

Genco Federal Credit Union - Overdraft Privilege Disclosure

Overdraft Privilege (ODP) is a service we provide to our checking account members to cover inadvertent overdrafts. The service is subject to the eligibility criteria and other constraints as explained below.

- **You are NOT required to have this service on your account**-You may opt-out at any time.
- **The payment of overdrafts is not guaranteed**-With ODP we will generally pay your overdraft items up to \$500.00, however, whether your overdrafts will be paid is discretionary and we reserve the right not to pay. For example, we typically do not pay overdrafts if your account is not in good standing, you are not making regular deposits, or you have too many overdrafts.
- **You will be charged an overdraft fee for each insufficient item paid into overdraft**-You will be charged our normal overdraft or return item fee currently \$28 for each item that is presented. When more than one overdraft item is presented and paid, multiple overdraft fees may be charged. Both the amount of the overdraft items and all other fees, including but not limited to overdraft fees, are included in this limit.
- **Suspension of Overdraft Privilege**- If you overdraw your account, you must return the account to a positive balance within 30 days, or your Overdraft Privilege will be suspended. Your Overdraft Privilege may be suspended if you fail to meet our eligibility criteria and if we believe you are not managing your account in a responsible manner which may harm you or the Credit Union.
- **Deposits to Overdrawn Accounts** - All deposits to overdrawn accounts are applied to the negative balance.
- **Closing of Overdrawn Accounts**-Checking accounts that remain overdrawn for 45 consecutive calendar days will be closed and charged off.
- **Excessive Use** - ODP is not designed to be used as a permanent solution for financial needs. The Credit Union monitors accounts for excessive use and we may remove ODP if we believe you are not managing your account in a responsible manner which may harm you or the Credit Union.

Overdraft Protection Options. There are other overdraft protection options available to you which may be less costly.

| Product/Service | Description | Cost |
|--------------------------------------|--|---------------------|
| <i>Transfer from another account</i> | If you have other accounts with us, you can authorize us in advance to transfer the funds needed to cover overdrafts | \$1.00 per transfer |
| <i>Overdraft Line of Credit</i> | This product requires you to complete an application and approval and Annual Percentage Rate (APR) are based on your credit worthiness and credit score. | 10.9-17.9% A.P.R. |

Eligibility Criteria - No application is required; eligibility is at the discretion of the Credit Union. You may not be granted ODP if:

- Your account has been open for less than 60 days
- Your account type is not eligible
- You are more than 30 days past due on any Credit Union loan or delinquent on any other obligation to the Credit Union
- You are subject to any legal or administrative orders, levy, or are currently a party in a bankruptcy proceeding
- You have an outstanding Overdraft Repayment Plan balance
- Your account is being reviewed for fraudulent activity
- The primary account owner is less than 18 years old
- A ChexSystems or other negative indicator has been reported to us
- Your account is classified as inactive or dormant
- You have an unresolved prior loss with the Credit Union
- We do not have a valid address for you

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Transactions Eligible for Overdraft Privilege Coverage:

| | | |
|------------------|-----------------------------------|-----------------------|
| Checks | ACH transactions | In-person withdrawals |
| Internet banking | Preauthorized automatic transfers | Telephone banking |

***ATM/Everyday Debit Card Transactions** - Even though ATM and everyday debit card transactions are not eligible for overdraft privilege, these types of transactions can overdraw your account due to timing issues or improper merchant authorization. If these types of transactions overdraw your account and abuse becomes evident, GENCO Federal Credit Union may revoke your debit card privileges without notice.

Overdraft Privilege Opt Out - If you do not want to have Overdraft Privilege, simply contact us and we will provide you an opt-out form to remove this benefit from your account. If you opt-out, you may still be charged our \$28.00 returned item fee. Members who receive Social Security, federal direct deposit or any other entitlement benefit must opt-out if they do not want the Credit Union to apply those funds to pay an overdraft.

Payment Order of Items - Items presented for payment may not be processed in the same order as they were received and that order may affect the total fees assessed to your account. Generally the first items that we pay are ATM withdrawals, debit card transactions, and any checks cashed by our employees or that you have written to us. We then pay any items that were submitted electronically, such as ACH items, preauthorized automatic transfers, telephone-initiated transfers and any other electronic transfers. Finally, we pay the remaining items based on dollar amount from the least to the greatest.

NOTE: Holds placed on your available account balance for pending debit card/electronic transactions, including gasoline, hotel/rental car deposits, etc, may reduce your available balance and cause your account to become overdrawn.

Financial Education – The Credit Union believes that financial literacy and education helps consumers make informed decisions. Awareness of personal financial responsibility allows consumers to realize the benefits of responsible money management, understand the credit process and the availability of help if problems occur. www.MyMoney.gov is the federal government’s website for federal financial literacy and education programs, grants and other information. To request a personal financial toolkit, call **1-888-MyMoney**.

Checking Account Agreement - Your account agreement describes the duties, obligations, and rights of depositors, authorized signatories and the Credit Union with regard to your deposit accounts. That account agreement is incorporated herein for all purposes as if it were set forth verbatim as to matters not directly addressed by this disclosure. Your account agreement and this disclosure shall be construed so as to minimize conflicts between them.

Waiver: The Credit Union’s forbearance from, or delay in, exercising any of the Credit Union’s rights, remedies, privileges, or right to insist on your strict performance of any provisions of your account agreement, this ODP disclosure, or any other provision related to your account, shall not be construed to be a current or future waiver of the Credit Union’s rights, remedies or privileges.

Remedy: You and the Credit Union agree that the exclusive remedy and forum for all disputes arising out of the Overdraft Privilege or your or Credit Union’s performance there under, except for matters you or Credit Union take to small claims court, is arbitration by an independent arbitrator pursuant to the applicable rules of the American Arbitration Association, except as prohibited by law.

Effective Date- All information listed in this disclosure is effective April 30, 2016.