

## What You Need to Know About Overdraft Fees

An overdraft occurs when you do not have enough money in your account to cover a transaction, but with Privilege Pay we pay the overdraft. 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 protections plans, such as a link to a savings account, which may be less expensive than our standard overdraft practices. To learn more ask us about these plans.



### **Our standard overdraft practices are:**

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 **DO NOT** authorize and pay overdrafts for the following types of transactions unless you ask us to (see below):

- ATM Transactions;
- Everyday debit card transactions.

We pay overdrafts at our discretion, which means we do not guarantee that we 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 UNITE Credit Union pays my overdraft?**

Under our standard overdraft practices, we will charge you a fee of \$30 for each overdraft with a \$180 maximum per day.



### **What if I want Unite Credit Union 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, please sign below:

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I want Unite Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Printed: Name: \_\_\_\_\_

Date: \_\_\_\_\_

[Account Number]: \_\_\_\_\_

## Q&A on Privilege Pay

### **What is Privilege Pay?**

Privilege Pay is one of the many benefits of your personal checking account. The service will provide coverage up to a pre-approved amount. Privilege Pay on qualified checking accounts which have been opened for at least 90 days and maintained in good standing.

### **How does Privilege Pay benefit me?**

Privilege Pay saves you embarrassment when you make an honest mistake in your checkbook, have unplanned expenses, or run short on cash between paydays. In-stead of returning checks unpaid, Unite will automatically pay them, up to your Privilege Pay limit.

### **How does Privilege Pay differ from Overdraft Protection?**

If you have established overdraft protection, we will always pay the overdraft by transferring first from your available Share Account or line of credit before using Privilege Pay.

### **How does Privilege Pay work?**

When we receive an item for payment for which there are insufficient funds in your account, we pay it up to your Privilege Pay limit, including the Privilege Pay charge, so you have no additional returned check charges from the merchant.

### **Is Privilege Pay a loan?**

No. The credit union is allowing you to overdraw your account up to your Privilege Pay limit as a non-contractual Privilege. This discretionary service can be withdrawn at any time by the credit union.

### **Is there a monthly fee?**

No. The only time you are assessed a fee is when you overdraw your checking account & Privilege Pay covers the overdrawn amount.

### **Is there a charge for Privilege Pay?**

There is a standard Privilege Pay fee of \$30 per item when you overdraw your checking account. The advantage is that you will avoid having to pay a fee to the merchant.

### **How will I know when my account is over-drawn?**

Periodically, we will send you reminder letter advising you of your overdrawn account until you bring your account to a positive balance. You can always access your account through Home Banking.

### **How long do I have to repay the overdrawn amount?**

You have up to 39 days to pay any overdrawn amount, including Privilege Pay fees. However, depending on the situation, we can ask for repayment at any time. Any deposits you make will first be applied to an overdrawn balance.

### **Will this affect my credit rating?**

There is no effect on your credit rating if you bring your overdrawn account to a positive balance in a timely manner, which we ask you to do within the required 39 days.

### **Do I have to apply for this service?**

No. We automatically cover checks, ACH items, and recurring debits using our standard Privilege Pay Program, which does not require your affirmative consent. **ATM/Debit Cards are not automatically covered by Privilege Pay. To prevent the cancellation of your ATM/Debit Cards you will need to sign the Opt In Form on the reverse side of this form.**