



## Overdraft Services Disclosure

This Overdraft Services Disclosure describes the circumstances when EECU (the credit union) may pay overdrafts in my checking account.

**I authorized the credit union to pay overdrafts and agree to be responsible for the payment of any overdraft fees.**

“Overdraft” means there is not enough “available” balance in my checking account for use. An insufficient available balance may result for several reasons, including: (A) the payment of checks, electronic funds transfers or other withdrawal requests; (B) payments authorized by me; (C) the return, unpaid, of items deposited by me; (D) the imposition of applicable service charges; and (E) the deposit of items, which, according to the credit union’s Funds Availability Policy, are treated as not yet “available” or finally paid.

**If the credit union pays an overdraft, I will be charged an overdraft fee as described in the credit union’s Fee Schedule, such schedule being updated periodically.**

The credit union currently offers two types of services to address overdrafts associated with my checking account. Such services are subject to change without notice.

### **(1) Overdraft Transfer Service (from a share (savings) account)**

The credit union will transfer funds from a share (savings) account to cover an overdraft. In the event I would like to receive more information about the Overdraft Transfer Service, I may speak with a financial center representative or call the Member Contact Center at (817) 882-0800 or (800) 333-9934. **THE OVERDRAFT TRANSFER SERVICE MAY BE A LESS EXPENSIVE ALTERNATIVE TO COURTESY OVERDRAFT PROTECTION.** In accordance with the credit union’s Fee Schedule, as of July 2016, the overdraft transfer fee is \$3 for each time any payment instrument or payment method, including in-person withdrawal, ATM, check, ACH, debit card transaction or other electronic transaction, is presented for payment against an insufficient funds available balance. This fee is subject to change. I will receive advance notice of any fee increase in accordance with state and federal law.

The credit union may receive multiple deposit and withdrawal transactions on my account in many different forms throughout each business day. **THIS MEANS THAT I MAY BE CHARGED MORE THAN ONE OVERDRAFT FEE IF THE CREDIT UNION PAYS MULTIPLE TRANSACTIONS WHEN MY ACCOUNT IS OVERDRAWN. THERE IS NO LIMIT ON THE TOTAL FEES THE**

### **CREDIT UNION CAN CHARGE ME FOR OVERDRAWING MY ACCOUNT.**

### **“AVAILABLE” BALANCE IS USED TO DETERMINE WHEN MY ACCOUNT IS OVERDRAWN.**

#### **(2) Courtesy Overdraft Protection**

##### **A. Checks and ACH Transactions**

This service comes standard with my checking account and allows, but does not obligate, the credit union to pay an overdraft for:

- (i) checks and other transactions made using my checking account number; and
- (ii) automatic bills and ACH transactions.

(While not required by law or the terms of the membership, account, or other applicable agreement, and although this service comes standard with my checking account, the credit union may nevertheless ask that I acknowledge or affirm this Overdraft Services Disclosure (electronically, digitally, or otherwise). Lack of my signature, acknowledgment, or other affirmation (electronically, digitally, or otherwise), does not impact the validity or effectiveness of these disclosures to me. By receipt of these disclosures, or the availability of such disclosures to me, I will be on notice of EECU’s Overdraft Services and agree to its terms.) **Please refer to EECU’s website, [www.eecu.org](http://www.eecu.org), for current disclosures, FAQs, and the most current information on EECU’s Overdraft Services.**

##### **B. ATM and One-Time Everyday Debit Card Transactions**

**(A Separate “Opt-In” is required for the payment of ATM and One-Time Everyday Debit Card Transactions.)**

This service may be available to me provided (1) I have not “opted-out” of the payment of overdrafts for Checks and ACH Transactions and (2) I have “opted-in” for the payment of:

- (i) ATM transactions; and
- (ii) one-time everyday debit card transactions.

If I want the credit union to authorize and pay overdrafts on my ATM and everyday debit card transactions, I must demonstrate my affirmative consent (“opt-in”) by signing a separate form containing certain disclosures required by Regulation E, 12 CFR Part 1005.

In accordance with the credit union’s Fee Schedule, as of March 2017, the Courtesy Overdraft Protection fee is \$34.00 for each time any payment instrument or payment method, including in-person withdrawal, ATM, check, ACH, debit card transaction or other electronic transaction, is presented for payment against an insufficient funds available balance. **THIS MEANS THAT I MAY BE CHARGED MORE THAN ONE OVERDRAFT FEE IF THE CREDIT UNION PAYS MULTIPLE**

**TRANSACTIONS WHEN MY ACCOUNT IS OVERDRAWN. THERE IS NO LIMIT ON THE TOTAL FEES THE CREDIT UNION CAN CHARGE ME FOR OVERDRAWING MY ACCOUNT.** This fee is subject to change. I will receive advance notice of any fee increase in accordance with state and federal law.

**"AVAILABLE" BALANCE IS USED TO DETERMINE WHEN MY ACCOUNT IS OVERDRAWN.**

IMPORTANT INFORMATION: The following is important information regarding my account balance, how transactions are posted to my account, and when an overdraft fee will be charged. I should read these disclosures carefully and retain a copy of them. If I have questions, I should see a financial center representative or call the Member Contact Center at (817) 882-0800 or (800) 333-9934.

**MY CHECKING ACCOUNT BALANCE.** My checking account has two kinds of balances: (1) the "actual" or "current" balance and (2) the "available" balance. Both balance types may be checked when I review my account online, through mobile banking, at an ATM, at a financial center, or if I call the credit union.

It is important to understand how the two balances work so that I know how much money is in my account at any given time. This section explains "actual" and "available" balances and how they work.

### **Actual Balance**

My actual balance (also known as "current" balance) is the amount of money in my account at the beginning of a business day. This amount does not include any pending deposits or withdrawals.

My actual balance reflects transactions that have "posted" to my account, but it does not include transactions that have been authorized and are pending (i.e., "not posted"). While it may seem that the actual balance is the most up-to-date display of the funds that I can spend from my account, this is not always the case. My account may have purchases, holds, fees, other charges or deposits made on my account that have not yet posted and, therefore, will not appear in my actual balance.

**Example of Actual Balance.** If I have a \$100.00 actual balance and I wrote a check for \$60.00, then my actual balance will show \$100.00 because the actual balance does not include the pending check transaction which has not yet posted. While my actual balance is \$100.00, I have already spent \$60.00.

### **Available Balance**

My available balance is the amount of the actual balance that is available to me for use without incurring an overdraft fee

or transfer fee (as applicable). My available balance takes into account holds that have been placed on deposits and pending transactions (such as pending debit card transactions) that the credit union has authorized, but that have not yet posted to my account. **In other words, the available balance is my actual balance less any pending ATM withdrawals, debit card purchases, ACH transaction, checks being processed or other pending withdrawals from my account and less any deposits that are not yet available due to the credit union's funds availability policy.** The available balance does not include checks I have written that have not yet been processed or pre-scheduled debits (e.g., health club dues automatically debited from my account at a certain time each month).

**Example of Available Balance.** If my actual balance and available balance are both \$100 and I swipe my debit card at a restaurant for \$40, the merchant could ask the credit union to pre-authorize the payment. The credit union would place a "hold" on my account for \$40. My actual balance is still \$100 because the debit card transaction has not yet posted to my account; however, my available balance would be \$60 because I have already authorized the \$40 payment to the restaurant. When the restaurant submits the transaction for payment (which could be a few days later and could be for a different amount if I have added a tip), the credit union will post the transaction to my account and my actual balance will be reduced.

### **Example of Overdraft Fee for Insufficient Available Balance.**

If my actual balance and available balance are both \$100 and I swipe my debit card at a restaurant for \$40, a hold is placed on my account and my available balance will be reduced to \$60. My actual balance is still \$100 because the transaction has not yet posted to my account. If a check that I had previously written for \$70 clears through my account before the restaurant charge is sent to the credit union for processing – I will incur an overdraft or transfer fee (as applicable). This is because my available balance was \$60 when the \$70 check was paid. In this case, the credit union may pay the \$70 check under either the overdraft transfer service (if such service is set-up and funds are available) or the courtesy overdraft protection service and charge me the applicable overdraft fee (which, as of March 1, 2017, is \$3 for each overdraft transfer (described above) or \$34 for each time any payment instrument or payment method, including in-person withdrawal, ATM, check, ACH, debit card transaction or other electronic transaction, is presented for payment against an insufficient funds available balance. **THIS MEANS THAT I MAY BE CHARGED MORE THAN ONE OVERDRAFT FEE IF THE CREDIT UNION PAYS MULTIPLE TRANSACTIONS WHEN MY ACCOUNT IS OVERDRAWN. THERE IS NO LIMIT ON THE TOTAL FEES THE CREDIT UNION CAN CHARGE ME FOR OVERDRAWING MY ACCOUNT.** The overdraft fee will also be deducted from my account, further reducing my available balance.

**HOW TRANSACTIONS ARE POSTED TO MY ACCOUNT.** There are basically two types of transactions relating to my account: (1) credits or deposits of money into my account, and (2) debits or payments out of my account. It is important to understand how each is applied to my account so that I know how much money I have and how much is available to me at any given time. This section explains generally how and when the credit union posts transactions to my account.

## **Credits**

Most deposits are added to my account when the credit union receives them. There may be extended holds on certain checks. Thus, my available balance may not reflect the most recent deposits to my account. For details on the availability for withdrawal of my deposits, I should see the section of my membership, account, or other applicable agreement and/or applicable disclosures addressing funds availability.

## **Debits**

There are several types of debit transactions or payments out of my account. Debit transactions are described generally below. There are many ways transactions are presented for payment by merchants, and the credit union is not necessarily in control of when transactions are received.

**Checks.** When I write a check, it is processed through the Federal Reserve system. The credit union receives data files of cashed checks from the Federal Reserve each business day. The checks drawn on my account are compiled from these data files and paid daily. To my benefit, when multiple withdrawals are processed in the same debit posting, items will be processed from the lowest to highest amount.

**ACH Payments.** The credit union receives data files every business day from the Federal Reserve with Automated Clearing House or ACH transactions. These include, for example, automatic bill pays. To my benefit, when multiple withdrawals are processed in the same debit posting, items will be processed from the lowest to highest amount.

**Point of Sale (POS) Debit Card Transactions.** These are transactions where I use my debit card and I enter my personal identification number (PIN) at the time of the sale. They are like ATM withdrawals because money is usually deducted from my account immediately at the time of the transaction.

**Signature Debit Card Transactions.** These are transactions where I make a purchase with my debit card and I do not enter my PIN. In these situations, the merchant may seek prior authorization for the transaction. When that happens, the credit union generally places a temporary hold against the available funds in my account. **The credit union refers to this temporary hold as an "authorization hold," and the amount of the authorization hold will be subtracted from**

**my available balance. Authorization holds are deducted from my available balance, but not my actual balance until the actual debits are received by the credit union.** At some point after I perform the transaction, it is processed by the merchant and submitted to the credit union for payment. This can happen hours or sometimes days after I perform the transaction, depending on the merchant and its processing company. [Please be advised that some lower dollar signature debit card transactions may be processed as a POS transaction (without entry of my PIN), deducting money from my account immediately at the time of the transaction; the credit union has no control over how transactions are processed or routed by a merchant.]

**Please note:** The amount of an authorization hold may differ from the actual payment to the merchant because the final transaction amount may not yet be known to the merchant when the authorization request is submitted to the credit union. For example, if I use my debit card at a restaurant, a hold will be placed in the amount of the bill presented to me, but when the transaction posts it will include any tip that I may have added to the bill. This may also be the case where I swipe my debit card at car rental companies, gas stations, hotels, and other retail establishments. The credit union cannot control how much a merchant asks the credit union to authorize, or when a merchant submits a transaction for payment.

**ATM Withdrawals.** These transactions are like POS debit card transactions because money is usually deducted from my account immediately at the time of the transaction.

**The best way to know how much money I have and avoid paying transfer or overdraft fees is to record and track all of my transactions closely.**

This is a general description of how certain types of transactions are posted. These practices may change, and the credit union reserves the right to pay items in any order it chooses as permitted by law.

## **Credit Union is Not Obligated to Pay Overdrafts.**

The credit union is not obligated to pay any item presented for payment if my account does not contain sufficient available funds. Rather than automatically returning, unpaid, any insufficient funds items that I may have, if my account is in good standing, which includes at least: (A) I am not in default on any loan or other obligation, (B) my account is not continuously overdrawn for more than 20 days, (C) I make regular deposits consistent with past practices, and (D) my account is not the subject of any legal or administrative action, garnishment, order, freeze or levy, the credit union will consider, without obligation on the credit union's part, approving my reasonable overdrafts.

The credit union may refuse to pay an overdraft for me at any time, even though my account is in good standing and even though the credit union has previously paid overdrafts for me. If the credit union does not authorize and pay an overdraft, my transaction will be declined. The credit union has no obligation to notify me before the credit union pays or returns any item. If there is an overdraft paid by the credit union on an account with more than one owner, each owner, and agent if applicable, drawing/presenting the item creating the overdraft, will be jointly and severally liable for such overdrafts plus the overdraft fees. Once my account is overdrawn, I am obligated to bring my account to a positive balance immediately. If my account is not brought positive immediately, the credit union may close my account in accordance with applicable law, report such negative balance to a nationwide specialty consumer reporting agency under the federal Fair Credit Reporting Act (FCRA) and/or refer my account to third party collectors. I am responsible for all costs of collection including, but not limited to, attorneys' fees and costs of court.

**Limitations:** The credit union may, from time to time, limit the number of accounts eligible for overdraft services. Overdraft service, without limitation, is not offered to money market or savings accounts.

**THE OVERDRAFT SERVICE DOES NOT CONSTITUTE A GUARANTEE OR AN ACTUAL OR IMPLIED AGREEMENT BETWEEN THE CREDIT UNION AND ME, NOR DOES IT CONSTITUTE AN ACTUAL OR IMPLIED OBLIGATION OF OR BY THE CREDIT UNION. THE OVERDRAFT SERVICE REPRESENTS A PURELY DISCRETIONARY COURTESY OVERDRAFT THAT THE CREDIT UNION MAY PROVIDE TO ME FROM TIME TO TIME AND WHICH MAY BE CANCELLED, WITHDRAWN OR WITHHELD BY THE CREDIT UNION AT ANY TIME WITHOUT PRIOR NOTICE OR REASON OF CAUSE.**

**"AVAILABLE" BALANCE IS USED TO DETERMINE WHEN MY ACCOUNT IS OVERDRAWN.**

**PLEASE REFER TO EECU'S WEBSITE, [WWW.EECU.ORG](http://WWW.EECU.ORG), FOR CURRENT DISCLOSURES, FAQs AND THE MOST CURRENT INFORMATION ON EECU'S OVERDRAFT SERVICES**

**I may elect to opt-out of the payment of my overdrafts at any time by speaking with a financial center representative or by calling the Member Contact Center at (817) 882-0800 or (800) 333-9934.**



## Acknowledgment

### Overdraft Services for Checks, Automatic Bill Payments & ACH Transactions

Please check the appropriate box:

- Yes**, I have read and understood this Overdraft Services Disclosure and Acknowledgment Form and I agree to the payment of overdrafts for (A) checks and other transactions made using my checking account number and (B) automatic bill payments and ACH transactions.
- No**, I do not want EECU to pay overdrafts for (A) checks and other transactions made using my checking account number and (B) automatic bill payments and ACH transactions.

Printed Name: \_\_\_\_\_ Signature: \_\_\_\_\_

EECU Account Number: \_\_\_\_\_ Date: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Last 4 Digits of Social Security Number: \_\_\_\_\_

**"AVAILABLE" BALANCE IS USED TO DETERMINE WHEN MY ACCOUNT IS OVERDRAWN. I MAY BE CHARGED MORE THAN ONE OVERDRAFT FEE IF THE CREDIT UNION PAYS MULTIPLE TRANSACTIONS WHEN MY ACCOUNT IS OVERDRAWN. THERE IS NO LIMIT ON THE TOTAL FEES THE CREDIT UNION CAN CHARGE ME FOR OVERDRAWING MY ACCOUNT.**

If I don't understand this Overdraft Services Disclosure, or if I have any questions, I can speak with a financial center representative or I may call the Member Contact Center at (817) 882-0800 or (800) 333-9934.

I may elect to opt-out of the payment of my overdrafts at any time by speaking with a financial center representative or by calling the Member Contact Center at (817) 882-0800 or (800) 333-9934.

If I want the credit union to authorize and pay overdrafts on (A) my ATM transactions and (B) one-time everyday debit card transactions, I must demonstrate my affirmative consent ("opt-in") by signing a separate form (EECU's Consent Form for Overdraft Services – ATM & Everyday Debit Card Transactions) containing certain disclosures required by Regulation E, 12 CFR Part 1005.

Complete and Return to EECU:  
P.O. Box 1777, Fort Worth, TX 76101  
Fax: (817) 882-0099, Email: [service@eecu.org](mailto:service@eecu.org)