



Overdraft/Courtesy Pay Disclosure

At XCEL Federal Credit Union (“XCEL”), members are encouraged to manage their checking account and personal finances in a responsible manner. However, XCEL also understands that there are times when an unexpected occurrence or a forgotten transfer may leave a member short of funds in their checking account. In situations like these, XCEL offers several different overdraft protection services, so your checks do not bounce and your ATM and debit card transactions are processed.

1. **Savings Transfer Overdraft Protection:** Your checking account is automatically linked to your regular share/savings account. Savings Transfer Overdraft Protection covers overdrafts made by checks (including online bill payments) and electronic/ACH withdrawals, provided funds are available at the time of the transaction. There is a \$5.00 fee for each transfer from your share/savings account to cover the overdraft in your checking account.
2. **Overdraft Line of Credit:** You may apply for an unsecured overdraft Line of Credit that would be available to cover overdrafts when a transaction overdraws your account. There is no fee, but an Annual Percentage Rate (APR) on funds that are transferred from a Line of Credit to your checking account to cover the transactions that will overdraw your account. This option is subject to our underwriting criteria and rates are based on an evaluation of credit history.
3. **Standard Courtesy Pay Protection:** This service is automatically provided on your checking account and will cover overdrafts made by checks (including online bill payments), electronic/ACH withdrawals and recurring debit card transactions. There is a \$30.00 fee for each overdraft item paid. Coverage is limited to \$500 (including fees).
4. **Enhanced Courtesy Pay Protection:** Available for qualified members, this service will cover overdrafts made by checks (including online bill payments), electronic/ACH withdrawals, recurring debit card transactions plus overdrafts resulting from one-time ATM/debit card transactions. There is a \$30.00 fee for each overdraft item paid. Coverage is limited to \$500 (including fees). Authorization to run credit is required to qualify. You must sign up for this service by completing and returning the Courtesy Pay Opt-In/Opt-Out Form.

XCEL will pay overdrafts at our discretion, which means XCEL does 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 and an NSF (non-sufficient funds) fee will be assessed. There is no limit to the number of items presented that may incur a fee for overdrawing your account.

XCEL will pay transactions from your checking account in the following order:

1. Available funds from your checking account.
2. Transfer of available funds from your regular share/savings account.
3. Advances from your Overdraft Line of Credit, if applicable.
4. At XCEL's discretion, available courtesy pay coverage (including fees).

Courtesy Pay Opt-Out

If you prefer that XCEL not honor ANY items when there are not sufficient funds in the account, you must opt-out of both our Standard or Enhanced Courtesy Pay Protection services. By opting out, you are fully aware that items presented that overdraw your account may be returned unpaid and an NSF fee of \$30 will be charged to the account for each item returned.

Courtesy Pay Restrictions

Standard and Enhanced Courtesy Pay Protection must be repaid promptly. It is the obligation of the account holder to keep their account in good standing. You must bring your account to a positive balance within 45 days from the date of your first overdraft occurrence. If the account balance is not brought positive, it will be reported to ChexSystems, a check verification service, which will adversely affect your credit. Such action will result in the checking account being closed and restriction of your membership.

XCEL reserves the right to revoke Courtesy Pay privileges, temporarily or permanently, at any time and to deny the payment of any transaction without prior notification.

Canceling Courtesy Pay

You have the right to cancel your consent to Courtesy Pay Protection services by completing the Courtesy Pay Opt-In/Opt-Out form and returning it at a branch, faxing it to 973-528-8761 or 973-528-8760 or mailing it to 1460 Broad Street, Bloomfield, NJ 07003.



Courtesy Pay Opt-In/Opt-Out Form

Full Name:

Member Number:

I elect to Opt-in to XCEL's **Enhanced Courtesy Pay Protection** service, INCLUDING payment of my ATM/POS and one-time debit card transactions

I elect to Opt-in to XCEL's **Standard Courtesy Pay Protection** service, EXCLUDING payment of my ATM/POS and one-time debit card transactions

I elect to Opt-out of XCEL's Courtesy Pay Protections services ENTIRELY. By checking this box, I confirm that I have read the Overdraft/Courtesy Pay Disclosures and would like to opt-out and/or revoke my participation in XCEL Federal Credit Union's Courtesy Pay Protection. I understand that I have an ongoing right to revoke this consent at any time.

By signing below, I acknowledge that I have read and understand the Overdraft/Courtesy Pay Disclosures provided regarding my right to Opt-in/Opt-out for the XCEL FCU Courtesy Pay Protection services. I am aware that if I elected to opt-in to the Enhanced Courtesy Pay Protection service, by signing below I authorize XCEL Federal Credit Union to obtain a consumer credit report to evaluate my creditworthiness.

Signature

X _____ Date: _____