



P.O. Box 883  
Oak Ridge, TN 37831-0883  
[enrichmentfcu.org](http://enrichmentfcu.org)

## Discretionary Courtesy Overdraft Disclosure

It is the policy of Enrichment Federal Credit Union to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards.

The Deposit Account Agreement and Disclosure provided to you at the time you opened your account with us controls the duties, obligations and rights of the Depositor, the Authorized Signatories and Enrichment Federal Credit Union with regard to your checking account. The Deposit Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Discretionary Courtesy Overdraft Disclosure and the Deposit Account Agreement and Disclosure. A copy of the Deposit Account Agreement and Disclosure is available to you on request from your Enrichment Federal Credit Union officer.

The Courtesy Overdraft is not a line of credit. However, if you inadvertently overdraw your account, we will have the discretion to pay the overdraft, subject to the limit of your Courtesy Overdraft and the amount of the overdraft fee. Enrichment Federal Credit Union is not obligated to pay any item presented for payment if your account does not contain sufficient available funds. Any discretionary payment by Enrichment Federal Credit Union of an overdraft check (or item, such as an ATM withdrawal) does not obligate Enrichment Federal Credit Union to pay any other overdraft check (or item), or to provide prior notice of its decision to refuse to pay such check (or item).

Pursuant to Enrichment Federal Credit Union's commitment to always provide you with the best level of service, now and in the future, if you maintain your account in good standing, which includes at least:

- A) Bringing your account to a positive balance once within every thirty (30) day period
- B) Not being in default on any loan or other obligation to Enrichment Federal Credit Union and
- C) Not being subject to any legal or administrative order or levy

Enrichment Federal Credit Union will have the discretion to pay overdrafts within the Courtesy Overdraft limit, but payment by Enrichment Federal Credit Union is a discretionary courtesy and not a right of the member or an obligation of Enrichment Federal Credit Union. Enrichment Federal Credit Union in its sole and absolute discretion can cease paying overdrafts at any time without prior notice of reason or cause.

This privilege for consumer checking accounts will generally be limited to a maximum of \$750 overdraft (negative) balance. This privilege for commercial accounts will generally be limited to a maximum of \$750 overdraft (negative) balance. Of course, any and all fees and charges, including without limitation the non-sufficient funds fees (as set forth in our fee schedules and deposit account agreement and disclosure), will be included as part of this maximum amount. It may be possible that your account will become overdrawn in excess of the Courtesy Overdraft amount as a result of the assessment of a fee.

The total of the discretionary Courtesy Overdraft (negative) balance, which includes any and all fees and charges, including all non-sufficient funds/overdraft fees is due and payable upon demand, and Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all such amounts, as described in the Deposit Account Agreement and Disclosure. Our standard Overdraft fee of \$30 will be imposed for overdrafts created by checks, ACH, ATM withdrawals, everyday debit card transactions, in-person withdrawals, or by other electronic means. Transactions may not be processed in the order in which they occurred and the order in which transactions are received and processed may impact the total amount of fees incurred.

For our consumer members, Enrichment Federal Credit Union will not pay overdrafts for ATM or everyday debit card transactions unless Enrichment Federal Credit Union has provided you with the notice required by section 205.17(b) of Regulation E and you have opted in to the payment of these overdrafts. Enrichment Federal Credit Union puts holds on pre-authorized transactions until the transaction clears, or up to 48 hours. ATM and everyday debit card transactions usually settle within two business days after the transaction is authorized. The amount of the hold will be for the amount authorized, or as permitted under applicable payment network rules. Holds on Authorized ATM and everyday debit card transactions will be removed prior to settlement where required by applicable payment network rules.

Both consumer and commercial account holders may opt out of the Courtesy Overdraft services for check, ACH and debit card bill payment transactions at any time by contacting one of our Account Services Representatives.

## ADDITIONAL INFORMATION ABOUT OVERDRAFTS AND OVERDRAFT FEES

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts in two different ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to another account or a line of credit, which may be less expensive than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains our standard overdraft practices.

Ø **What are the standard overdraft practices that come with my account?** We do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number
- Automatic bill payments

We will not authorize and pay overdrafts for the following types of transactions without your consent.

- ATM transactions
- Everyday debit card transactions

We pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction.

If we do not authorize and pay an overdraft, your transaction will be declined.

Ø **What fees will I be charged if Enrichment Federal Credit Union pays my overdraft?**

Under our standard overdraft practices:

- We will charge you a fee of \$30 each time we pay an overdraft
- There is no limit per day on the total fees we can charge you for overdrawing your account

Ø **What if I want Enrichment Federal Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions?**

If you want us to authorize and pay overdrafts on ATM and everyday debit card transactions, call (865) 482-0045, visit our website at <http://www.enrichmentfcu.org>, visit any credit union branch or mail us at Enrichment Federal Credit Union, P. O. Box 883, Oak Ridge, TN 37831-0883.

\_\_\_\_\_ I want Enrichment Federal Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

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

Date: \_\_\_\_\_

Account Number: \_\_\_\_\_

## WHAT ELSE YOU SHOULD KNOW

- Ø **Understanding Your Account Balance.** Your checking account has two kinds of balances: the actual balance and the available balance. Your actual 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 of money in your account that is available for you to use. Your available balance is your actual balance less: (1) holds placed on deposits; (2) holds on debit card or other transactions that have been authorized but are not yet posted; and (3) any other holds, such as holds related to pledges of account funds and minimum balance requirements or to comply with court orders. We use your available balance to determine whether there are sufficient funds in your account to pay items, including checks and drafts, as well as ACH, debit card and other electronic transactions. Pending transactions and holds placed on your account may reduce your available balance and may cause your account to become overdrawn regardless of your actual balance. You should assume that any item which would overdraw your account based on your available balance may create an overdraft. You may check your available balance online at [enrichmentfcu.org](http://enrichmentfcu.org) or by visiting a credit union branch or by calling us at 865-482-0075.
- Ø **How Transactions are Posted to Your Account.** Basically, there are two types of transactions that affect your account: credits (deposits of money into your account) and debits (payments out of your account). It is important to understand how each is applied to your account so that you know how much money you have and how much is available to you at any given time. This section explains generally how and when we post transactions to your account.
- § **Credits.** Deposits are generally added to your account when we receive them. However, in some cases when you deposit a check, the full amount of the deposit may not be available to you at the time of deposit. Please refer to the Funds Availability Policy Disclosure provided at the time you opened your account for details regarding the timing and availability of funds from deposits.
- § **Debits.** There are several types of debit transactions. Common debit transactions are generally described below. Keep in mind that there are many ways transactions are presented for payment by merchants, and we are not necessarily in control of when transactions are received.
- **Checks.** When you write a check, it is processed through the Federal Reserve system. We receive data files of cashed checks from the Federal Reserve each day. The checks drawn on your account are compiled from these data files and paid each day. We process the payments from low to high dollar value.
  - **ACH Payments.** We receive data files every day from the Federal Reserve with Automated Clearing House (ACH) transactions. These include, for example, automatic bill payments you have authorized. ACH transactions for your account are posted in the order that we receive them.
  - **PIN-Based Debit Card Purchase Transactions.** These are purchase transactions using your debit card for which a merchant may require you to enter your personal identification number (PIN) at the time of sale. They are processed through a PIN debit network. These transactions are similar to ATM withdrawal transactions because the money is usually deducted from your account immediately at the time of the transaction. However, depending on the merchant, a PIN-based transaction may not be immediately presented for payment.
  - **Signature-Based Debit Card Purchase Transactions.** These are purchase transactions using your debit card that are processed through a signature-based network. Rather than entering a PIN, you typically sign for the purchase; however, merchants may not require your signature for certain

transactions. Merchants may seek authorization for these types of transactions. The authorization request places a hold on funds in your account when the authorization is completed. The “authorization hold” will reduce your available balance by the amount authorized but will not affect your actual balance. The transaction is subsequently processed by the merchant and submitted to us for payment. This can happen hours or sometimes days after the transaction, depending on the merchant and its payment processor. These payment requests are received in real time throughout the day and are posted to your account when they are received.

The amount of an authorization hold may differ from the actual payment because the final transaction amount may not yet be known to the merchant when you present your card for payment. For example, if you use your debit card at a restaurant, a hold will be placed in an amount equal to the bill presented to you; but when the transaction posts, it will include any tip that you may have added to the bill. This may also be the case where you present your debit card for payment at gas stations, hotels and certain other retail establishments. We cannot control how much a merchant asks us to authorize, or when a merchant submits a transaction for payment.

**This is a general description of certain types of transactions. These practices may change, and we reserve the right to pay items in any order we choose as permitted by law.**