



OVERDRAFT COURTESY PAY DISCLOSURE

Effective June 1, 2020

It is the policy of Sterling United Federal Credit Union (SUFCU) to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards. The Deposit Account Agreement and Disclosure provided to you at the time you opened your account with us controls the duties, obligations and rights of the Depositor, the Authorized Signatories, and SUFCU with regard to your checking account. The Deposit Account Agreement, terms, and amendments shall control conflicts that may arise, if any, between any provision of this Overdraft Courtesy Pay Disclosure and the Deposit Account Agreement and Disclosure. A copy of the Deposit Account Agreement and Disclosure is available to you on request from your SUFCU representative.

Courtesy Pay is not a line of credit. However, if you inadvertently overdraw your account, we will have the discretion to pay the overdraft subject to your Courtesy Pay Privilege and the amount of the overdraft fee. SUFCU is not obligated to pay any item presented for payment if your account does not contain sufficient available funds. Any discretionary payment by SUFCU of an overdraft check (or item, such as an ATM withdrawal) does not obligate SUFCU to pay other overdraft checks (or items), or to provide prior notice of its decision to refuse to pay such check (or item).

Pursuant to SUFCU's commitment to provide you with the best level of service, now and in the future, if you are at least 18 years of age and maintain your account in good standing, which includes at least:

- A positive balance in the Primary Share (savings account),
- Being current and in good standing on all Sterling United FCU loans and obligations, and
- Not being subject to any legal or administrative order or levy,

SUFCU will have the discretion to pay overdrafts within the Courtesy Pay Privileges. These payments are a courtesy and not a right of the member or an obligation of SUFCU. A Courtesy Pay Privilege of \$100 will be available after 90 days in good standing. This consumer checking privilege will generally be limited to a maximum overdraft (negative) of \$500. See tier below. All fees and charges, including non-sufficient funds fees (as set forth in our fee schedules and deposit account agreement and disclosure), will be included in the maximum. It may be possible for your account to become overdrawn in excess of the Courtesy Pay amount as a result of the assessment of a fee.

- \$100 at 90 days in good standing
- \$300 at 135 days in good standing
- \$500 at 1 year in good standing

Overdraft Courtesy Pay (negative) balances, including any and all fees and charges (including all non-sufficient funds/overdraft fees), are due and payable on demand. Each Depositor and Authorized Signatory will continue

to be liable, jointly and severally, for all such amounts, as described in the Deposit Account Agreement and Disclosure. Our tiered Overdraft Courtesy Fee (refer to current Schedule of Fees) will be imposed for overdrafts created by checks, ACH, ATM withdrawals, everyday debit card transactions, or by other electronic means.

While SUFCU will have the discretion to pay overdrafts on accounts in good standing (as described above), any such payment is a courtesy and not a right of the member or an obligation of SUFCU. SUFCU in its sole and absolute discretion can cease paying overdrafts at any time without prior notice of reason or cause. If you do not maintain your account in good standing, the Courtesy Pay Privilege will be removed.

SUFCU will not pay overdrafts for ATM or everyday debit card transactions unless SUFCU has provided you with the notice required by §1005.17(b) of Regulation E and you have opted in to the payment of these overdrafts. Members may opt in or out of ATM and debit card transactions at any time. In order to avoid overdrafts due to ATM and everyday debit card transactions, SUFCU will place a hold on your account for any ATM or everyday debit card transaction authorized until the transaction settles. ATM and everyday debit card transactions usually settle within two business days after the transaction is authorized. The amount of the hold will be for the amount authorized or permitted under applicable payment network rules. Holds on authorized ATM and everyday debit card transactions will be removed prior to settlement where required by applicable payment network rules.

Members may discontinue Courtesy Pay at any time by returning the below form to SUFCU.

Mail: Sterling United Federal Credit Union
1330 W Franklin St
Evansville, IN 47710

Phone: (812) 425-0111
Email: sufcu@sufcu.org
Website: www.sufcu.org

Return below to any branch, mail, or email (include last three of member number).

Overdraft Courtesy Pay Opt-Out

By signing below I, _____, understand that I am opting out of Overdraft Courtesy Pay. Therefore, Sterling United Federal Credit Union will not authorize inadvertent overdrafts. I understand I will be charged the standard Overdraft Fee should an overdraft or return occur.

Signature _____ Date _____

Member Number(s) _____