



Overdraft Privilege Program February 2018

(A Discretionary Overdraft Service)

It is the policy of Greater Texas Federal Credit Union (Greater Texas) to comply with applicable laws and regulations, and to conduct business in accordance with applicable safety and soundness standards. The cap for the Overdraft Privilege Program (ODP) shall be 30% of the outstanding balances at any given time on the total share draft accounts.

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; D) Our Fees/Charges; E) The deposit of items which according to our Funds Availability Policy, are treated as not yet 'available' or finally paid.

Greater Texas is not obligated to pay any item initiated for payment against your account if your account does not contain sufficient available funds. 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 your assigned Member Overdraft Privilege limit, including our fees. (See "MEMBER OVERDRAFT PRIVILEGE TIERS" for qualifications and limits.)

All members with a personal (non-business) checking account must give consent on an appropriate Opt-In form before Debit/ATM Card overdrafts are approved through the ODP Program. 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. The credit union will be allowed no more than 3 business days to process a revocation request during which time Debit/ATM overdrafts through ODP will continue to be honored.

It is the policy of Greater Texas to pay all presented items against the "available" funds in the share draft account regardless of the "current" posted balance. "Current" balances posted in a share draft account may differ from "available" balances as "current" funds periodically become "unavailable". "Unavailable" funds may result from: A) Uncollected debit card payments authorized by the member; B) The deposit of items which according to our Funds Availability Policy are treated as not yet "available" or finally paid; C) Holds on funds placed by Greater Texas to comply with an official lien or levy order; D) Any hold on funds placed by Greater Texas as deemed necessary per the terms of the Greater Texas Account Agreement.

Greater Texas reserves the right to establish monetary Overdraft limits based upon a clearly defined set of qualifying criteria for qualified checking accounts (See "MEMBER OVERDRAFT PRIVILEGE TIERS"). Our normal fees and charges including, without limitation, our non-sufficient funds (NSF) or overdraft (OD) fees, as set forth in our fee schedule, will be charged for each transaction initiated for payment from your checking account that does not have sufficient available funds (see "ELIGIBLE ACCOUNT AND TRANSACTION TYPES"). Typically, we will charge our normal NSF/OD fee whether we approve an overdraft item for payment or return it unpaid.

Greater Texas may refuse to pay an overdraft at any time, even if the account is in good standing and even though the credit union may have previously paid overdrafts. The member will be notified by mail of any non-sufficient funds items paid or returned they may have; however, the credit union has no obligation to notify the member before we pay or return any item. The amount of any overdrafts, including our fees, that is owed shall be due and payable upon demand.

If there is an overdraft paid by the credit union on an account with more than one (1) owner on the 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 a Non-Sufficient Funds (NSF) item or to return NSF items 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 the credit union will honor is based on the type of account and qualified limit. (See "MEMBER OVERDRAFT PRIVILEGE TIERS".) Please note that at any given time your account may requalify at a lower limit. These limits may be surpassed if prior approval was granted on a member debit card when funds were available and that approval is later collected against insufficient funds. If the account is not brought to a positive number within 45 days or a Fresh Start repayment Plan is not arranged by the 45th day, the account will be charged off immediately. No interest rate will be charged on the Fresh Start Repayment Plan.

1) MEMBER OVERDRAFT PRIVILEGE TIERS: Qualifications on all tier levels require the account to be maintained in good standing. They require a current address to be on file, member must be at least 18 years of age (Not applicable on business checking), not in default on any loan obligation to us, account is not subject of any legal or administrative order, levy or bankruptcy, and must be brought to a positive balance (not overdrawn) at least once every 30 days and remain positive for 24 hours through a business day.

In addition to the above the following tiers require additional qualifiers.

TIER 1: Limited Checking S15 – \$200 limit

- S15 open for at least 30 days
- Minimum \$300 deposit to S15 every 30 days

TIER 3: Personal / Business Checking S8 - \$900 limit

- S8 open for at least 180 days
- Minimum \$900 deposit to S8 once every 30 days

TIER 2: Personal / Business Checking S8 - \$600 limit

- S8 open for at least 30 days
- Minimum \$300 deposit to S8 every 30 days

TIER 4: Personal / Business Checking S8 - \$1,200 limit

- S8 open for at least one year
- Minimum \$1,500 deposit to S8 every 30 days
- Direct Deposit from employer or retirement plan

2) 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. Greater Texas may limit the number of accounts eligible for Overdraft Privilege Service to one account per household and/or one account per taxpayer ID. Management may make exception to this policy. Overdraft Privilege cannot be used to pay another debt owed to Greater Texas.

3) 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 Overdraft Privilege. If Greater Texas receives a notice of an unpaid record from ChexSystems after an account has been opened, the credit union reserves the right to remove and deny ODP. Reinstatement of ODP will be optional at the discretion of management. A ChexSystems report showing no records owing will normally restore ODP to the member.

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

5) ELIGIBLE TRANSACTION TYPES: Each check transaction/ item initiated for payment against the checking account(s) may be processed by the credit union using the assigned Overdraft Privilege Service limit, including

without limitation, Checks, ACH, Electronic Items, Internet/Online transactions (bill payment), and if opted-in, ATMs, foreign ATMs / Debit Card / Check Card, will also be honored.

6) **OPTIONAL OVERDRAFT PROTECTION SERVICES:** The member may apply for overdraft protection from an established Line of Credit Loan Account and/or funds transfer from a designated asset account.

7) **MEMBER OPT-OUT:** The member may choose at any time not to participate in the Greater Texas Overdraft Privilege Service by completing the appropriate OPT-OUT form.

8) **ALWAYS A DISCRETIONARY SERVICE:** Our Overdraft Privilege Services 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.