

PRIVILEGE PAY DISCRETIONARY OVERDRAFT COURTESY POLICY

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts in different ways:

- We have standard overdraft practices (Privilege Pay) that come with your account, as described below.
- We will automatically transfer from your (S1) share savings.
- We offer an overdraft protection Line of Credit loan which may be less expensive than our standard overdraft practices. To learn more, contact us.

This notice explains our standard overdraft (Privilege Pay) practices.

The standard overdraft practices (Privilege Pay) that come with your account.

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

- Checks and other transactions made using your checking account number.

We do not authorize and pay overdrafts for the following types of transactions unless you ask us to (see below):

- ATM transactions
- Everyday debit card transactions

We 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 United Educators Credit Union pays my overdraft?

Under our standard overdraft practices:

- We will charge you a fee of \$20 each time we pay an overdraft.
- Also, if your account becomes overdrawn for a transaction against non sufficient funds, we will charge a fee of \$20 per transaction.
- There is no limit on the total fees we can charge you for overdrawing your account.

What if I want United Educators Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions (Privilege Pay Plus)?

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, call 1-800-229-2848 or 651-264-0669, send us a Secure Message via Solutions@HOME, or complete the form below and return it to any one of our branch locations.

Privilege Pay Plus Authorization Form

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

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

Printed Name: _____ Date _____ Daytime Phone _____

Personal and Business Checking Accounts:

United Educators Credit Union is not obligated to pay any item presented for payment if your account does not contain sufficient available funds. However, if:

Your S1 or S4 Saving balance is at least \$5 (sub accounts do not qualify), you have a checking account and you are over the age of 21 you automatically qualify for Privilege Pay. However, you must Opt-In to the Privilege Pay Plus services.

For Privilege Pay and Privilege Pay Plus, the total limit including fees is \$1,000.

A Privilege Pay and Privilege Pay Plus fee of \$20.00 will be charged for each item that overdraws your account. There will be no fee charged for everyday debit card transactions \$5.00 or less. Fees incurred will be listed on your monthly statement.

The total Privilege Pay and Privilege Pay Plus balance, including overdrawn amount and all fees, is payable upon demand. If your account is not brought up to a positive balance in 30 days, this service will be suspended.

United Educators Credit Union's ability to absorb losses related to the Privilege Pay Program can be measured one of two ways.

- 2% of total dollar amount of Privilege Pay Services overdraft limit.
- The total dollar amount of Privilege Pay Services used on a given day to \$50,000.00.

The risk tolerance cap is set at which ever amount if greater.

Privilege Pay Services is a discretionary courtesy and not a right or obligation. You have the option to Opt-Out of the service(s), now or in the future, by one of the follow:

- Contact us by phone at 651-264-0669 or 1 800-229-2848.
- Visit any one of our office locations, office hours are Monday – Friday from 8:30 am to 5:00 pm.
- Send a secure message via online banking - Solutions@HOME.
- Mailing your request to any of the branch offices.

In addition, United Educators Credit Union will follow the industry guidelines and ethical standards in regards to this Privilege Pay Service. We publicly affirm that we will NOT engage in the practice of deceptive advertisement, enticement of members to overdraw accounts repeatedly, or failure to inform heavy users of alternative.

The Board of Directors of the United Educators Credit Union adopted and last reviewed this Privilege Pay Discretionary Overdraft Courtesy Policy on January 24, 2011.