



## Canyon State Credit Union Overdraft Privilege Account Disclosure

We believe it is important for you to use your checking account responsibly and to never intentionally overdraw your account. However, we realize that financial shortfalls happen from time to time and we have several options available for you. As a benefit to our members, we offer these useful services to cover you in the event that you overdraw your checking account.

### **Overdraft Protection Options:**

Transfer from another account – You can authorize us to transfer the funds needed to cover your overdraft from other accounts you have with us. Limitations and fees may apply. Please refer to our Truth-in-Savings disclosure and Fee Schedule.

Line of Credit – A line of credit is available to cover overdrafts. This service requires you to complete a loan application and approval is based on your credit worthiness. The amount of your limit varies. Line of Credit advances are transferred in increments equal to the amount needed to cover the presented check or withdrawal.

Overdraft Privilege – Overdraft Privilege is a service we add to your checking account to cover overdrafts to a set limit, subject to the eligibility criteria as explained below. With Overdraft Privilege we will generally pay your overdraft items up to \$500, 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, or you are not making regular deposits, or you have too many overdrafts. When we pay overdraft items for you, you will be charged our normal overdraft fee, currently \$30, for each item that is presented. Both the amount of the overdraft items and all applicable fees, including but not limited to the \$30 overdraft fees, are included in this limit.

### **Overdraft Privilege Disclosure:**

Eligibility Criteria – No application is required for the Overdraft Privilege; eligibility is at the sole discretion of the Credit Union and is based on you managing your checking account in a responsible manner. You will be eligible for the Overdraft Privilege unless:

- 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 balance on an Overdraft Repayment Plan.
- An extended hold is being placed on your checking account or any other account relationship, in which case your Overdraft Privilege will be suspended without prior notice.
- You are a minor.
- A ChexSystems or any other negative indicator is present.
- You have an account that has been opened less than 30 days.
- Your account is a fiduciary trust or escrow account.
- Your account is classified as dormant.
- Your account type is not eligible.
- Your account is being reviewed for fraudulent activity or transactions.
- You have an unresolved prior loss with the Credit Union.
- We do not have a valid address for you.
- You have Overdraft Privilege on another account on which you are the primary account holder.

Suspension/Removal of Privilege – You may be suspended or removed immediately from the Overdraft Privilege if:

- You do not bring your account to a positive balance within a 30 day period.
- You fail to meet our eligibility criteria.
- You have had multiple Overdraft Privilege Repayment Plans within the last two years.
- You have not made payments as agreed.
- If you meet all the criteria listed above, we may still remove the privilege if we believe you are not managing your account in a responsible manner which may harm you or us.

Transactions Eligible For Overdraft Privilege – Overdraft Privilege will be available for all checks written, ACH transactions, preauthorized automatic transfers, internet banking, and telephone banking. Overdraft Privilege will not be available for ATM withdrawals and one-time debit card transactions unless you authorize the Credit Union by selecting the Opt In Option for ATM withdrawals and one-time debit card transactions on the attached Overdraft Privilege Consent

Form and returning it to Canyon State Credit Union. Note: if you have consented to Overdraft Privilege for ATM transactions, please verify your balance before initiating an ATM cash withdrawal. All overdrafts will be subject to our \$30.00 overdraft fee for each withdrawal until the account returns to a positive balance.

Overdraft Privilege Opt Out – You may never need to take advantage of Overdraft Privilege, but you may find it useful in the event of a temporary shortfall. If you do not want to have Overdraft Privilege, simply mark the appropriate selection on the attached form and return it to Canyon State Credit Union. It is important for you to consider that there is no additional cost for Overdraft Privilege and that by opting out you are instructing us to return unpaid all items presented against insufficient funds.

If you opt out, you will still be charged our \$30.00 returned item fee. Members who receive a Social Security, federal direct deposit, or any other entitlement must opt out if they do not want the Credit Union to apply those funds to pay an overdraft.

Payment Order of Items – The order in which items are presented may affect the total fees incurred by a member. Transactions are posted in the order they are presented with the exception of checks which are posted lowest to highest when processed.

Additional Information – Your membership and account agreement describes the duties, obligations, and rights of depositors, authorized signatories and the Credit Union with regard to your deposit accounts. That membership and 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 membership and account agreement and this disclosure shall be construed so as to minimize conflicts between them.

#### Financial Education

The Credit Union believes that financial literacy and education helps consumers make informed decisions. Heightened awareness of personal financial responsibility helps consumers realize the benefits of responsible money management, understanding the credit process and the availability of help if problems occur. Access to GreatPath debt solutions is a benefit to our membership. GreenPath debt solutions can provide education and assistance with managing your finances. Go to our website to learn more. MyMoney.gov is the federal government's website that serves as the one-stop shop for federal financial literacy and education programs, grants and other information. To request a personal financial toolkit, members can call 1.888.MyMoney.

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 membership and account agreement, this Overdraft Privilege 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.

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 as of January 12, 2015.*