

Cooperative Federal offers three options to help you manage your checking account and avoid overdrafts:

- **Automatic Overdraft Transfers from a Savings Account**
- **Automatic Overdraft Transfers from a Line of Credit**
- **Overdraft Courtesy Payment**

Why should I set up overdraft protection?

We understand that the unexpected can happen or that math mistakes can occur, and you may not have enough money in your checking account to cover a transaction. So, when you open your checking account, we ask whether you would like the Credit Union to **automatically transfer from your savings account and/or a line of credit account** to cover overdrafts. You can also choose not to have any overdraft protection. By setting up overdraft protection, you can avoid the credit union's insufficient funds fee, and you can also avoid any collection charges from the merchant, for returning your check or payment.

We also offer an **Overdraft Courtesy Pay Program** that may provide you with an extra level of protection. We recommend that you choose to use funds from your savings account or line of credit to cover any overdrafts as your first line of protection, as the costs for using these funds may be less than the costs involved in using our Overdraft Courtesy Pay program.

Overdraft Courtesy Pay is a benefit that is available for qualified members who OPT-IN to the program. Cooperative Federal will do this for members who have regular deposits knowing that they will have a deposit soon to cover the overdraft. To qualify, you must have had your account open for at least 30 days and receive regular deposits into the account of at least \$300 each month.

What happens when I have Insufficient Funds?

First, we'll try to make an overdraft transfer from your savings or Line of Credit accounts, according to your directions. If those accounts cannot cover the insufficient funds:

- *If you do not opt-in to Overdraft Courtesy Pay:* you will pay a \$30 Returned Item fee and we will return (reject) the item. You may also have to pay additional fees to the merchant.
- *If you opt-in to Overdraft Courtesy Payment:* you will pay a \$25 Overdraft Courtesy Pay fee and the Credit Union may pay the overdraft item (up to \$300).

How does Overdraft Courtesy Pay work?

If you opt-in to Overdraft Courtesy Pay, instead of returning items for insufficient funds, Cooperative Federal may pay overdrafts that are the result of the following types of transactions:

- 1) Checks
- 2) Preauthorized debits
- 3) Other electronic transfers

(Note: Overdraft Courtesy Pay does NOT apply to ATM transactions or Point of Sale debit card transactions.)

As long as your account is in good standing, you may be eligible for coverage up to \$300.00 which includes applicable overdraft fees. Overdraft Courtesy Payments will bring your account negative, and you must promptly bring the account current within 30 days, either through a direct deposit, transfer of funds, or a deposit mailed to or made at one of our branch offices.

The Overdraft Courtesy Pay option is applied only after your other overdraft protection options have been exhausted. Overdraft Courtesy Pay may provide a safety net if you inadvertently make an error and cause your account to be overdrawn. Courtesy Pay is not a loan or line of credit. You will receive notice by email or in writing whenever Courtesy Pay is used to pay an overdraft.

Limitations

As with any service program, certain limitations may apply, as described below:

- The Overdraft Courtesy Pay program is a discretionary, non-contractual courtesy. It is not an obligation of the credit union, and the credit union may refuse to provide the courtesy on any checking account at any time and from time to time.
- The primary member must be 18 years or over.
- The member must have a valid address.
- There cannot be a permanent hold such as a garnishment, levy or large returned item.
- The member cannot have any charged-off loans or be a party in a bankruptcy proceeding.
- The account cannot be classified as dormant (no activity for six months).
- The loans on the account cannot exceed 15 days delinquent.
- The limit is \$300 and if you are negative for more than 15 days, you will become disqualified until you bring your account positive for at least 24 hours.
- You may be disqualified from Overdraft Courtesy Pay if you overdraw your checking account 4 or more days in a given month or if you overdraw your account repeatedly during a consecutive 6-month period.

Your Overdraft Protection Plan

You can sign up for as many overdraft protection options as you'd like. Put a "1" next to the option you'd like to use first, a "2" next to the option you'd like to use second (if any), and a "3" next to the option you'd like to use last (if any).

**** Please note that all available funds in overdraft accounts will show as "available" when you check your available balance at an ATM. ****

Transfer money from my savings account to cover any overdrafts.

No transaction fee.

From which savings account (S1, S2, etc)? If more than one, list in preferred order:

Transfer money from my Line of Credit to cover any overdrafts.

No transaction fee; pay Line of Credit off monthly to avoid interest charges.

From which Line of Credit? If more than one, list in preferred order:

Courtesy Pay - I want Syracuse Cooperative Federal Credit Union to authorize and pay overdrafts on my checks, recurring debit transactions, and electronic transfers, up to the courtesy pay limit. *Fee applies, see current fee schedule for details.*

Signature: _____

Date: _____

Printed Name: _____

Account Number: _____