

What You Need to Know About Overdrafts and Overdraft Fees

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 two different ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to another account or a line of credit, which may be less costly than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains our standard overdraft practices.

What are the Standard Overdraft Practices that Come with My Account?

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

- Checks and other transactions made using your checking account number
- Automatic bill payments

We will not authorize and pay overdrafts for the following types of transactions without your consent:

- 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 LA Financial Pays My Overdraft?

Under our standard overdraft practices:

- We will charge you a fee of \$30.00 each time we pay an overdraft.
- We will not charge your account an Overdraft fee if an ATM or everyday debit card transaction overdraws your account by \$10 or less.
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What if I Want LA Financial to Authorize and Pay Overdrafts on My ATM and Everyday Debit Card Transactions?

If you want us to authorize and pay overdrafts on ATM and everyday debit card transactions, complete the "OPT IN" form below and present it at a branch or mail it to: PO Box 6015, Pasadena, CA 91102.

You can revoke your authorization for LA Financial Federal Credit Union to pay these overdrafts at any time — in person or by mail. Your revocation must include both your name and your account number so that we can properly identify your account. If you have any questions you can call our toll-free number at **800.894.1200**.

PLEASE TEAR ALONG THE DOTTED LINE.

Opt In or Opt Out: It's Your Choice to Make

X

Signature

I want LA Financial Federal Credit Union/Havasu Community Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions (OPT IN).

I do not want LA Financial Federal Credit Union/Havasu Community Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions (OPT OUT).

Date

Printed Name

Member #

Checking Account # / Share ID #

Checking Account # / Share ID #

Checking Account # / Share ID #



Terms and Conditions of Discretionary Overdraft Privilege Service:

It is the policy of LA Financial FCU to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards.

This Discretionary Overdraft Privilege Disclosure describes my and your duties, obligations, and rights, with regard to your Discretionary Overdraft Privilege Service. The Account Agreement and Truth-in-Savings Disclosure ("Agreement and Disclosure") (and all amendments thereto) shall control any possible conflict, if any, between any provision of this Discretionary Overdraft Privilege Disclosure and the Agreement and Disclosure.

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

Pursuant to your commitment to always provide me with the best level of service, now and in the future, if my account (primarily used for personal and household purposes) has been open for at least sixty (60) days and, thereafter, I maintain my account in good standing, which includes at least:

- Bringing my account to a positive balance within every thirty (30) day period for a minimum period of 24 hours;
- Not being in default on any loan or other obligation to you;
- Not being subject to any legal or administrative order or levy;
- Not being dormant or inactive;
- Member is not a minor;

then you will have the discretion to pay overdrafts within the Overdraft Privilege limit, but payment by you is a discretionary courtesy and not an obligation of yours. You may, in your sole and absolute discretion, cease paying overdrafts at any time without prior notice of reason or cause.

This privilege applies to consumer checking accounts only and will generally be limited to a maximum of \$600 overdraft (negative) balance. Of course, any and all fees and charges, including,

without limitation, the non-sufficient funds fees (as set forth in your Schedule of Fees and Charges and Agreement and Disclosure), will be included as part of this maximum amount. It may be possible that my account will become overdrawn in excess of the Overdraft Privilege amount as a result of the assessment of a fee. Transactions may not be processed in the order in which they occurred, and the order in which transactions are received and processed may impact the total amount of fees incurred.

The total of the discretionary Overdraft Privilege (negative) balance, which includes any and all fees and charges, including all non-sufficient funds/overdraft fees, is due and payable upon demand, and I will continue to be liable, jointly and severally, for all such amounts, as described in the Agreement and Disclosure. Your standard Overdraft fee of \$30.00 will be imposed for overdrafts created by checks, ACH, ATM withdrawals, everyday debit card transactions, or by other electronic means. You will not charge my account an overdraft fee if an ATM or everyday debit card transaction overdraws my account by \$10 or less.

You will not pay overdrafts for ATM or everyday debit card transactions unless you have provided me with the notice required by section 1005.17(b) of Regulation E and I have opted-in to the payment of these overdrafts. In order to avoid overdrafts due to ATM and everyday debit card transactions, you will place a hold on my 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 as 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.

You also offer overdraft protection plans, such as a link to another account or line of credit, which may be less expensive than your standard overdraft practices. To learn more, I should ask you about these plans.

I may OPT OUT of the Overdraft Privilege services for check, ACH, and debit card bill payment transactions at any time by contacting one of your Member Service Representatives for additional information.