Your Responsibilities for Insufficient Funds & Overdrafts

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Please assure *your available balance* of funds meets all your payment & withdrawal needs!

To assist you in understanding your responsibility to assure there are **sufficient funds to pay all your obligations** on the accounts you have with us, we have summarized your "*available balance*," your "*actual balance*," "the order we pay checks and EFTs," "insufficient funds" and "our overdraft services" below. These five critical issues are addressed in Provision 6 of the Member Service Agreement (MSA) Part 2. It is very important you are aware of these five (5) matters to manage your payments and withdrawals from the account(s) with us. Maintaining sufficient funds in the account(s) with us (i.e., having a sufficient *available balance*) at all times will help you avoid checks, EFTs and other debit transactions being returned unpaid and charges or fees for insufficient funds and overdrafts. Should you have questions about any of these important matters or need to access the MSA Part 2, please contact us anytime we are open for business. You may also access a current version of the MSA Part 2 on our website. We thank you for your attention to this important information, and look forward to serving you!

The overdraft services we provide *help members avoid* the negative consequences of insufficient funds!

Your *Available Balance & Actual Balance* in Accounts with Us

The checks you write and the electronic fund transfers (EFTs) you authorize are paid based on the *available balance* of funds in the checking account you have with us, and not on the *actual balance* of funds in that account. Your *actual balance* is the total amount of funds in an account with us based on the deposits and withdrawals you have made to the account at that time. However, not all of your *actual balance* may be available for your use because of your outstanding purchases, payments or check deposits that have not cleared the account yet. We refer to the funds in the account that are immediately available for your use as your "*available balance*." Your *available balance* is generally equal to the *actual balance*, **less the amount of funds held** for your 1) recent deposits, 2) pending transactions such as debit card purchases, or 3) other reasons. If your check, EFT or other debit transaction is for an amount larger than your *available balance*, we will treat it as presented against insufficient funds and may not pay it even if your *actual balance* exceeds the amount of the check, EFT or other debit transaction. Again, **not all of the *actual balance* is available for payment** because some or the entire amount of funds in the account may be held or committed to pay your outstanding purchases or payments, or may be held for other reasons. Please see Provision 6.i. of the MSA Part 2 for further information. Remember, you can review your available balance any time through online or mobile banking, at an ATM, or by calling us any time we are open.

The Order Checks, EFTs & Other Debits Transactions are Paid

In general, we pay the checks you write and EFTs you authorize in the order they are presented to us for payment, regardless of when you issued or authorized them. Your checks and EFT debits presented in data files are paid when we process the data file. Your checks in the same data file are processed in the order explained in Provision 6.j. of the MSA Part 2, whereas checks presented at our branch are processed at the time of payment. Your debit card transactions (EFTs) are processed when transmitted to us by your merchant or its processor, which may be immediately or days later. You understand your merchant or its processor determines when your transaction is transmitted to us; we do not make that decision. When you authorize your debit card purchase with a merchant, we may place a temporary hold on your funds in the account for the amount specified by the merchant. Often with restaurant, gas station, hotel, car rental and certain other transactions, the hold on funds may be for the initial amount specified by the merchant but the transaction is ultimately submitted in a different amount. You should be certain there are sufficient funds in the *available balance* in an account with us at all times to pay your checks or EFTs or they will be handled according to the insufficient funds and overdraft terms of the MSA. Please see Provision 6.j. of the MSA Part 2 for further information.

Insufficient Funds to Pay Checks, EFTs & Debit Transactions

If the *available balance* of funds in a checking account with us is not sufficient to pay a check, EFT or other debit transaction on the account, we may return it for insufficient funds and require a charge or fee to cover the cost of the return. Insufficient funds to pay checks and EFTs (and other debits) may result from 1) your checks we pay, 2) holds on funds of checks you deposit, 3) your online bill payments (EFT debits), 4) payments you authorize or your withdrawal requests, 5) your deposited checks returned unpaid, and 6) charges for services you request or incur. You understand it is your responsibility to assure the *available balance* in an account with us is sufficient to pay all your checks and EFTs. You also understand we have no duty to notify you if the *available balance* in an account is insufficient to pay your checks and EFTs. We may also pay a check or EFT drawn on an account with insufficient funds and require a charge or fee (though if we pay a check or EFT drawn on an account with insufficient funds, it does not mean we will make such a payment in the future). *If we return an item for insufficient funds, the payee (or the payee's institution) may re-present it. Each presentment against insufficient funds will result in a separate charge or fee.* Finally, if we are repeatedly returning checks, EFTs or other debit transactions for insufficient funds, we may consider that account abuse and terminate the account you have with us. Please see Provision 6.k. of the MSA Part 2 for further information.

The Overdraft Transfer Services We Offer

If you qualify for one of our overdraft transfer services, we may pay your checks or EFTs drawn against an insufficient *available balance* of a checking account by transferring funds from another account you have with us to the checking account. We may also require a charge or fee to cover the cost of this overdraft transfer service. Transfers from account(s) to a checking account are addressed in Provision 6.l. of the MSA Part 2. You understand we may apply funds deposited to the account(s) you have with us to your outstanding overdrafts and charges or fees, regardless of the source of the deposit, including directly deposited government entitlements or benefits such as Social Security deposits. Please see Provision 6.l.1) of the MSA Part 2 for further information.

The Courtesy Pay Services We Offer

If the *available balance* in a checking account with us is insufficient to pay a check and you are in good standing, you may use the privilege of our Courtesy Pay service to have us pay the check(s) up to a set limit as explained in Provision 6.l.2) of the MSA Part 2. To be in good standing requires you to be at least eighteen (18) years of age, not caused a loss and to meet other requirements addressed in this same Provision of the Part 2. If you qualify, we may pay your check overdrafts up to a limit as specified in Provision 6.l.2) for a charge or fee for each overdraft on the account. Additionally, you must also notify us and opt in for this overdraft service to apply to EFTs at ATMs and from non-recurring debit card transactions. If you use this service, we will notify you of the amount paid and charge or fee for each overdraft transaction, and you will have thirty (30) calendar days to reimburse us for paid checks, EFTs and charges or fees. Please be aware if we are presented with checks or EFTs that exceed the amount allowed by our service they may be returned for insufficient funds and we will require a charge or fee. Also be aware that if we are repeatedly presented with checks or EFTs that exceed the amount allowed by our service and are returned for insufficient funds, we may consider that account abuse and terminate the account you have with us. Please see Provision 6.k. of the MSA Part 2 for further information.

Questions? Please contact us anytime we're open for business.

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