

## Overdraft Coverage Options Disclosure

It is the policy of Polish & Slavic Federal Credit Union (PSFCU) to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards.

The Membership & Account Agreement (M&AA) and Electronic Funds Transfer Agreement (EFTA) provided to you at the time you opened your account with us controls the duties, obligations and rights of the Depositor, the Authorized Signatories and PSFCU with regard to your checking account. A copy of the M&AA and EFTA are available to you within our online and mobile banking. To log in please visit our website [www.psfcu.com](http://www.psfcu.com) or upon request from PSFCU. This Disclosure provides additional terms and conditions for the Overdraft Privilege Program (ODP) offered through the PSFCU to account holders or authorized signers. If there is a conflict between the terms and conditions of other Agreements and this Disclosure, the terms of this Disclosure will govern the use of ODP. Except where modified by this Disclosure, M&AA, EFTA and any other agreement you have with us remain in effect.

ODP is not a line of credit. ODP allows you to overdraw your account up to the disclosed limit to pay a transaction for a fee. It is different than Auto Transfer that may help prevent overdrafts by automatically transferring funds to your checking account from another account, or line of credit you may have with PSFCU for a fee or finance charge. Please note that checking lines of credit are subject to credit approval.

### Understanding Overdraft Privilege Limits

1. New consumer checking accounts will receive a \$100.00 introductory ODP Limit at account opening. For consumer accounts in good standing, the ODP limit will be increased to \$300.00 or \$500.00 with Direct Deposit after 35 days.
2. New business checking accounts will receive a \$100.00 introductory ODP Limit at account opening. For business accounts in good standing, the ODP limit will be increased to \$500.00 after 60 days.
3. Overdraft Privilege may be reduced/removed 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 35 Days.
4. You must bring your account balance positive for at least one day, to have the full ODP limit reinstated after 35-day period.

With ODP, if you inadvertently overdraw your account, we will have the discretion to pay the overdraft, subject to the limit of your then-existing ODP limit and the amount of the ODP fee. Payment by PSFCU is a discretionary courtesy and not a right of the member or an obligation of PSFCU. We are not obligated to pay any item presented for payment if your account does not contain sufficient available funds. Any discretionary payment by PSFCU of an item such as check, ACH, Bill Payment, or ATM withdrawal does not obligate PSFCU to pay any other overdraft item, or to provide prior notice of its decision to refuse to pay such item. Any and all fees and charges (as set forth in our fee schedule), will generally be included as part of this maximum amount, but it may also be possible that your account will become overdrawn in excess of the ODP amount as a result of the assessment of a fee. Maximum two personal/sole proprietor accounts and maximum one business account per member will qualify for the program.

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

1. We authorize and pay transactions using the Available Balance.
2. Your Account 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.

3. Your Available Balance is the amount available to you to use for purchases, withdrawals, or to cover transactions. The Available Balance is your Account Balance, less any holds due to pending debit card transactions and holds on deposited funds.
4. The balance used for authorizing checks, ACH items, and recurring debit card transactions is your Available Balance plus any available Auto Transfer and ODP limit.
5. The balance used for authorizing ATM and everyday debit card transactions on accounts with Standard Coverage is your Available Balance plus any available Auto Transfer but does NOT include the ODP limit.
6. The balance used for authorizing ATM and everyday debit card transactions on accounts with Extended Coverage is your Available Balance plus any available Auto Transfer and includes the ODP limit.
7. 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 ODP 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 ODP limit is not included in your Available Balance provided through online banking, mobile banking, or ATMs.
8. We will place a hold on your account for any authorized debit card transaction until the transaction settles (usually within two business days) 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 held funds are added to the Available Balance and the transaction is posted to the Available Balance, an ODP Fee may be assessed.
9. Except as described herein, we will not pay items if the Available Balance in your account (including the ODP limit, if applicable) is not sufficient to cover the item(s) and the amount of any fee(s).

The total of the discretionary ODP (negative) balance, which includes any and all fees and charges, such as ODP fees, is due and payable upon demand. Account owners and each authorized signatory will continue to be liable, jointly, and severally, for all overdraft and fee amounts, as described in the M&AA. Our standard ODP fee of \$29.00 will be imposed for overdrafts created by item such as checks, ACH, Bill Pay payments, ATM withdrawals and debit card transactions. Any returned insufficient funds items are subject to a fee of \$29.00 per item (NSF fee). If an item is returned because the available balance in your account is not sufficient to cover the item and the item is presented for payment again, we will charge a Return Item (NSF fee) each time we return the item because it exceeds the available balance in your account. There is no limit on the total NSF fee per day that we will charge. If, on re-resentation 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 ODP fee. The maximum amount of ODP fees that will be charged to a member's personal/sole proprietor account is \$145.00 per day, maximum 5 ODP fees. We will not charge an ODP fee if a personal/sole proprietor account is overdrawn by first \$5.00 or less, for each negative balance term. **These limitations do not apply to business accounts.**

PSFCU in its sole and absolute discretion can cease paying overdraft at any time without prior notice of reason or cause. If you do not maintain your account in good standing, the ODP limit will be reduced to \$100.00 or removed.

For personal/sole proprietor members, PSFCU will not pay overdrafts for ATM withdrawals or everyday debit card transactions unless you have opted in to the ODP Extended Coverage option for payment of these overdrafts.

Both personal/sole proprietor and business members may discontinue having Overdraft Privilege cover future transactions at any time by contacting our Member Services Center at 1.855.PSFCU.4U (1-855-773-2848).

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