



Optional Overdraft Privilege Service Disclosure

An overdraft occurs when you do not have enough Available Balance in your account to cover a transaction at the time the transaction clears, but we pay it anyway. We can cover overdrafts the following ways:

1. We provide Overdraft Savings Transfers which may be less expensive than our other standard overdraft programs. To learn more, see below or ask us about this feature.
2. We also offer an Overdraft Privilege program.

Under Overdraft Privilege, we may pay checks, Point-of-Sale (POS) Debit Card transactions, Automated Teller Machine (ATM) withdrawals, and Automated Clearing House (ACH) transactions presented against your checking account when you do not have enough money available in your account to cover the transaction(s). You must be at least 18 years of age and have had your checking account open for a minimum of 60 days to qualify for the service. You also must have no delinquencies or legal orders against your WUHEFCU accounts in order to qualify.

Eligible members are automatically enrolled (unless service is waived in writing) to pay overdrafts under Overdraft Privilege on checks and other transactions, such as ACH, made using your checking account number and Automatic Bill Payment transactions. We do not authorize and pay overdrafts under Overdraft Privilege on ATM and everyday debit card transactions unless you choose to opt-in. If you want to authorize us to pay overdrafts under Overdraft Privilege on everyday debit card transactions, review this disclosure and the following form, "What You Need to Know about Overdrafts and Overdraft Fees", and complete the form to opt-in. You can present the form at any branch, fax it to 516-441-6753, or mail it to 194 First Street, Mineola, NY 11501

Standard Practices and Fees

1. We will charge a fee each time we pay an overdraft. See WUHEFCU fee schedule for the current fee amount.
2. There is no limit on the total overdraft fees we can charge you.
3. Overdraft Privilege is limited and only available up to your approved limit. Your account may become overdrawn in excess of your limit due to fees. Your limit includes the amount of overdrawn items, Overdraft Privilege fees, and any other transactions that result in overdrawing your account, such as returned deposits and other fees described in our Schedule of Fees and Charges.

Enrolling in Overdraft Privilege does not guarantee that we will pay overdrafts. WUHEFCU pays overdrafts at our discretion. If we do not authorize and pay an overdraft, your transaction will be declined and/or your check/ACH will be returned, unpaid.

Overdraft Savings Transfers

If your checking account does not have sufficient funds to cover a check or ACH transaction, we will first attempt to pay the overdraft through Overdraft Savings Transfers from your linked savings account (your membership savings account), provided you have not waived this service and the linked savings account has funds available, before using Overdraft Privilege. Overdraft Savings Transfers are subject to applicable fees and a transfer/withdrawal limit of six per month. This transfer/ withdrawal limit includes transfers by WUHEFCU to cover overdrafts, your pre-authorized transfer requests, and your

requests for transfers and withdrawals by telephone, through WUHEFCU Home Banking, through the WUHEFCU Mobile App, or by fax.

Transaction Processing and Overdraft Privilege

If we do not cover your overdraft through Overdraft Savings Transfers, we may cover your overdraft through Overdraft Privilege, if you are enrolled in Overdraft Privilege. To determine whether a transaction may cause an overdraft, it is important to understand that your checking account has two kinds of balances: the Current Balance and the Available Balance.

1. Your Current Balance is the amount of money that is actually in your account at any given time but may not be the amount of money you can spend or is available to withdrawal. It reflects transactions that have posted to your account. Your Current Balance does not take into account transactions that you have authorized but have not posted or are pending to post; which would reduce the amount of money you can spend. The Current Balance also does not reflect deposit holds that may have been placed which would also reduce the amount of money you can spend until the holds are released.
2. Your Available Balance is the amount of money in your account that is available to you to use without incurring an overdraft fee. Your Available Balance does take into account deposit holds and some transactions (such as debit card purchases) that you have authorized but have not yet posted. Like your Current Balance, your Available Balance does not reflect transactions (such as outstanding checks or Bill Pay transactions) that have not yet posted to your account.

Assessment of overdraft fees is determined based on the account's Available Balance at the time the transaction is presented for payment, and not based on the Available Balance at the time a transaction is authorized nor the Current Balance at any time.

When you use your WUHEFCU Debit Card to make a purchase, the transaction is authorized based on your Available Balance plus any Overdraft Privilege you have available to you at the time of the purchase. Once a transaction is authorized, a temporary hold is placed on your account for the amount of the purchase; you will see this hold reflected in your Available Balance. This hold does not affect or otherwise adjust your Current Balance. This hold will be removed when the transaction posts to your account or after 2 business days, whichever comes first. Although the hold may be removed after 2 business days, the merchant has up to 180 calendar days to present the transaction for posting. In some cases, the hold may exceed or be less than the amount of the transaction; for example, for some purchases made at gas stations, restaurants, hotels, or for car rentals. Funds subject to a hold are not necessarily the same funds that are ultimately used to pay for a transaction. When the hold is removed, the funds will be added to the Available Balance in your account. If your account is overdrawn after the held funds are returned to the Available Balance and the transaction posts, an Overdraft Privilege fee may be assessed. Please note, however, that even though a transaction has been authorized, it still might result in an overdraft if you initiate other transactions that are processed before it. So, do not consider a transaction authorization as a guarantee there will be sufficient funds in your account to cover the transaction when it posts.

The following scenarios are offered to help you understand Available Balance, Current Balance and the fees that can be incurred. They are for demonstration only and are not inclusive of all possible scenarios that may apply to you.

1. Scenario 1: Your Current Balance is \$100 and your Available Balance is \$100. A check for \$200 is presented for payment. You will be assessed a fee for either returning the item (NSF) or paying the item (Overdraft Privilege) because your Available Balance at the time the transaction was presented for payment is not sufficient to cover the check.
2. Scenario 2: In this scenario, an overdraft can occur even when you have a positive Current Balance. Your Current Balance is \$100 and your Available Balance is \$100. You make a purchase with your debit card at a merchant who submits an authorization of \$35. When we approve the authorization we commit to pay the merchant and reduce your Available Balance to \$65 so that you know this transaction has been authorized. Your Current Balance remains at \$100 because the merchant has not settled against your account yet. Next a check for \$80 is presented for payment. We choose to pay the check using Overdraft Privilege and you are assessed a fee. The determination that this is an overdraft is based on your Available Balance falling below zero (\$65 - \$80 = -\$15) and is not based on your Current Balance which remains positive (\$100 - \$80 = \$20). Next the merchant settles the \$35 transaction against your account. You do not have a sufficient Available Balance to cover this transaction. We pay the \$35 merchant transaction using Overdraft Privilege and you are assessed a fee. In this scenario you drew on unavailable funds twice using Overdraft Privilege and incurred two fees, but both of your items were paid and not returned.
3. Scenario 3: In this scenario, we change Scenario 2 slightly and the outcome is different. Specifically, the difference between scenario 2 and this scenario is how quickly the merchant submits the \$35 transaction. If the merchant settles the \$35 transaction against your account before the \$80 check is presented for payment, your \$35 purchase does not trigger your Overdraft Privilege service or a fee. After your purchase, your Current Balance and Available Balance are \$65. Next an \$80 check is presented for payment against an Available Balance of \$65 which requires drawing on funds which are not available. We choose to process your withdrawal using your Overdraft Privilege and you are assessed a fee. In this scenario you drew on unavailable funds once using Overdraft Privilege and incurred one fee. Your item was paid and not returned.

The Credit Union cannot control how quickly merchants submit transactions. We process merchant authorizations and settlement transactions as we receive them. As mentioned before, Overdraft Privilege is a discretionary courtesy and for ease of understanding in these scenarios we chose to use it to cover the items. If items cannot be covered with Available funds, Overdraft Savings Transfers or Overdraft Privilege they will be returned due to non-sufficient funds (NSF) and you will be charged a fee by the Credit Union and possibly the merchant.

Opting into Overdraft Privilege for debit card transactions may result in your incurring Overdraft Privilege fees for some transactions that we would otherwise pay without assessing a fee. The following is one example:

1. Your Current Balance is \$100 and your Available Balance is \$100. You make a purchase with your debit card at a merchant who submits an authorization of \$35. When we approve the authorization we commit to pay the merchant and reduce your Available Balance to \$65 so that you know this transaction has been authorized. Your Current Balance remains at \$100 because the merchant has not settled against your account yet. Next a check for \$65 is presented for payment and is cleared reducing your Current Balance to \$35 and your Available Balance to \$0. Next the merchant settles the \$35 transaction against your account however, due to an added tip, the debit card transaction settles for \$38. You do not have a sufficient Available Balance to cover this transaction:
 - a. If you have enrolled in Overdraft Privilege to pay overdrafts on Debit Card transactions, this item would exceed your Available Balance and you are assessed a fee. Your item was paid and not returned.
 - b. If you had not enrolled in Overdraft Privilege to pay overdrafts on Debit Card transactions, the Credit Union would settle the item for \$38, since we had given prior authorization for this transaction, reducing your Current and Available Balances to \$-3. No fee would be assessed and the item would be paid and not returned.

Tips to Control Costs for Overdraft Privilege

1. Good account management is the best way to avoid overdrafts.
2. A single larger overdraft will result in just one fee, as opposed to multiple smaller overdrafts.
3. Electronic banking services at WUHEFCU.com and using our apps on your mobile device can help you keep track of your balance.

Restriction of Overdraft Privilege

Overdraft Privilege is not a loan or a line of credit and must be repaid promptly. Should the account remain overdrawn beyond 30 days of the initial transaction posting, Overdraft Privilege will be revoked temporarily and the service frozen. For example, if you overdraft \$100 on the first of the month and \$200 on the 20th, then a total of \$300 plus any fees is due on or before the 30th. The account must have a positive balance for a minimum of one business day to allow the deposited funds to clear and reset the 30-day repayment cycle. If day 30 of the repayment cycle falls on a weekend or holiday, the account must have a positive balance as of the previous business day to be eligible for Overdraft Privilege reinstatement. Should the account remain overdrawn beyond 45 days, this may result in the overdrawn balance being charged off as a loss to WUHEFCU. Such action could result in the checking account being closed and restriction of your membership privileges.

These are not the only circumstances under which Overdraft Privilege may be terminated, and WUHEFCU reserves the right to revoke Overdraft Privilege, permanently or temporarily, at any time and to deny the payment of any transactions without prior notification.

Canceling Your Enrollment in Overdraft Privilege

You have the right to revoke your consent by opting out of Overdraft Privilege at any time in writing at any branch location, by faxing revocation requests to 516-441-6753, or by mailing the requests to: WUHEFCU 194 First Street, Mineola, NY 11501.

What You Need to Know About Overdrafts and Overdraft Fees

An overdraft occurs when you do not have enough Available Balance in your account to cover a transaction at the time the transaction clears, but we pay it anyway; see accompanying disclosure for more details. We can cover overdrafts in two different ways:

1. We provide Overdraft Savings Transfers that may be less expensive than other overdraft programs. To learn more, see the accompanying disclosure or ask us about this feature.
2. We also offer Overdraft Privilege

This form and the accompanying disclosure explain Overdraft Privilege.

What are the standard overdraft practices that come with my account?

With Overdraft Privilege, we may pay overdrafts under Overdraft Privilege, and you will be assessed an Overdraft Privilege fee. Overdraft Privilege is limited; please see the attached Optional Overdraft Privilege Disclosure for details. For eligible members who have not waived this service in writing:

- We do authorize and pay overdrafts for the following types of transactions:
 1. Checks and other transactions made using your checking account number
 2. Automatic Bill Payments
- We do not authorize and pay overdrafts for the following types of transactions unless you choose to participate (opt-in). See below
 1. ATM Transactions
 2. 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.

What fees will I be charged if Winthrop University Hospital Employees Federal Credit Union pays my overdraft?

Under our standard overdraft practices:

- You will be charged a fee of **\$26** each time we pay an overdraft; fee may change in compliance with state and federal law.
- There is no limit on the total fees you can be charged for overdrawing your account.

What if I want Winthrop University Hospital Employees Federal Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions?

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions complete the form below and return to any branch location, fax to 1-330-669-9216, or mail to: PO Box 214 Smithville, OH 44677.

You have the right to revoke your consent at any time

✂

WUHEFCU Optional Overdraft Privilege Service Opt-In		
Name: First Suffix	MI	Last
Account No.	Date (MM/DD/YYYY)	Checking Account Number
<input type="checkbox"/> I <u>do not</u> want WUHEFCU to authorize and pay overdrafts on my ATM and everyday debit card transactions. <input type="checkbox"/> I want WUHEFCU to authorize and pay overdrafts on my ATM and everyday debit card transactions.		
Signature		

You must be at least eighteen (18) years of age or older and have had your checking account open for a minimum of 60 days for Overdraft Privilege to be extended. Other restrictions apply. See Optional Overdraft Privilege Disclosure for details.