



**Overdraft Privilege Program**  
(A Discretionary Overdraft Service)  
**April 2022**

**WHAT YOU NEED TO KNOW ABOUT OVERDRAFTS AND OVERDRAFT FEES  
UNDER OUR OVERDRAFT PRIVILEGE PROGRAM**

An overdraft occurs when a member (the “member” or “you”) does not have enough money in an account to cover a transaction, but Greater Texas Federal Credit Union (“Greater Texas,” “we,” or “us”) pays the transaction anyway. We can cover your overdrafts in two different ways as further described in your Membership and Account Agreement and this Overdraft Privilege Program Disclosure:

1. We have standard overdraft practices that come with your account.
2. We also have overdraft protection plans, such as Automatic Overdraft Protection (a service transfers available funds from your designated share and/or loan line of credit account to pay a transaction when your checking account has an insufficient available account balance) and Enhanced Overdraft Privilege (a service that extends the Overdraft Privilege Program to your ATM and everyday (one-time) Visa Check Card transactions with your affirmative opt-in).

This notice explains our Overdraft Privilege Program, which is our standard overdraft practice.

A non-sufficient funds (negative) balance may result from: A) The payment of checks, electronic funds transfers, or other withdrawal requests; B) Payments authorized by the member; C) The return of unpaid items deposited by the member; or D) Our fees/charges. A non-sufficient funds (negative) balance may continue despite deposits to the account when those deposits, according to our Funds Availability Policy, are treated as not yet “available” or finally paid.

It is the policy of Greater Texas to pay all presented items against the “available” funds in an account regardless of the “current” or “actual” posted balance. “Current” or “actual” balances posted in a share draft account may differ from “available” balances as “current” funds periodically become “unavailable.” The distinction between the “available” and the “current” or “actual” balance of your account is described in your Membership and Account Agreement. Your Membership and Account Agreement also describes situations in which “current” or “actual” funds become unavailable and describes the order and manner in which we generally process items on your account. Please refer to your Membership and Account Agreement for these details.

In the event you write a check or initiate an ACH, online bill payment, or recurring debit card transaction and sufficient funds are not available in your eligible account to pay the transaction, and if there are no other sources of overdraft protection available (such as Automatic Overdraft Protection), we will strive to pay your reasonable overdrafts subject to your Overdraft Privilege limit, provided that your account is in good standing and you continue to meet eligibility requirements as described in this Overdraft Privilege Program Disclosure. If you affirmatively opt-in to Enhanced Overdraft Privilege, the Overdraft Privilege Program service will also be extended to your ATM and everyday (one-time) Visa Check Card transactions. Additional information regarding Enhanced Overdraft Privilege and the opt-in process is included at the end of this Overdraft Privilege Program Disclosure.

**Overdrafts under the Overdraft Privilege Program are paid at our discretion, which means that we do not guarantee that Greater Texas will authorize and pay any type of transaction under this Program.** Greater Texas is not obligated to pay any item initiated for payment against your account if your account does not contain

sufficient available funds. However, under the Overdraft Privilege Program, rather than automatically returning all unpaid non-sufficient funds items that you may have, we will consider, without obligation on our part, payment of your reasonable overdraft, up to the applicable Overdraft Privilege limit, including our fees.

If an overdraft is paid, our normal fees and charges including, without limitation, our non-sufficient funds (NSF) or overdraft (OD) fees, as set forth in our Fee Schedule as published on our website, will be charged for each transaction initiated for payment from an account that does not have sufficient available funds. Typically, we will charge our normal NSF/OD fee whether we approve an overdraft item for payment or return it unpaid. There is no limit on the total fees we can charge you for overdrawing your account.

The member will be notified by mail of any non-sufficient funds items paid or returned; however, we have no obligation to notify the member before we pay or return any item. The amount of any overdrafts, including our fees, shall be due and payable to us upon demand.

If we pay an overdraft on an account with more than one (1) owner (as indicated on the account signature card), each owner, and agent if applicable, presenting the item creating the overdraft, shall be jointly and severally liable for such overdrafts, including our fees.

The decision to pay or return a non-sufficient funds item will not be made on a prohibited basis (e.g., race, color, national origin, sex, marital status, or age). The total dollar amount of all overdrafts we will honor is based on the type of account and the Overdraft Privilege limit.

#### **OVERDRAFT PRIVILEGE PROGRAM TERMS**

1) **OVERDRAFT PRIVILEGE PROGRAM ELIGIBILITY:** In order to qualify for the Overdraft Privilege Program, a qualifying account must be maintained in good standing. This requires a current address to be on file, all account owners (as indicated on the account signature card) to be at least 18 years of age, that there be no default on any account-associated loan obligation to us, that the account is not subject to any legal or administrative order, levy or bankruptcy, and that the account is brought to a positive balance (not overdrawn) at least once every 30 days and remains positive for 24 hours through a business day.

2) **OVERDRAFT PRIVILEGE PROGRAM LIMITS:** It is our practice to establish monetary Overdraft Privilege limits based upon a set of qualifying criteria determined internally and in our sole discretion. Even if an account is eligible for the Overdraft Privilege Program, overdrafts, if paid, will generally only be paid up to these limits, and the limits may be adjusted (increased or decreased) at any time. Greater Texas will also determine the manner in which overdraft payments against the limit are calculated. If we determine that an overdraft payment will exceed the limit, as calculated by us, we will refuse to pay the overdraft and return the item for non-sufficient funds.

3) **ELIGIBLE ACCOUNT TYPES:** The account types eligible for the Overdraft Privilege Program are (A) Personal Checking, S8; (B) Business Checking, S8, and (C) Limited Checking, S15.

4) **ELIGIBLE TRANSACTION TYPES:** Each check transaction/ item initiated for payment against an eligible account may be processed by Greater Texas using the assigned Overdraft Privilege limit, including without limitation, checks, ACH, electronic items, Internet/online transactions (for example, bill payment), and if opted-in to Enhanced Overdraft Privilege, ATM and everyday (one-time) Visa Check Card transactions.

5) **LIMITATIONS:** Savings Type Accounts, Money Market Accounts, Representative Payee Accounts, Club Accounts, Trust Accounts, Organization Accounts, Minor Accounts (not of legal age) and Pilot Accounts are not eligible for the Overdraft Privilege Program.

Greater Texas may limit the number of otherwise eligible accounts to one account per household and/or one account per taxpayer ID. The Overdraft Privilege Program cannot be used to pay another debt owed to Greater Texas.

6) **EXCLUSIONS:** Member accounts that have caused Greater Texas to incur a loss, accounts with loans delinquent greater than 20 days to include credit cards, dormant accounts, new accounts less than 30 days and accounts with freezes, liens, levies, garnishments, or under bankruptcy are not eligible for the Overdraft Privilege Program. If Greater Texas receives a notice of an unpaid record from ChexSystems after an account has been opened, we reserve the right to remove and deny overdraft protection under the Overdraft Privilege Program or otherwise. Reinstatement of overdraft protection will be optional at the discretion of management. A ChexSystems report showing no records owing will normally restore overdraft protection to the member.

7) **MEMBER OPT-OUT:** The member may choose at any time not to participate in the Greater Texas Overdraft Privilege Program by completing the appropriate opt-out form available on our website.

8) **ALWAYS A DISCRETIONARY SERVICE:** As indicated above, our Overdraft Privilege Program does not constitute an actual or implied agreement between you and us. Nor does it constitute an actual or implied obligation of ours or by us. This service represents a purely discretionary privilege or courtesy that we may provide to you from time to time and which may be withdrawn or withheld by us at any time without prior notice or reason or cause.

9) **IF YOU NEED HELP:** Of course overdrafts should never be used to finance ordinary or routine expenses – and you should not rely on overdrafts to cover these expenses. If at any time you feel you need help with your financial obligations, please contact us at our posted number or visit your local branch office.

#### **ENHANCED OVERDRAFT PRIVILEGE**

All members with a personal (non-business) checking account must give consent on an appropriate opt-in form available on our website before ATM and everyday (one-time) Visa Check Card transactions are paid through the Enhanced Overdraft Privilege program. Opt-in consent may be given by primary or joint members who are at least 18 years of age. Greater Texas will confirm opt-ins in writing. At any time, members may revoke consent by notifying Greater Texas. We process a revocation request within 3 business days of receipt, and during this period, we may continue paying ATM and everyday (one-time) Visa Check Card transactions through the Enhanced Overdraft Privilege program.