronically, or otherwise at the earlier of: the time the funds for the transaction are put on hold or the transaction clears. You agree not to cause an overdraft in any account with us. However, if for any reason we pay any transaction or impose a fee that creates an overdraft, you agree to pay us promptly the amount of the overdraft or fee. The Credit Union has no obligation to notify you of any check or charge that creates an insufficient funds balance in your account(s). Further, if we cover one or more overdrafts, we shall not have any obligation to continue to do so. An overdrawn item will be processed in the following order: 1st from Overdraft Protection if set up from another account or line of credit; 2nd from Courtesy Pay/Courtesy Pay Plus if service is in force; and 3rd returned as an insufficient funds (NSF) item.

**Actual Balances and Available Balances.** As explained in the Membership Agreement, there are many circumstances that will affect your access to the funds in your account(s). The Actual Balance is the total amount of funds in your account(s). The Available Balance is the balance of your account subtracting any debits or credits that have not yet cleared. The delay in debits or credits clearing from your account could be the result of an authorized hold. An authorization hold is a standard industry practice in which a hold is placed on the amount you authorized to debit or credit from your account until the merchant clears the transaction and the hold falls off. The Credit Union is not responsible for clearing or settling authorized holds and the timing of settlement is at the discretion of the merchant. The Credit Union will keep these holds on funds for up to 7 days.

Your available balance may not reflect all of your debit card transactions. For example, if a merchant obtains our pre-authorization but does not process the transaction within 7 days of the authorization, we must release the authorization hold on the transaction. This release of the authorization hold does not mean that the transaction has been paid from your account. If the merchant processes the transaction after the hold has been released, and your account does not have the funds to cover the transaction amount, you may be assessed a Courtesy Pay/Courtesy Pay Plus fee.

Also, the Credit Union may place holds on various deposits as explained in the section of the Membership Agreement on Funds Availability. These types of holds will not show in the Available Balance until the hold has been released. If you exceed the Available Balance (even though the Actual Balance may be greater), you may overdraw your account, resulting in: Insufficient Funds Transactions, Returned Items, and fees including Courtesy Pay/Courtesy Pay Plus Fees. You can view your available balance via: Online Banking, Voice Banking, Mobile Banking, ATM's, and branch visitation.

**Subsequent Deposits.** You agree we may use subsequent deposits, including direct deposits of social security or other government benefits, to cover overdrafts and overdraft fees unless prohibited under applicable law. If you receive a direct deposit of social security or other government benefits into your account and you do not want us to pay your overdrafts with those funds, you must notify us of your desire to opt out of Courtesy Pay/Courtesy Pay Plus.

## Overdraft Protection Plan

Overdraft Protection is a service for which you can sign up. It links your checking account to your savings account, another checking account, and/or line of credit if one exists. It pulls funds from the linked accounts to cover overdrafts in the order that you tell us. You are responsible for ensuring this is set up the way you want it. You may call us at 800-285-5669 or visit us at your local branch in enroll in this service.

There is no fee for using this service. It is important to understand that transfers from your line of credit loan may result in interest accrual in accordance with your Loan Agreement.

## Courtesy Pay Program

Courtesy Pay is a non-contractual service that allows the Credit Union to pay a check written or automatic bill payments on your account (only on one checking account, also known as a suffix 9, per member) even if it causes the account to become overdrawn. Courtesy Pay comes with your checking account and requires no action on your part.

If Courtesy Pay is used to cover an overdrawn transaction, then you agree to reimburse the overdraft within 30 days. Courtesy Pay provides coverage in the amounts below:

	Without Direct Deposit	With Direct Deposit*
Checking	\$500	\$1,000
Second Chance Checking	None	\$250

*\*If your direct deposits in the previous 60 days are greater than or equal to \$500, your coverage will increase to these amounts. If you do not receive direct deposits greater than or equal to \$500 during a 60-day period, your coverage will revert back to the Without Direct Deposit amount.*

With Courtesy Pay, you will be assessed the same fee as an NSF item but your transaction will be honored up to the coverage amount. These fees may exceed your coverage amount.

To qualify for Courtesy Pay, you must:

- a. Be at least 18 years of age and have a checking account in good standing for at least 60 days. A checking account is considered to be in "good standing" if it:
  - (1) Receives regular deposits to cover transactions
  - (2) Achieves a positive balance at least once every 30 days or less
  - (3) Has no judicial order present which affects access to or use of it
  - (4) Has a valid address
- b. Have no charged-off or overdrawn account(s)
- c. Have no delinquent (no more than 15 days past due) or charged-off loan(s)
- d. Have no outstanding Workout Courtesy Pay Loans

**Opt Out.** An account may be removed from Courtesy Pay by you if you no longer wish to have this protection. An account may be removed from Courtesy Pay if the account is closed for abuse. In this case, you will have the option to open a Second Chance Checking account which has a monthly fee as set forth in the Rate and Fee Schedule (Schedule). A separate Truth in Savings disclosure will be provided at the time you are placed in second chance checking.

**Fees.** Under our Courtesy Pay Program, we will charge a fee of **\$31.00** each time we pay an overdraft regardless of amount. There is no limit on the total fees we can charge you for overdrawing your account.

**Disclaimer.** The Credit Union's Courtesy Pay Program is a non-contractual courtesy and is discretionary. It is not an obligation of the Credit Union and the Credit Union may refuse to provide this service on any checking account at any time and from time to time. The accountholder does not have a contractual right to Courtesy Pay, and Courtesy Pay is not guaranteed by the Courtesy Pay Program.

### Courtesy Pay Plus Program

Courtesy Pay Plus offers all of the benefits of Courtesy Pay with the added benefit of paying the following even if it causes your account to become overdrawn:

- ATM withdrawals
- Point of sale Debit Card transactions

To utilize Courtesy Pay Plus, **you must opt into this service.**

**Opt Out.** An account may be removed from Courtesy Pay Plus by you if you no longer wish to have this protection. An account may be removed from Courtesy Pay and Courtesy Pay Plus if the account is closed for abuse. In this case, you will be placed in second chance checking which has a monthly fee as set forth in the Schedule. A separate Truth in Savings disclosure will be provided at the time you are placed in second chance checking.

**Fees.** Under our Courtesy Pay Plus program, we will charge a fee of **\$31.00** each time we pay an overdraft regardless of amount. There is no limit on the total fees we can charge you for overdrawing your account.

**Disclaimer.** The Credit Union's Courtesy Pay Program is a non-contractual courtesy and is discretionary. It is not an obligation of the Credit Union and the Credit Union may refuse to provide this service on any checking account at any time and from time to time. The accountholder does not have a contractual right to Courtesy Pay Plus, and Courtesy Pay Plus Courtesy Pay is not guaranteed by the Courtesy Pay Plus Program.