



## GENISYS CREDIT UNION OVERDRAFT POLICY

This policy provides general information about standard overdraft practices at Genisys Credit Union. We may deviate from this policy at our discretion and the policy is subject to change at any time without notice.

**Determination of Available Balance:** Checks and other transactions on your account are paid based on your available balance, and not the actual balance. Your actual balance is the amount of funds in the account at a point in time based on transactions that have posted to the account as of that time. Your available balance is the amount of funds in the account that are available to pay items presented against the account without incurring an overdraft or non-sufficient funds fee or requiring funds from another account. The available balance is generally equal to the actual balance, less the amount of any holds placed on recent deposits, holds placed for other reasons, and holds for pending transactions (such as debit card purchases) that the Credit Union has authorized but that have not yet posted to your account. If an item presented for payment against your account exceeds the available balance, we will treat it as presented against non-sufficient funds even if the actual balance exceeds the amount of the item.

**Order in Which Items Are Paid:** In general, we pay items in the order in which they are received, irrespective of when you issued or authorized the item. Checks and ACH debits may be presented to us in batches or data files, and are paid when we process the data file. Checks in the same data file are processed in the order presented in the file or random order. Checks presented for payment at one of our branches are processed at the time of payment. Debit card transactions are processed when they are transmitted to us, which may occur at the time of the transaction or several days later. The merchant or its processor determines when the transaction will be transmitted to us. When a merchant obtains authorization for a debit card transaction, we place a temporary hold against the funds in the account for the amount of the authorized transaction. In some cases, such as restaurants, gas stations, or car rental transactions, there may be a hold for an initially authorized amount, but the transaction is submitted for a different amount.

**Activity that may cause an insufficient balance:** Insufficient balances may result from (1) Checks; (2) Automated Clearing House (ACH) debits such as online bill payment transactions; (3) Payments authorized by accountholder or other withdrawal requests; (4) Items deposited by the accountholder and returned unpaid by the paying institution; and (4) Imposition of service charges.

**Courtesy Pay Service:** We are not obligated to pay any item presented for payment if the account does not contain sufficient available funds. However, if the account has been opened at least 60 days and the accountholder maintains the account in good standing, defined as (1) Making regular deposits sufficient to cover transaction; (2) Bringing the account to a positive balance at least once every thirty days or less; (3) There are no legal orders outstanding; and (4) Loans are not more than 30 days delinquent, we may, at the Credit Union's sole discretion, pay overdrafts as a courtesy to you. Once qualified for Courtesy Pay and/or opted-in for debit card coverage, we may cover transactions up to \$1000, including any fees for Personal/Business Checking accounts. These limits include non-sufficient funds and/or Courtesy Pay charge(s).

We may refuse to pay an overdraft at any time, even though we may have previously paid overdrafts. We have no obligation to notify you before we pay or return an item. The amount of any overdrafts plus our non-sufficient funds and/or Courtesy Pay charge(s) that you owe us is due and payable immediately. If we pay an overdraft on an account with more than one (1) owner on the signature card, and/or agent, where applicable, drawing/presenting the item, thereby creating the overdraft, they are jointly and severally liable for such overdrafts plus our non-sufficient funds and/or Courtesy Pay charge(s).

**If your account receives a monthly direct deposit benefit check, such as Social Security or VA benefits,** from the United States Government and you do not want us to use funds in this account to pay an overdraft, you must tell us. If you do not want us to pay overdrafts from your account using Courtesy Pay, you have the option of opting out of this program. Contact a Financial Services Rep at (800)521-8440 ext. 5, or at your local branch with questions or to change your election.

**Notification:** Once qualified for this service, a notification will be provided to let you know that this service has been added to your account. We may refuse to pay an overdraft at any time, even though we may have previously paid overdrafts. We have no obligation to notify you before we pay or return an item. As a discretionary program, if it is determined that your account is no longer eligible for this service due to your account no longer being in good standing or any other reason the credit union may determine, we can discontinue this service immediately and notification is not required.

**Limitations:** This feature is available only to personal or business checking accounts (excluding Money Market accounts) for business, personal and household use. We may limit the number of accounts eligible for Courtesy Pay to one account per household/business. Additionally, we reserve the right to not approve any overdrafts against any account until we can verify that the account is being maintained in good standing, as defined above.

**Account Fees:** Whether we pay or return a non-sufficient fund item, your account will be assessed a fee, with either a Courtesy Pay charge or a non-sufficient funds charge, but you will not be charged both fees. Please refer to the current fee schedule for the fee.

**Types of Transactions that Courtesy Pay may cover:** Courtesy Pay, when authorized on your account, may cover checks, and electronic and ACH transactions when funds are not available in your account to cover these items. Transactions authorized with a merchant as a reoccurring debit card transaction may be covered by Courtesy Pay. If you opt in to such coverage, Courtesy Pay can also include Signature and POS debit card purchases.

**Additional Information for Debit Card Use- Determining Available Funds:** When a debit card purchase is authorized, the authorization requires that we verify the funds available in your account. If the funds are not available, but you have sufficient Courtesy Pay available, the transaction may be approved. If Courtesy Pay is used to authorize the transaction, a Courtesy Pay fee will be assessed at the time the transaction posts to your account. This fee will be assessed even if a deposit is made after the authorization is processed and additional funds are in the account at the time of posting. The funds in your account will be held at the time a debit card transaction is authorized for the "purchase" amount plus the Courtesy Pay fee, if the transaction requires the use of Courtesy Pay. Your available balance will be used to determine the payment of any future transactions. A Courtesy Pay fee will be assessed, if the transaction amount exceeds the available balance.