



24 McKinley Ave • Endicott, NY 13760-5491 • 800.242.2120

## OVERDRAFT COVERAGE OPTIONS: OVERDRAFT PROTECTION AND OVERDRAFT PRIVILEGE

Life happens! Visions Federal 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
<b>Overdraft Protection Link to Another Deposit Account you have at Visions Federal Credit Union<sup>1</sup></b>	No fee per transfer
<b>Readi Reserve Line of Credit<sup>2</sup></b>	Subject to interest
<b>Overdraft Privilege Standard or Extended Coverage</b>	<b>\$20 Overdraft Privilege Fee per item presented<sup>3</sup></b>

<sup>1</sup>Call us at 1-800-242-2120, utilize Live Chat in digital banking, or come by a branch to sign up or apply for these services; <sup>2</sup>Subject to credit approval. <sup>3</sup>Per item presented 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 Readi Reserve line of credit you may have at Visions Federal Credit Union for a finance charge. Please note that overdraft lines of credit are subject to credit approval.

**Overdraft Privilege** allows you to overdraw your account up to the disclosed limit for a set 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 the **“What Else You Should Know”** section included with this disclosure 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"> <li>• call us at 1-800-242-2120</li> <li>• complete the online consent form found at <a href="http://www.visionsfcu.org">www.visionsfcu.org</a></li> <li>• visit any branch</li> <li>• complete a consent form and mail it to us at 24 McKinley Avenue, Endicott, NY 13760</li> <li>• utilizing Live Chat or going to the Services tab in digital banking</li> </ul>
ACH - Automatic Debits	X	X	
Recurring Debit Card Transactions	X	X	
Online Bill Pay Items	X	X	
Everyday Debit Card Transactions		X*	

\*If you choose Extended Coverage on your consumer account, **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 enroll in, or discontinue, Overdraft Privilege by contacting us at 800.242.2120, utilizing Live Chat or going to the Services tab in digital banking, or by speaking with a representative at your nearest branch.

## What Else You Should Know

- Good account management is the best way to avoid overdrafts. A link to another account or a line of credit, such as a Read Reserve, 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 and multiple fees. Use Visions Federal Credit Union's mobile banking, online banking, and telephone banking services to keep track of your balance. For additional financial education resources, please visit [visionsfcu.org/walletwellness](https://visionsfcu.org/walletwellness).
- Recipients of federal or state benefits payments who do not wish Visions Federal Credit Union ("We") to deduct the amount overdrawn due to Overdraft Privilege and Overdraft Fees from funds that you deposit or that are deposited into your account may call us at 800.242.2120, utilize Live Chat in digital banking, or stop by their nearest branch to discontinue Overdraft Privilege.
- The Overdraft Fee (refer to the Service Charge & Fee Schedule) that is charged if you overdraw your account is the same fee amount 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 Non-Sufficient Funds (NSF) Fee (refer to the Service Charge & Fee Schedule). 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 (as defined below) in your account is not sufficient to cover the item and the item is presented for payment again, Visions Federal Credit Union ("We") will charge a Non-Sufficient Funds (NSF) Fee each time it returns the item because it exceeds the Available Balance in your account. Because we may charge a Non-Sufficient Funds (NSF) 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 re-presentation of the item.** When we charge a Non-Sufficient Funds (NSF) Fee, the charge reduces the Available Balance in your account and may put your account into (or further into) overdraft. If, on re-presentation 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. We may use the terms "item" and "transaction" interchangeably.
- There is no limit on the total Overdraft Fees or Non-Sufficient Funds (NSF) Fees we will charge per day.
- The posting order for purposes of determining overdrafts is as follows: i) Visions Federal Credit Union general policy is to post items throughout the day and to post ACH credits before debits; ii) ATM, debit card transactions, mobile banking, online banking, telephone, and in person transactions are posted in the order in which the items are received, while bill payment, pre-authorized payments, transfers between Visions accounts, and checks not presented in person are posted in the lowest to highest dollar amount; iii) however, because of the many ways Visions Federal Credit Union allows 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 or Non-Sufficient Funds (NSF) Fees assessed against your account(s).
- Overdraft Privilege is not a line of credit; it is a discretionary overdraft service that can be withdrawn at any time without prior notice.
- Primary Members and any Joint Owners on the Checking Account share will continue to be liable, jointly and severally, for all overdraft and fee amounts, as described in the Account Terms and Agreements. 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 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.

**Understanding your Available Balance:** Your account has two kinds of balances: the Current Balance and the Available Balance.

- We authorize and pay transactions using the Available Balance.
- Your Current 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 Current 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 plus the amount of the Overdraft Privilege limit and any available Overdraft Protection.
- The balance used for authorizing 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 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, the transaction may further overdraw your account and 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 Funds Availability Policy 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 Visions Federal 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).

#### **Understanding Overdraft Privilege Limits**

- New consumer and business checking accounts will receive a \$100 introductory Overdraft Privilege limit within one business day after account opening that will be increased to \$1250 after 90 days of account opening.
- We may not pay items using your Overdraft Privilege limit if you do not maintain your account in good standing by bringing your account to a positive balance within every 32-day period for a minimum of 1 business day, or if you default on any loan or other obligation to Visions Federal Credit Union, or if your account is subject to any legal or administrative order, levy, or restraint. You must bring your account balance positive for at least one business day to have the full Overdraft Privilege limit reinstated.

If you have any questions about Overdraft Protection or Overdraft Privilege, please call us at 800.242.2120, utilize Live Chat in digital banking, or stop by your nearest branch.