

What You Need to Know about Overdrafts and Overdraft Fees

An overdraft occurs when the available balance in your account is insufficient to cover a transaction, but we pay it anyway. We can cover your overdrafts in two different ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to a savings account, a line of credit, or a credit card which may be less expensive than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains our standard overdraft practices.

What are the standard overdraft practices that come with my account?

We do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number
- Automatic bill payments (set up using ACH), recurring debit card transactions, and similar transactions

We will not authorize and pay overdrafts for the following types of transactions unless you ask us to:

- ATM transactions
- Everyday debit card transactions

We may pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction. If we do not authorize and pay an overdraft, your transaction will be declined.

What fees will I be charged if Vantage West Credit Union pays my overdraft?

Under our standard overdraft practices:

- We will charge a fee of up to **\$30** each time we pay an overdraft
 - A fee of \$5.00 per item if the resulting negative available account balance is \$10.00 or less; or
 - A fee of \$30.00 per item if the resulting negative available account balance is more than \$10.00.
- There is a limit of 6 fees we can charge you for overdrawing your account per business day.
- The total of the negative balance and discretionary overdraft privilege fees must be paid within 30 days.

What if I want Vantage West Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions?

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, please call us at **520.298.7882** or **800.888.7882**, or complete the opt-in form below and either mail it to: **Vantage West Credit Union, P.O. Box 15115, Tucson, AZ 85708-0115** or present it at any branch.

 I do not want Vantage West Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

I want Vantage West Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Printed Name: _____ Signature _____

Account Number: _____ Date: _____

Discretionary Overdraft Privilege Disclosure

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

The Membership Agreement and Disclosures provided to you at the time you opened your account with us, as amended from time to time, controls the duties, obligations and rights of the member, the joint owners and Vantage West Credit Union with regard to your checking account. The Membership Agreement and Disclosures (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Discretionary Overdraft Privilege Disclosure and the Membership Agreement and Disclosures. A copy of the Membership Agreement and Disclosures is available to you upon request from any Vantage West branch or through our Member Information Center.

Overdraft Privilege is not a line of credit. However, if you inadvertently overdraw your account, we will have the discretion to pay the overdraft, subject to the limit of your Overdraft Privilege, after first subtracting the amount of the overdraft fee(s). Vantage West Credit Union is not obligated to pay any item presented for payment if the available balance in your account is insufficient to cover a transaction. Any discretionary payment by Vantage West Credit Union of an overdraft item does not obligate Vantage West Credit Union to pay any other overdraft item or to provide prior notice of its decision to refuse to pay such item. Overdrafts may be created by checks, debit card purchases, ATM withdrawals, and automated payments or by other electronic means. Checking accounts that are eligible for Overdraft Privilege are automatically enrolled for checks, recurring debit card transactions, ACH transactions, and other electronic transactions. Discretionary Overdraft Privilege should not be viewed as an encouragement to overdraw your account. We encourage you to manage your account responsibly to avoid fees.

Overdrafts. An overdraft occurs, and an overdraft fee is charged, when the **available balance** in your account is insufficient to cover transactions you have made, but we pay the transaction(s) on your behalf.

Non-Eligible Account Types. Discretionary Overdraft Privilege is not available to restrictive accounts including, but not limited to, minor, legal status, certain fiduciary and restricted accounts.

Opt In. Overdraft Privilege is a voluntary service and Vantage West Credit Union will not pay overdrafts for ATM or everyday debit card transaction unless you have opted in to the payment of these overdraft types. If you opt in for coverage, you are able to revoke your consent at any time.

Accounts in Good Standing. Pursuant to Vantage West Credit Union's commitment to always provide you with the best level of service, now and in the future, if your account is maintained in good standing, which includes but is not limited to:

- A) Bringing your account balance to a positive balance within a thirty (30) day period;
- B) Not being in default on any loan or other obligation to Vantage West Credit Union; and
- C) Not being subject to any legal or administrative order or levy.

Vantage West Credit Union will have the discretion to pay overdrafts within your Overdraft Privilege limit. Remember, payment by Vantage West Credit Union is a discretionary courtesy and not a right of the member

or an obligation of Vantage West Credit Union. Vantage West Credit Union reserves the right to revoke Overdraft Privileges at any time without prior notification and to deny the payment of any transaction.

Nonsufficient Funds Fees and Represented Transactions. A non-sufficient funds (NSF) fee will be assessed for each returned item (as set forth in our Fee Schedule). If an item is returned multiple times, you will be assessed multiple NSF fees. You may be charged an Overdraft Privilege, Overdraft Protection, or NSF fee, as applicable, each time a transaction is presented for payment and the available balance is insufficient, even if the transaction was previously rejected and a fee was previously charged. For example, a transaction you authorize (such as a check or an ACH debit) may be presented or submitted for payment multiple times and we will determine whether or not the available balance is sufficient to pay the transaction each time it is presented or submitted. This means you could be charged multiple fees (including multiple NSF fees or a combination of multiple NSF fees and an Overdraft Privilege or Overdraft Protection fee) for one transaction that you authorized. It is the merchant (or other individual or entity), not the Credit Union, that determines when and through which payment channel to present or submit a transaction against your account (and whether to re-present or resubmit a transaction that was previously rejected).

Limits. A daily comprehensive evaluation of your account will determine your Overdraft Privilege limit. Your limit can vary each day and is based on, but not limited to, the following criteria:

- Age of account
- Deposit amounts
- Overdraft activity
- Deposit regularity
- Status of credit union loans
- Open CashPlease loan

Checking Account Balance. Your checking account has two kinds of balances: the “actual” balance and the “available” balance. You can review both balances when you review your account online, at an ATM, by phone, by mobile app, or at a branch. It is important to understand how the two balances work so that you know how much money is in your account at any given time. The actual balance and available balance may differ as the available balance may be reflective of any pending ATM or debit card transactions that have not posted to the account or due to check holds. Transactions will be processed against the available balance in the account at the time of processing and we use the available balance when determining whether a transaction will cause your account to overdraw and for charging overdraft fees.

Your Available Balance is the amount of money in your account that is available to you to use without incurring an overdraft fee. The available balance takes into account things like holds placed on deposits and pending transactions (such as pending debit card purchases) that the Credit Union has authorized but that have not yet posted to your account.

Your Actual Balance is the amount of money that is actually in your account at any given time. It reflects transactions that have “posted” to your account, but it does not include transactions that have been authorized and are pending. While it may seem that the actual balance is the most up-to-date display of the funds that you can spend from your account, this is not always the case. Your account may have purchases, holds, fees, other

charges, or deposits made on your account that have not yet posted and, therefore, will not appear in your actual balance.

It is very important to understand that you may still overdraw your account even though the available balance appears to show there are sufficient funds to cover a transaction that you want to make. This is because your available balance may not reflect all your outstanding checks and automatic bill payments that you have authorized (or other outstanding transactions) that have not yet posted to your account.

How Transactions are posted to your account. Transactions will be processed against the available balance in the account at the time of processing. The actual balance and available balance may differ as the available balance may be reflective of any pending ATM or debit card transactions that have not posted to the account or due to check holds. Transactions may not be processed in the order in which they occurred and the order in which transactions are received and processed may impact the total amount of fees incurred. There are many ways transactions are presented for payment by merchants and we are not necessarily in control of when transactions are received. We may receive multiple deposit and withdrawal transactions on your account in many different forms throughout each business day. This means you may be charged more than one fee if we pay multiple transactions when your account is overdrawn. There is a limit of 6 fees per business day that we can charge you for overdrawing your account.

If you overdraw your account. Each item that overdraws your checking account will be charged an Overdraft Privilege Fee as described in the Fee Schedule. There is a limit of 6 fees per business day that we can charge you for overdrawing your account. The total of the discretionary Overdraft Privilege (negative) balance, including any and all non-sufficient funds/overdraft and other fees and charges is due and payable upon demand, and the member and each joint owner will continue to be liable, jointly and severally, for all such amounts, as described in the Membership Agreement and Disclosures with a maximum repayment period of 30 days. Your next deposit will be used to repay the amount of the overdraft and the overdraft fee(s). If the account is not brought current within the allotted time frame, Vantage West Credit Union, at our discretion, can reduce your limit (including to \$0) or revoke the Overdraft Privilege from the account. In addition, failure to pay can also result in checking account closure.

Again, while Vantage West Credit Union will have the discretion to pay overdrafts on accounts in good standing (as described above), any such payment is a discretionary courtesy and not a right of the member or an obligation of Vantage West Credit Union. Vantage West Credit Union may, in its sole and absolute discretion, cease paying overdrafts at any time without prior notice of reason or cause.

Opt Out. You may opt out of the Overdraft Privilege at any time by contacting our Member Information Center at 520.298.7882 or toll free at 800.888.7882. You can also opt out online at vantagewest.org.

Other Options. Overdraft Protection is available through automatic overdraft transfers from accounts you designate, such as savings, VISA or a line of credit if the available balance in your checking account is insufficient to cover a transaction. Using Online Banking or our Mobile App to keep tabs on your account can also help you avoid overdrafts.