

OVERDRAFT COVERAGE OPTIONS: OVERDRAFT PROTECTION AND OVERDRAFT PRIVILEGE

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 ¹	\$3 fee per transfer
Overdraft Loan ^{1, 2}	Subject to interest
Overdraft Privilege Standard or Extended	\$25 Overdraft Fee per item presentment*

¹Contact 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.

²Subject to credit approval.

*** Per item presentment means each time an item is presented, including representation.**

Overdraft Protection applies 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 to pay a transaction. Even if you have Overdraft Protection, Overdraft Privilege is still available as secondary coverage if the other protection source is exhausted. Please review **What Else You Should Know** for other important information.

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

*If you choose Extended Coverage on your consumer account, **ATM transactions and everyday debit card transactions** will be included with the transactions listed under Standard Coverage. If you already have Overdraft Privilege Extended Coverage, it is not necessary to request it again. Business accounts automatically have Extended Coverage.

You can discontinue Overdraft Privilege in its entirety by contacting us at (866) 585-7628 or sending us a secure message from Online or Mobile Banking.

Sincerely,

St. Mary's Credit Union

WHAT ELSE YOU SHOULD KNOW

- A link to another account or an overdraft loan may be less expensive than an overdraft. A single larger overdraft will result in one fee, instead of multiple smaller overdrafts. Use our mobile, internet, and telephone banking services to track your balance. For financial education resources, please visit www.mymoney.gov.
- The \$25 Overdraft Fee that is charged if you overdraw your account by more than \$10 is lower than the fee that is charged if an item is returned as unpaid. 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. 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.
- Recipients of federal or state benefits payments who do not wish us to deduct the amount overdrawn and the Overdraft Fee from funds that you deposit or that are deposited into your account may call us at (866) 585-7628 to discontinue Overdraft Privilege.
- If an item is returned because the Available Balance (as defined below) in your account is not sufficient to cover the item and the item is presented for payment again, St. Mary's Credit Union ("We") will charge a Return Item Fee each time it returns the item because it exceeds the Available Balance in your account. Because we may charge a Return Item Fee each time an item is presented, **we may charge you more than one fee for any given item as a result of a returned item and representment of the item.** When we charge a Return Item Fee, the charge reduces the Available Balance in your account and may put your account into (or further into) overdraft. If, on representment of the item, the Available Balance in your account is sufficient to cover the item we may pay the item, and, if payment causes an overdraft, charge an Overdraft Fee.
- For consumer accounts, there is a limit of 6 Overdraft Fees (\$150) per day we will charge. This limit does not include Unavailable Funds Fee – Paid, Unavailable Funds Fee - Returned or Non-sufficient Funds Fee- Returned Items. We will not charge an Overdraft Fee if a consumer account is overdrawn by \$10 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. However, because of the many ways allow you to access your account, the posting order of individual items may differ from these general policies. Holds on funds (described herein) and the order in which transactions are posted may impact the total amount of Overdraft Fees or Return Item Fees assessed.
- Overdraft Privilege is not an overdraft loan; it is a discretionary overdraft service that can be withdrawn at our discretion at any time without prior notice.
- 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.
- We may be obligated to pay some debit card transactions that are not authorized through the payment system but which we are required to pay due to the payment system rules, and as a result you may incur fees if such transactions overdraw your account. However, we 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. If you consent to Extended Coverage on your consumer account, it will remain on your account until it is otherwise withdrawn either by you or by St. Mary's Credit Union.

Understanding your Available Balance: Your account has two kinds of balances: the Actual Balance (sometimes called your Ledger Balance) and the Available Balance.

- We authorize and pay transactions using the Available Balance.
- Your Ledger Balance reflects the full amount of all deposits to your account as well as payment transactions that have been posted to your account. It does not reflect checks you have written and are still outstanding or transactions that have been authorized but are still pending.
- Your Available Balance is the amount available to you to use for purchases, withdrawals, or to cover transactions. The Available Balance is your Ledger Balance, less any holds due to pending debit card transactions and holds on deposited funds.
- The balance used for authorizing checks, ACH items, and recurring debit card transactions is your Available Balance and any available Overdraft Protection plus the amount of the Overdraft Privilege limit .
- The balance used for authorizing ATM and everyday debit card transactions on accounts with Standard Coverage is your Available Balance plus any available Overdraft Protection but does NOT include the Overdraft Privilege limit.
- The balance used for authorizing ATM and everyday debit card transactions on accounts with Extended Coverage is your Available Balance plus any available Overdraft Protection and includes the Overdraft Privilege limit.
- Because your Available Balance reflects pending transactions and debit holds, your balance may appear to cover a transaction but later upon settlement it may not be sufficient to cover such transaction. In such cases, where a transaction was approved with a positive available balance, but settlement occurs against a negative available balance, the transaction may further overdraw your account but would not be subject to additional overdraft fees. You should assume that any item which would overdraw your account based on your Available Balance may create an overdraft. Note that we may place a hold on deposited funds in accordance with our Deposit Account Agreement and Disclosure, which will reduce the amount in your Available Balance.
- 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.

- We will 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, we 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 brought positive for one business day and then you contact us to reinstate your debit card.
- 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 for at least one business day and you contact us to reinstate your debit card.
- 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 for purchases or to access your account at the ATM, and 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).

Understanding Overdraft Privilege Limits

- An Overdraft Privilege limit of \$800 will be granted to eligible consumer checking accounts opened at least 35 days in good standing.
- An Overdraft Privilege limit of \$1,500 will be granted to eligible Business Checking accounts opened at least 35 days in good standing.
- 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.

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