

**Options for Covering Unexpected Overdrafts**

Life happens! St. Mary's Credit Union understands that unexpected overdrafts occur from time to time – Overdraft Coverage can help.

**Overdraft Coverage Options**

The choice is yours. Consider these ways to cover overdrafts:

Service	Cost
Overdraft Transfer from Another Deposit Account you have at St. Mary's Credit Union <sup>1</sup>	\$3 fee per transfer
Overdraft Protection Loan <sup>1,2</sup>	Subject to interest
Overdraft Privilege	\$25 Overdraft Fee per item.

**Overdraft Protection** services apply to all transactions and may help prevent overdrafts by automatically transferring funds to your checking account from another account or loan you may have at St. Mary's Credit Union for a fee or finance charge. Please note that overdraft loans are subject to credit approval.

**Overdraft Privilege** allows you to overdraw your account up to the disclosed limit for a fee in order to pay a transaction. Even if you have overdraft protection, Overdraft Privilege is still available as additional coverage if the other protection source is exhausted. Please review the **“What Else You Should Know”** section included with this letter for other important information. **Limit for eligible Consumer Overdraft Privilege Coverage is \$800.00. Limit for eligible Business Overdraft Privilege Coverage is \$1,500.00.**

Transactions Covered with Overdraft Privilege	Standard Coverage (No action required)	Extended Coverage (Your consent required) <sup>3</sup>	<b>If you would like to select Extended Coverage for future transactions:</b> <ul style="list-style-type: none"> <li>• call us at (866) 585-7628</li> <li>• complete the online consent form found at <a href="http://www.bankat-smcu.com">www.bankat-smcu.com</a></li> <li>• visit any branch</li> <li>• complete the enclosed consent form and mail it to us at SMCU, Attn: Deposit Operations, PO Box 729, Marlborough, MA 01752 or fax it to us at (508) 480-6933</li> <li>• log into Online Banking and enroll via the Banking Service Center</li> <li>• log into Mobile Banking and enroll via Banking Services</li> </ul>
Checks	X	X	
ACH - Automatic Debits	X	X	
Recurring Debit Card Payments	X	X	
Online Bill Pay Items	X	X	
Online/Mobile Banking Transfers	X	X	
Telephone Banking	X	X	
Teller Window Transactions	X	X	
ATM Transactions		X <sup>3</sup>	
Everyday Debit Card Transactions		X <sup>3</sup>	

You can discontinue the Overdraft Privilege in its entirety by contacting us at (866) 585-7628, visiting any of our convenient branch locations or sending us a secure message from Online or Mobile Banking.

Sincerely,

St. Mary's Credit Union

<sup>1</sup> Call us at (866) 585-7628, send us a secure message from Online or Mobile Banking, or come by a branch to sign up or apply for these services.

<sup>2</sup> Subject to credit approval.

<sup>3</sup> If you have a Consumer Account, you have the option to choose Extended Coverage, **ATM withdrawals and everyday debit card transactions** will be included with the transactions listed under Standard Coverage. Business accounts are unable to opt-out of extended coverage.

## What Else You Should Know

- A link to another account or an overdraft loan may be a less expensive option than an overdraft. A single larger overdraft will result in just one fee, as opposed to multiple smaller overdrafts. Good account management is the best way to avoid overdrafts. Use our mobile banking, internet banking, and telephone banking services to keep track of your balance. For additional financial education resources, please visit [www.mymoney.gov](http://www.mymoney.gov).
- The \$25.00 Overdraft Fee that is charged if you overdraw your account more than \$10.00 is lower than the fee that is charged if an item is returned as unpaid. If your consumer account is overdrawn by \$10.00 or less, the Overdraft Fee is \$0.00. If multiple items overdraw your account on the same day, each item will be assessed an appropriate Overdraft Fee or a Return Item Fee of \$27.00. All fees and charges will be included as part of the Overdraft Privilege limit amount. Your account may become overdrawn more than the Overdraft Privilege limit amount because of a fee.
- If an item is returned because the available balance in your account is not sufficient to cover the item and the item is presented for payment again, St. Mary's Credit Union will charge a Return Item Fee each time it returns the item because it exceeds the available balance in your account. If, on representation of the item, the available balance in your account is sufficient to cover the item St. Mary's Credit Union may pay the item, and if payment causes an overdraft, charge an Overdraft Fee.
- For consumer accounts, there is a limit of \$150.00 Overdraft Fees per day we will charge. This limit does not apply to Unavailable Funds or Return Item fees. We will not charge an Overdraft Fee if a consumer account is overdrawn by \$10.00 or less. These exceptions do not apply to business accounts.
- Our policy is to process Online transactions, ATM withdrawals and Point-of-Sale (POS) transactions first, in real time as they occur. We process ACH transactions second (credits then debits), in the morning and the evening on the day they are processed. We process checks and similar items third, in serial number order on the day they are processed. We process preauthorized transactions fourth.
- Although under payment system rules, St. Mary's Credit Union may be obligated to pay some unauthorized debit card transactions, St. Mary's Credit Union will not authorize debit card or ATM transactions unless your account's available balance (including Overdraft Coverage Options) is sufficient to cover the transactions and any fee(s).
- Giving us your consent to pay everyday debit card and ATM overdrafts on your consumer account (Extended Coverage) may result in you incurring Overdraft Fees for transactions that we would otherwise be required to pay without assessing an Overdraft Fee. However, this would allow us to authorize transactions up to the amount of your Overdraft Privilege limit and may also help you avoid overdrafts in excess of your available balance that could result in suspension of your debit card. If you consent to Extended Coverage on your consumer account, it will remain on your account until it is otherwise withdrawn.
- St. Mary's Credit Union authorizes and pays transactions using the available balance in your account. St. Mary's Credit Union may place a hold on deposited funds in accordance with the Terms and Conditions of your account agreement(s) and disclosure(s), which will reduce the amount in your available balance. The available balance for checks, ACH items, and recurring debit card transactions is comprised of the ledger balance, less any holds on deposited funds and any debit card holds, plus the amount of the Overdraft Privilege limit and any available Overdraft Protection. The available balance for ATM and everyday debit card transactions on accounts with Standard Coverage is the ledger balance, less any holds on deposited funds and any debit card holds, plus any available Overdraft Protection, but does NOT include the Overdraft Privilege Limit. For accounts with Extended Coverage, the Overdraft Privilege Limit is included in the available balance for authorizing ATM and everyday debit card transactions.
- Please be aware that the Overdraft Privilege amount is not included in your available balance provided through online banking, mobile banking or St. Mary's Credit Union's ATMs.
- St. Mary's Credit Union operates in real time therefore under most circumstances your debit card transactions occur immediately. However, St. Mary's Credit Union may place a hold on your account for any authorized debit card transaction until the transaction settles (usually within two business days) or as permitted by payment system rules. In some cases, the hold may exceed the amount of the transaction. When the hold ends, the funds will be added to the available balance in your account. If your account is overdrawn after the held funds are added to the available balance and the transaction is posted to the available balance, an Overdraft Fee may be assessed.
- Except as described herein, St. Mary's Credit Union will not pay items if the available balance in your account (including the Overdraft Privilege limit, if applicable) is not sufficient to cover the item(s) and the amount of any fee(s).
- St. Mary's Credit Union may suspend your debit card if you incur overdrafts in excess of the available balance in your account, including any Overdraft Privilege limit (as described herein). Debit cards on your account will remain suspended until you make sufficient deposits so that your available balance, taking into account any Overdraft Privilege limit, is positive and then you contact us.
- St. Mary's Credit Union may also suspend your debit card if your account is overdrawn more than 32 consecutive calendar days. Debit cards on your account will remain suspended until you make sufficient deposits so that your account balance is positive and then you contact us to have your card reinstated.
- St. Mary's Credit Union may also suspend your debit card if we are unable to contact you due to an incorrect mailing address or phone number(s). You must contact us with your correct mailing address and/or phone number(s) to have your debit card reinstated.
- If your debit card is suspended, you will be unable to use your debit card(s) for purchases or to access your account(s) associated with the debit card(s) at the ATM while your debit card is suspended. If you use your debit card for recurring payments, e.g., utilities, you are responsible to make other arrangements for your recurring debit payment(s).
- An Overdraft Privilege limit of \$800.00 will be granted to eligible consumer checking accounts opened at least 35 days in good standing.
- An Overdraft Privilege limit of \$1,500.00 will be granted to eligible Business Checking accounts opened at least 35 days in good standing.
- Overdraft Privilege is not an overdraft loan; it is a discretionary overdraft service that can be withdrawn at any time without prior notice.
- Overdraft Privilege may be suspended if you default on any loan or other obligation to us, your account becomes subject to any legal or administrative order or levy, or if you fail to maintain your account in good standing by not bringing your account to a positive balance within 32 days for a minimum of one business day. You must bring your account balance positive for at least one business day to have the Overdraft Privilege limit reinstated.
- Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all overdraft and fee amounts, as described in the Terms and Conditions of your account agreement(s) and disclosure(s). The total (negative) balance, including all fees and charges, is due and payable upon demand.

If you have any questions about Overdraft Protection or Overdraft Privilege, please call us at 866-585-7628 or visit a branch.