

OVERDRAFT PROTECTION

HELPS KEEP YOU FROM OVERDRAWING YOUR CHECKING ACCOUNT

Have you ever made a mistake in your checkbook? To help avoid the embarrassment of checking account overdrafts and the potential for returned checks and declined ATM or debit card merchant purchases, Financial Plus offers several levels of overdraft protection.

- **Overdraft Protection by Loan** is a line-of-credit loan which is accessed to cover a check or ACH transaction overdraft up to the amount of your available credit limit.
- **Overdraft Protection from Savings** allows the transfer of available funds from your designated Savings account(s) to cover a check or ACH transaction overdraft.
- **Courtesy Pay** is a service that provides a cushion permitting you to overdraw your checking account up to an established limit, subject to certain conditions and limitations.

You may elect to apply for the Overdraft Loan Protection and/or designate savings account(s) from which to transfer to cover checking overdrafts. With either of these options, you may designate the order in which funds will be accessed to cover checking account overdrafts. Courtesy Pay may be extended, at the credit union's option, as a final effort to avoid having to return (bounce) a check or ACH transaction for non-sufficient funds (NSF), or decline ATM or debit card merchant purchases.

Overdraft Protection Line-of-Credit

Should the need arise for you to issue checks in excess of your balance (or should you mistakenly issue a check without sufficient funds in your account), the Overdraft Protection Line-of-Credit could prevent not only the embarrassment of returned checks, but also the cost of NSF items.

Here's how it works. If a check or ACH transaction is for more than what is in your checking account, the check or ACH transaction will automatically be covered by advancing funds in \$100 increments up to your available line of credit. You may apply for credit lines of \$300, \$500 or \$1,000. Because this is a line-of-credit loan, your application must be approved before activation. Once approved, this amount becomes a personal reserve that you can use or not use any way you see fit.

It does not cost you anything to have the Line-of-Credit available for you. The only charge involved will be the finance charge if you access the line-of-credit by overdrawing your checking account. The **Annual Percentage Rate is 12.5%** (the daily periodic rate is .03425%). Payments are due on the 28th day of each month. The minimum payment will be 3½% of the outstanding balance, or \$20.00, whichever is greater.

Overdraft Protection Line-of-Credit is an inexpensive way to have peace-of-mind when it comes to your checking account.

Overdraft Protection from Savings

The Overdraft Protection from Savings option authorizes the credit union to automatically transfer funds from your designated savings account(s) to your checking account to cover check or ACH transaction overdrafts. You may set-up multiple savings accounts with the overdraft transfer option and designate the order in which funds will be accessed. However, the entire overdraft amount, plus applicable fees (currently \$3.00) as indicated in the Fee Schedule, must be available from one account, as partial transfers will not be made.

Regulations limit the number of automatic overdraft transfers, transfers and withdrawals made by telephone, by Touch Tone Teller, by Home Financial Services, or by transfer to an authorized third party to a total of six (6) per account, per month.

Courtesy Pay

Members who qualify for Courtesy Pay may overdraw their checking account up to the limit authorized by the credit union, including the fees. (The fee for a Courtesy Pay advance is the same amount as a non-sufficient fund check fee.) This is a courtesy that we offer members as a last step to avoid returning the check or ACH transaction unpaid, or declining an ATM or debit card purchase. Overdraft Advance helps avoid the cost and embarrassment of NSF (bounced) checks, declined ACH transactions, or declined ATM or debit card merchant purchases.

The following transactions are covered under the Courtesy Pay program: 1) checks issued to a third party (not payable to the primary member or joint owner of the account), 2) ACH debits, and 3) merchant purchase with an ATM card or debit card. Transactions and withdrawals at an Automated Teller Machine are not eligible for Courtesy Pay.

Members, 18 years of age and older, may be eligible for Courtesy Pay as long as their accounts remain in good standing*. Checking accounts that have been open for a minimum of 90 days may be eligible for the Courtesy Pay program. Primary members and/or joint owners may request removal of their account from the Courtesy Pay program at any time.

* Good standing is defined as: 1) making regular deposits and bringing their account to a positive balance at least once every 30 days; 2) not being more than 30 days past due on a loan or credit card with Financial Plus; 3) not having caused a loss to Financial Plus and; 4) the account is not subject to any legal or administrative order or levy.

Courtesy Pay is a non-contractual agreement between Financial Plus and its members. We have the right to discontinue the program or withdraw a checking account from the program, at any time or for any reason. We also have the right to limit participation to one account per household. We have the option to either honor an overdraft or return the item unpaid, even though we may have previously paid overdrafts in the past. We will notify members by mail of overdrafts that have been paid through the Courtesy Pay program.

Protect your checking account with confidence knowing that the convenience and peace-of-mind of our Overdraft Protection service is at work for you.

Apply today for Overdraft Protection!

OVERDRAFT PROTECTION APPLICATION

OOPS Proof Your Checking Account

Complete the information below including the "Share Draft Overdraft Options" section. Be sure to identify the order in which you wish to have transfers made to cover overdrafts. Detach the form and mail it (postage paid) back to the credit union or return it to us.

Member Name _____

Account No. _____ Date _____

Address _____ City _____

State _____ Zip Code _____ Phone # _____

Employer _____ Hire Date _____ Income _____

- Weekly
 Monthly
 Annual

SHARE DRAFT OVERDRAFT OPTIONS

Name _____ Acct. # _____ Date _____

The undersigned authorizes Financial Plus Federal Credit Union (Credit Union) to transfer available funds from my share account(s) or overdraft line of credit loan account, as indicated below in priority order, in an attempt to pay an overdraft caused by a share draft or other withdrawal request in my share draft checking account.

If I have chosen the overdraft line of credit loan option below, I further authorize the Credit Union to review my credit history and employment, and to answer questions about your credit experience with me to other creditors. I understand that in the event that my share draft account is overdrawn, and I have chosen the overdraft line of credit loan option, that the Credit Union will consider such overdraft as a request for a loan advance, in multiples of \$100, subject to the terms and conditions of the Line of Credit Contract and Truth-in-Lending Disclosure which I will receive upon approval. Use of my share draft account thereafter will confirm my acceptance of the terms and conditions.

I HEREBY AUTHORIZE ANY JOINT OWNER OF THIS ACCOUNT TO PERFORM TRANSACTIONS AND UNDERSTAND THAT THOSE TRANSACTIONS MAY CREATE AN OVERDRAFT. THE PAYMENT OF WHICH WILL BE MADE ACCORDING TO MY INSTRUCTIONS SET FORTH BELOW. IF THE AUTHORIZED JOINT OWNER PERFORMS TRANSACTIONS RESULTING IN AN OVERDRAFT LINE OF CREDIT LOAN AS AUTHORIZED BELOW, I WILL BE RESPONSIBLE FOR REPAYMENT OF THE LOAN IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE LINE OF CREDIT CONTRACT AND TRUTH-IN-LENDING DISCLOSURE.

Please attempt to pay an overdraft created on my share draft checking account by transferring from the account(s) referenced below and in the order as indicated (1st, 2nd, etc.). I understand that overdrafts will only be paid when the entire overdraft amount, plus applicable fees as indicated in the current Fee Schedule, can be transferred from one account. **Partial transfers will not be made.**

____ Overdraft Protection Line of Credit* _____ Regular Shares/Savings** _____ Hi-Yield** _____ Club Type** _____
Credit limit requested: \$300 \$500 \$1,000 _____ Acct. Type _____

* Subject to the terms and conditions of the Line of Credit Contract and Truth-in-Lending Disclosure.

** Transfers and withdrawals made by telephone, by Touch Tone Teller, by Home Financial Services, by transfer to an authorized third party, or to cover share draft overdrafts will be limited to a total of six (6) such transfers and withdrawals per account, per month.

I authorize the Credit Union to incorporate this authorization as part of my Share Draft Account Agreement.

Signature - Primary Account Owner _____

Date _____

Credit Union Use Only

LOC Approved Limit \$ _____
by _____ date _____

Disclosure:

Delivered Mailed

by _____ date _____



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