



Serving our member-owners since 1955.

Limestone Financial Credit Union  
Overdraft Protection Disclosure

- ∞ Link an account to lower fees. You can link this account to another deposit account. We'll use the money from the linked account to pay transactions that overdraw your account.
- × Sign up for online banking or download our mobile app to assist you with account monitoring.
- ? For more information about your options, call us at 906-341-5866 or visit <https://limestonefcu.com>. For tools to help you make your overdraft decision, visit <https://www.consumerfinance.gov/about-us/blog/understanding-overdraft-opt-choice/>.
- ☐ For PIN & Signature based transactions, overdraft fees are assessed based on the actual balance at the time of settlement. For all other transaction types, overdraft fees are assessed based on the available balance at the time of settlement.
- \$ The fee for transactions paid under Overdraft Protection Program is \$18.00 per item.

By signing below, I acknowledge receipt of the Overdraft Protection Disclosure and agree to the terms and conditions of the Overdraft Protection Program.

\_\_\_\_\_

Member Signature

\_\_\_\_\_

Date



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## Understanding Your Account Balance

Your checking account has two kinds of balances: the actual balance and the available balance. Your actual balance reflects the full amount of all deposits to your account as well as payment transactions that have been posted to your account. It does not reflect checks you have written and are still outstanding or transactions that have been authorized but are still pending. Your available balance is the amount of money in your account that is available for you to use. Your available balance is your actual balance less: (1) holds placed on deposits; (2) holds on debit card or other transactions that have been authorized but are not yet posted; and (3) any other holds, such as holds related to pledges of account funds and minimum balance requirements or to comply with court orders. We use your available balance to determine whether there are sufficient funds in your account to pay items, including checks and drafts, as well as ACH, debit card and other electronic transactions. Pending transactions and holds placed on your account may reduce your available balance and may cause your account to become overdrawn regardless of your actual balance. In such cases, subsequent posting of the pending transactions may further overdraw your account and be subject to additional fees. You should assume that any item which would overdraw your account based on your available balance may create an overdraft. You may check your available balance in online banking/mobile app or at an ATM, by visiting a credit union branch or by calling us at 906-341-5866. Disclosed balances are available balances without the Overdraft Protection limit included.

## How Fees are Posted

Items are authorized based on available balance at the time of transaction. For PIN & Signature based transactions, overdraft fees are assessed based on the actual balance at the time of settlement. For all other transaction types, overdraft fees are assessed based on the available balance at the time of settlement.

## Noncompliance

If Overdraft Protection is removed from your account for noncompliance, it will not be reinstated until your account has six months of activity absent of overdrafts and negative balances.

### **Overdraft Liability**

If on any day the available funds in your Checking account are not sufficient to cover items (including but not limited to checks, electronic debits, ATM withdrawals, and point-of-sale transactions) posted to your account, those items will be handled in accordance with our overdraft procedures or account backup plans you have initiated with us. Limestone Financial Credit Union (LFCU)'s determination of an insufficient account balance may be made at any time between presentation and LFCU's processing deadlines with only one review of the account required. LFCU has no duty to notify you of insufficient funds. Your account will then be subject to a charge for the item whether paid or returned as set forth in the Service Fees Schedule. Except as otherwise agreed in writing, LFCU, by covering any overdraft, does not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time. If LFCU pays an item that would otherwise overdraw your account, you agree to pay the overdraft amount immediately. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payor bank extra time beyond any processing deadline limits. You are responsible for monitoring your account and recording account balances and transactions.

### **Auto Transfer**

We will honor drafts drawn on insufficient funds in any checking account by transferring the necessary funds from your share account, if applicable. We will transfer funds to your overdrawn account in accordance with your written transfer instructions. There is no fee for this service. Transfers from a deposit account will be governed by this agreement. The system does not have the capability to switch between auto transfer and Overdraft Protection, once you access ODP, it is your responsibility to contact us to pay the negative account in full.

### **Discretionary Overdraft Protection**

It is the policy of Limestone Financial Credit Union 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 LFCU with regard to your checking account. The Deposit Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Overdraft Protection Disclosure and the Deposit Account Agreement and Disclosure. A copy of the Deposit Account Agreement and Disclosure is available to you on request.

### Parameters

The Overdraft Protection limit 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 then-existing Overdraft Protection limit plus the amount of the overdraft fee. LFCU is not obligated to pay any item presented for payment if your account does not contain sufficient available funds. Any discretionary payment of an item by LFCU does not obligate us to pay any other item, or to provide prior notice of its decision to refuse to pay such item.

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

- A. Bringing your account to a positive balance within every thirty (30) day period for a minimum period of 1 business day;
- B. Not being in default on any loan or other obligation to LFCU and;
- C. Not being subject to any legal or administrative order or levy

LFCU will have the discretion to pay overdrafts within the Overdraft Protection limits, but payment by us is a discretionary courtesy and not a right of the member or an obligation of LFCU. For regular share draft accounts, an Overdraft Protection limit of \$400.00 will be given 30 days after account opening to eligible accounts. For Members Choice Checking Accounts an Overdraft Protection limit of \$1,000.00 will be given 30 days after account opening to eligible accounts.



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This privilege for member checking accounts will generally be limited to a maximum of the assigned limit (negative) balance. Of course, any and all fees and charges, including without limitation, the non-sufficient funds fees (as set forth in our fee schedules and deposit account agreement and disclosure), will be included as part of this maximum amount. It may be possible that your account will become overdrawn in excess of the Overdraft Protection amount as a result of the assessment of a fee.

The total of the discretionary Overdraft Protection (negative) balance, which includes any and all fees and charges, is due and payable upon demand, and Depositor and each authorized signer will continue to be liable, jointly and severally, for all such amounts, as described in the Deposit Account Agreement and Disclosure. Our standard Overdraft fee of \$18.00 will be imposed for overdrafts created by checks, ACH, ATM withdrawals, debit card transactions, in- person withdrawals, or by other electronic means.

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

LFCU will not pay overdrafts for ATM or everyday debit card transactions unless LFCU has provided you with the notice required by  $\beta$ 1005.17(b) of Regulation E and you have opted in to the payment of these overdrafts. In order to avoid overdrafts due to ATM and everyday debit card transactions, LFCU will place a hold on your account for any ATM or everyday debit card transaction authorized until the transaction clears your account.

ATM and everyday debit card transactions usually clear an account 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 clearing where required by applicable payment network rules.



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### **Limitations**

Overdraft Protection is available only to eligible checking accounts. Checking accounts where the minor is the primary member and business or other non-personal checking accounts are not eligible. We limit the number of accounts eligible for Overdraft Protection to one account per tax identification number.

### **Enhanced Overdraft Protection for All Transactions**

Basic Overdraft Protection for all transactions, excluding ATM and non-recurring Debit card transactions will be used only after any funds have been transferred under the auto transfer agreement have been exhausted. You may contact LFCU at any time to change or remove your Overdraft Protection option.

### **Opt-Out**

Members may discontinue their Overdraft Protection for future transactions at any time by contacting one of our Member Services Representatives or by calling 906-341-5866.

### **Overdraft Policy**

*Keep this notice for future use.*