

Overdraft Privilege

Just When You Need It.



Family Security

CREDIT UNION



Insufficient Funds

A SERVICE FOR OUR MEMBERS

What is Overdraft Privilege?

Overdraft Privilege is a discretionary service designed to help prevent your insufficient funds items from being returned or declined. With Overdraft Privilege, we have the option to cover your overdrafts up to your Overdraft Privilege limit (including fees) if you inadvertently overdraw your account. This can save you the embarrassment and inconvenience of a returned or declined item and the fees normally charged by merchants for items returned to them.

Family Security may provide you a specific Overdraft Privilege limit depending on the type of account you have. You will receive a letter after account opening, informing you that Overdraft Privilege has been activated on your account.

Please be aware that the Overdraft Privilege amount is not shown in your available balance, it is not a line of credit and it does not replace existing overdraft options such as drawing funds from another account or line of credit, which may be less expensive alternatives to Overdraft Privilege.

Family Security authorizes and pays transactions using the available balance in your account. The available balance is comprised of the ledger balance (collected funds) less any debit card holds, and does not include any deposited funds on hold. Family Security may place a hold on deposited funds in accordance with our Master Account Agreement and Disclosure. If the funds in the available balance are not sufficient to cover a transaction, any available overdraft protection and/or amount of the Overdraft Privilege limit, may be used to authorize and pay a transaction.

How Does Overdraft Privilege Work?

These are the steps taken when you don't have enough money to cover a transaction:

1. First, we will try to move funds from other overdraft protection sources, such as a savings account or a line of credit.
2. If these resources are unavailable, we may pay the item and overdraw your account up to the amount of your Overdraft Privilege limit (including the overdraft fees).

3. If Overdraft Privilege is utilized, we will charge the standard overdraft fee(s) for each paid item.

4. Finally, you will need to bring your account current within 35 calendar days for at least 24 hours or we will withdraw your Overdraft Privilege.

What Types of Transactions Does Overdraft Privilege Cover?

Type of Transaction	Standard Coverage	Extended Coverage
Checks	Yes	Yes
ACH - Auto Debits	Yes	Yes
Recurring Debit Card Payments	Yes	Yes
Online Bill Pay Items	Yes	Yes
Internet Banking Transfers	Yes	Yes
Telephone Transactions	Yes	Yes
At the Teller Window	Yes	Yes
ATM Withdrawals	*No	*Yes
Everyday Debit Card Purchases	*No	*Yes

*You will need to give your advance consent (opt in) if you want us to authorize and pay overdrafts caused by ATM and everyday debit card transactions. **IMPORTANT:** If you do not give us your prior consent, your ATM or debit card transaction may not be authorized if you have insufficient funds in your account.

How Much Does Overdraft Privilege Cost?

There is no fee for having Overdraft Privilege unless you use it. The Overdraft Fee of \$27 will be imposed for overdrafts created by checks, ACH (Auto-Debits), recurring debit card payments, internet banking transfers, telephone transactions, or everyday debit card purchases. This is the same fee that Family Security charges for items returned to the payee due to insufficient funds.

What if I Don't Want Overdraft Privilege?

You can request to discontinue the Overdraft Privilege service in its entirety at anytime by contacting us at 1-800-239-5515. Without Overdraft Privilege, your insufficient funds items will be returned to the payee and/or declined at the point of purchase. You will be charged the standard NSF fee of \$27 Fee for all returned items.

What if I want Family Security to pay my ATM and everyday debit card overdrafts?

If you want us to authorize and pay overdrafts caused by ATM and everyday debit card transactions, tell us by using one of the following methods:

- please complete the Opt-in Form which is available at any branch, and was given when the account was opened or was mailed to your listed address, and send it to us at:
2204 Family Security Place SW,
Decatur, AL 35603;
- bring it by one of our convenient branch locations;
- call us at 1-800-239-5515;
- login to FSCU@HOME; or
- send us an email at contact.us@myfscu.com.

Additional Information

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 on your account.

We may not pay items under your overdraft privilege if you do not maintain your account in good standing such as:

- not bringing your account to a positive balance within every thirty (35) day period for a minimum of one business day;
- if you default on any loan or other obligation to Family Security; or
- if your account is subject to any legal or administrative order or levy.

Overdraft Privilege does not constitute either a written agreement of an obligation or a prearranged agreement to pay your overdraft. We may withdraw this privilege at any time.

Questions? Call us at 1-800-239-5515.

Overdraft Privilege Options

- **Standard:** checks, ACH, Online Bill Pay, teller, telephone and internet banking and recurring debit card transaction overdrafts covered.
- **Extended:** ATM and everyday debit card overdrafts covered in addition to those listed above. Requires your prior consent.
- **None:** No overdrafts covered. NSF items are returned to the payee or declined.

With Overdraft Privilege vs. Without Overdraft Privilege

<u>With Overdraft Privilege</u>	<u>Without Overdraft Privilege</u>
Written Check Amount: \$50	Written Check Amount: \$50
Overdraft Fee: \$27	NSF/Return Fee: \$27
You Pay: \$77	Merchant Fee (up to): \$40
	2nd NSF/Return Fee* \$27
	You Pay: \$144

*If merchant re-deposits check and funds are still unavailable.

Ways to Cover Overdrafts

The choice is yours. Consider these ways to cover your overdrafts:

<u>Ways to Cover Your Overdrafts</u>	<u>Cost for Each Overdraft</u>
Good account management	\$0
Overdraft Privilege	\$27 per overdraft
Link to savings account	\$5 transfer fee

Even if you elect to have additional forms of overdraft coverage, such as a transfer from a savings account, Overdraft Privilege is still available as secondary coverage if the other sources are exhausted.

For additional money management tips, visit our website at www.myfscu.com.

Overdraft Privilege Summary

- Will consider overdraft payments of up to your approved overdraft privilege limit.
- May be available for eligible checking accounts in good standing.
- Available for checks, Online Bill Pay, ACH transactions, or automatic/pre-authorized debits that you establish (insurance premiums, utility bills, etc.)
- Available for ATM and everyday debit card transactions with your prior consent.
- May enable you to avoid expensive merchant returned-check charges.
- May enable you to avoid having your ATM or debit card transactions declined due to insufficient funds.
- Please note that the balance displayed/printed at the ATM does not include the Overdraft Privilege limit unless two balances appear.
- You must deposit the full amount of the overdraft (within 35 days), including any fees assessed, and maintain a positive balance for at least 24 hours.
- If you have questions about this service or other overdraft coverage options, please talk to one of our Account Service representatives.