



#### *Overdrafts*

The categories of transactions for which an overdraft fee may be imposed are those by any of the following means: check, in-person withdrawal, ATM withdrawal, or other electronic means.

#### *Overdraft liability*

If on any day, the available funds in your checking account are not sufficient to cover checks, fees and other items posted to your account, those amounts will be handled in accordance with our overdraft procedures or an overdraft protection plan you have with us. The Credit Union has no duty to notify you if your account does not have funds to cover drafts, fees, or other posted items. Whether the item is paid or returned, your account will then be subject to a charge for the item as set forth in the Service Charge Schedule. Except as otherwise agreed in writing, the Credit Union, by covering one or any overdraft, does not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time. If the Credit Union pays a check 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.

#### *Overdraft protection plan*

If we approve your request for overdraft protection, we will provide an overdraft protection plan for you. We will honor checks and other items drawn on insufficient funds on your checking account by transferring the funds to your checking account. We will transfer funds to your overdrawn account from another account of yours or a loan account as you have directed, or as required under the Credit Union's overdraft protection policy. The fee for overdraft transfers is set forth in the Service Charge Schedule. Transfers from a savings account or checking account will be governed by this Agreement. Transfers from a loan account will be governed by the applicable loan agreement.

#### *Overdraft service (Courtesy Pay)*

The Credit Union may, as a discretionary service and not as a right of yours or our obligation to you, pay overdrafts up to a predetermined limit which will be disclosed to you at the time the service is activated for accounts eligible for this service. In order to qualify for this service, you must meet the following criteria:

- You are at least 18 years or older
- Your account has been open at least 60 days
- Your account is in good standing and you are not in default on any loan obligation to us
- You have a valid address on file

You may choose to opt out of the Courtesy Pay program at any time and discontinue this service by calling us at 317.916.7700.

If qualified, the Credit Union will authorize and pay overdrafts for the following types of transactions:

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

The Credit Union will not authorize and pay overdrafts for the following types of transactions unless you specifically ask us to:

- ATM transactions
- Everyday debit card transactions

If we do not authorize and pay an overdraft, your transaction may be declined. The Credit Union's fees and charges and each paid check or item will be included in this limit. This overdraft balance will not be included or reflected in your actual or "available balance" of your account provided by a teller, at ATM or POS facilities, through online services, or on your periodic statements. This overdraft service is not a line of credit, is not guaranteed, and is independent of any other payment arrangement we may offer. Generally, we will not pay an overdraft for you in excess of any limit we have established for your account type. Also, we may refuse to pay an overdraft for you at any time, even if we have previously paid overdrafts for you. However, we have no obligation to notify you before we pay or return any item. The following transactions ("overdrafts") may be covered under our service: checks, ACH debits and other payments or withdrawals authorized by you, account service charges, pre-authorized drafts, and any other items that may be posted to your account. We reserve the right to pay any checks or items in the order they are presented or received and in accordance with our normal operating procedures for such checks items or transactions. You will be charged an Overdraft charge for each paid overdraft check or item as set forth in our rate and fee schedule. There is no limit on the number of overdrafts paid or fees incurred on any one day. You agree your overdraft balance, including applicable overdraft fees, is due and payable upon demand. If there is more than one owner on an account, all owners are jointly and severally liable for repayment of the overdraft balance. Accounts may be closed for failure to repay overdraft balances and we will report account closures to consumer reporting agencies. The Credit Union offers the overdraft service as a service and convenience to members for incidental overdrafts. We do not encourage you to repeatedly overdraw your account.

#### *How overdrafts can affect you*

It is unlawful to write a check or withdraw funds when you know that your account balance (including an approved Overdraft Protection Agreement with us) is not sufficient to cover the transaction(s). If your withdrawals exceed the available funds in your account, checks or transactions may be returned unpaid. You may incur charges from the merchant as well as the Credit Union. In addition your credit rating can be adversely affected, and many merchants are unwilling to accept checks from customers who have a history of overdrafts. Upon notification of a negative balance, if you do not pay the balance within a reasonable period of time, we may close your account and report the account to a consumer reporting agency. At 35 days the account is sent to an outside collection agency, i.e. TekCollect and ATM/Debit cards are then warm carded. If the account is not brought back up to a positive balance at 45 days the account is then charged off.

Subject to Regulation D monthly electronic transfer limits.

Standard overdraft fee of \$35 per item up to 5 items per day.

Transfer fee of \$6 per overdraft transfer.

1/14/2016