

What Can Member Overdraft Privilege



Mean to You?

Some of us occasionally find ourselves a little short on funds. If something like this happens to you, Member Overdraft Privilege may save you embarrassment, time, money and hassle.

A Mistake in Your Checkbook

You forget to make an entry in your checkbook and your balance is off. If the mistake results in an overdraft, your overdraft may be covered.

Communication Between Multiple Account Holders

You have two members of the family with access to one account and someone forgets to mention writing a check. If the communication error results in an overdraft, your overdraft may be covered.

An Unexpected Bill

You have a car repair bill or unexpected medical expense that overdrafts your account. Your overdraft may still be covered.

Member Overdraft Privilege is a discretionary overdraft service from your Credit Union. Rather than automatically returning insufficient funds items that you may have, we will consider payment of your reasonable overdrafts and our normal NSF handling fee per item would be applied to your account.

Member Overdraft Privilege Policy

(Discretionary Overdraft Service)

It is the policy of our Credit Union to comply with applicable laws and regulations, and to conduct business in accordance with applicable safety and soundness standards.

A non-sufficient funds balance may result from: A) The payment of checks, electronic funds transfers, or other withdrawal requests; B) Payments authorized by you; C) The return, unpaid, of items deposited by you; D) The imposition of credit union service charges; or E) The deposit of items which according to the credit union's Funds Availability Policy, are treated as not yet "available" or finally paid.

We are not obligated to pay any item presented for payment if your account does not contain sufficient collected funds. Rather than automatically returning, unpaid, any non-sufficient funds items that you may have, if your eligible account has been open for at least sixty (60) days and thereafter you maintain your account in good standing, which includes at least: (A) Continuing to make deposits consistent with your past practices; (B) You are not in default on any loan obligation to Unity Catholic Federal Credit Union; (C) You bring your account to a positive balance (not overdrawn) at least once every thirty (30) days; and (D) Your account is not the subject of any legal or administrative order or levy, **we will consider - as a discretionary courtesy or *service and not a right of yours nor an obligation on our part - approving your reasonable overdrafts.** Of course, any and all credit union fees and charges, including without limitation our non-sufficient funds/overdraft fees (as set forth in our fee schedules) will be included in this limit.

We may refuse to pay an overdraft for you at any time, even though your account is in good standing and even though we may have previously paid overdrafts for you. You will be notified by mail of any non-sufficient funds items paid or returned that you may have; however, we have no obligation to notify you before we pay or return any item. The amount of any overdrafts plus our \$25.00 Non-Sufficient Funds and/or Overdraft (NSF/OD) Charge(s) (which is a per item fee) shall be due and payable upon demand. If there is an overdraft paid by us on an account with more than one (1) owner on the signature card, each owner, and agent if applicable, drawing/presenting the item creating the overdraft, shall be jointly and severally liable for such overdrafts plus our Non-Sufficient Funds and / or Overdraft (NSF/OD) Charge(s). As a general rule, when multiple items are received simultaneously for payment, the items will be cleared in chronological order which can affect the total amount of overdraft fees incurred. We reserve the right to change the clearing order at any time without notice.

Limitations: We may limit the number of accounts eligible for the **Member Overdraft Privilege*** service to one account per household.

*The **Member Overdraft Privilege** service does not constitute an actual or implied agreement between you and the credit union. Nor does it constitute an actual or implied obligation of or by the credit union. This service represents a purely discretionary courtesy or privilege that the credit union may provide to you from time to time and which may be withdrawn or withheld by the credit union at any time without prior notice or reason or cause. All members have the right to opt out of the **Member Overdraft Privilege** program. Members wishing to be removed or opt out from the **Member Overdraft Privilege** program should contact a credit union representative.

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Introducing...

MEMBER OVERDRAFT PRIVILEGE



Established in 1942 as St. Charles Borromeo Federal Credit Union

Bouncing a check no longer has to be an embarrassing incident!

If you write a check and do not have enough funds to cover it, in addition to an NSF fee from your Credit Union, you may face:

- Making the check good with the retailer
- Retailer/merchant fee
- Potential damage to your credit rating
- Embarrassment and aggravation

Your Credit Union understands this and wants to help you. That's why we're offering a discretionary Member Overdraft Privilege program to our members.

You do not have to sign up for the service - it's automatic - and it costs you nothing unless you use it! As long as you maintain your account in good standing, we will consider payment of your reasonable overdraft instead of returning it as a non-sufficient funds item.

With Member Overdraft Privilege, your check, or ACH transaction may* be covered by your Credit Union and you will be charged the same NSF fee you would have been charged if the item were returned.

You will be sent a notice of non-sufficient funds and will be required to bring your account to a positive balance within 30 days.

It's That Simple!

Please always manage your finances responsibly, and know that if you have an occasional overdraft, our Member Overdraft Privilege may help.

What is Member Overdraft Privilege?



It's a non-contractual courtesy that we provide to our members with share draft (checking) accounts. We may* cover insufficient fund checks, electronic funds transfers, or other payment and/or withdrawal requests up to your approved limit.

That means that instead of returning a check to the merchant, the Credit Union may pay your check up to your \$400 limit, saving you additional charges from the merchant or a collection company. We will charge our normal NSF fee for each item, and send you a notice each time an overdraft occurs.

How do I sign up?

You do not have to sign up for this privilege as long as your account meets the requirements of our Member Overdraft Privilege policy. We may cover insufficient fund checks, electronic funds transfers, or other payment/withdrawal requests up to your approved limit.

How can Member Overdraft Privilege benefit me?

Member Overdraft Privilege may save you embarrassment and the expense of a returned check when you make an honest mistake in your checkbook, have unplanned expenses, or run short on cash between paydays. Instead of returning checks unpaid, we may automatically pay them for you, up to \$400.

How does Member Overdraft Privilege work?

When we receive an item for payment that causes the balance in your account to go below zero, we may, as a courtesy, pay the check or debit up to \$400 including the overdraft fee. You must bring your account into a positive balance within 30 days.

Is Member Overdraft Privilege a loan?

No. It is a service provided by the Credit Union to help you manage your money. This service can be withdrawn at any time by the Credit Union.

What if I go over my Member Overdraft Privilege limit?

If you exceed the Member Overdraft Privilege limit, any additional items will be returned or declined when presented for payment.

How will I know if I use my Member Overdraft Privilege?

We will mail a notice to alert you when you have activated your Member Overdraft Privilege and overdrawn your account. We will mail periodic reminder letters advising you of your overdraft until you bring your account back to a positive balance.

Is there a charge for Member Overdraft Privilege?

We will charge our standard overdraft fee (NSF fee) of \$25.00 per each overdrawn item as described in our Member Overdraft Privilege Policy. The schedule of charges is also listed in the Rate & Fee Schedule. Don't forget to subtract any fees from your checkbook balance.

How long do I have to bring my account to a positive balance?

You should bring your checking account to a positive balance as soon as possible. You have 30 days maximum to pay any overdraft and associated fees. However, depending on the situation, we can ask for repayment at any time. Any deposit you make or is made automatically will first be applied to any overdrawn balance and associated fees.

What happens if I can't bring my account to a positive balance?

You have up to 30 days to bring your account to a positive balance. If you still have a negative balance at that time, your Member Overdraft Privilege will be suspended or revoked until the account is returned to good standing, regardless if you've reached the \$400 limit or not. If your account balance is negative for 30 days, you could lose checking privileges at this institution.

**See our Member Overdraft Privilege policy for details.*



**MEMBER OVERDRAFT PRIVILEGE
is available to
members with a
checking account
in good standing.**