

## Your Responsibilities for Insufficient Funds & Overdrafts



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### Please make sure 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 cover all your obligations** on accounts with us, we have summarized your "*available balance*," your "*actual balance*," "the order we pay checks & EFTs," "insufficient funds" and "our overdraft services" below. These matters are addressed in Provision 6. of the Part 2 of the Member Service Agreement (MSA). You must be aware of these matters to manage your payments and withdrawals from the account(s) you have with us. Maintaining sufficient funds in 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 fees for insufficient funds and overdrafts. Should you have questions about any of these important matters or wish to access the Part 2 of the MSA, please contact us anytime we are open for business. You may also access a current version of the Part 2 on our website ([www.ecu.org](http://www.ecu.org)). We thank you for your attention to this important information, and look forward to serving you!

#### Your Available Balance & Actual Balance in an Account 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 may be held or committed to pay your outstanding purchases or payments, or may be held for other reasons. Please see Provision 6.j of the Part 2 of the MSA for further information.

#### The Order Checks, EFTs & Other Debits Transactions are Paid

In general, we pay items you authorize in the order they are presented to us for payment, regardless of when you issued or authorized the item, with the exception of checks. Your checks and EFT debits presented in data files are paid when we process the data files. Checks in the data file are cleared through your account in order from smallest to largest dollar amount, 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. However, please be aware the hold may expire before your transaction is cleared. Often with restaurant, gas station, 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 Provisions 6.i., k. and l. of the Part 2 of the MSA for further information.

#### Insufficient Funds to Pay Checks, EFTs & Other 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 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 au-

thorize or your withdrawal requests, 5) your deposited checks returned unpaid, and 6) fees 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 that 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 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). 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 Part 2 of the MSA for further information.

#### The Overdraft Transfer Services We Offer

If you elect 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 or loan you have with us to the checking account. Transfers from account(s) to a checking account are addressed in Provision 6.k.1) of the Part 2 of the MSA, whereas transfers from a loan to a checking account are governed by a separate loan agreement. You understand we may apply funds deposited to the account(s) you have with us to your outstanding overdrafts and fees, regardless of the source of the deposit, including directly deposited government entitlements or benefits such as Social Security deposits. Please see Provision 6.j.1) of the Part 2 of the MSA for further information.

#### The Overdraft Privilege Services We Offer

If the *available balance* in a checking account with us is insufficient to pay a check, automatic debit through ACH, or recurring debit card transactions and you meet certain eligibility criteria, you may use our Overdraft Privilege service to have us pay the check, automatic debits through ACH, or recurring debit card transaction up to a set limit as explained in Provision 6.l.2) of the MSA Part 2. ODPP is available on a checking account when (1) the account has been open for 180 days (2) the account has not been overdrawn in the past 30 days and (3) the account must have had at least \$500 in aggregate deposits in the past 30 days. If you qualify, we may pay you check overdrafts up to a limit as specific 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 everyday debit card transactions. If we pay items for you creating a negative balance in your account, repayment is expected immediately. Please be aware if we are presented with checks or EFTs that exceed the amount allowed by our overdraft privilege service they may be returned for insufficient funds and we will require a fee for each check or EFT returned. This service is a courtesy and not a promise to pay. This service can be terminated for any reason listed in Provision 23 of the MSA Part 2. Also be aware that if we are repeatedly presented with checks or EFTs that exceed the amount allowed by our overdraft privilege 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.**