



Overdraft 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.

What is Overdraft Protection?

Overdraft protection allows XCEL, at our discretion, to pay certain transactions when your account does not have sufficient available funds. When we do this, you may incur fees based on your usage of this service. This service is not a line of credit (unless you have applied for the Overdraft Line of Credit specifically) and we do not guarantee that we will always authorize and pay your transactions if you do not have the available funds in your account. If we do not authorize and pay an overdraft, your transaction will be declined, and a NSF (non-sufficient funds) fee will be assessed.

Overdraft Protection Options

1. Savings Transfer Overdraft Protection

- Your checking account is automatically linked to your regular share/savings account.
- Covers overdrafts made by checks, online bill payments, and electronic/ACH withdrawals
- **Fee** \$7.00 per transfer (if funds are available)

2. Standard Courtesy Pay Protection

- Automatically provided on your checking account
- Covers checks, online bill payments, electronic/ACH withdrawals and recurring debit card transactions.
- **Fee** \$32.00 fee per overdraft item paid.
- **Limit** Up to \$500 (including fees).

3. Enhanced Courtesy Pay Protection (Opt-In Required)

- Available for qualified members. Authorization to run credit is required to qualify.
- Covers all transactions in Standard Courtesy Pay plus one time debit card and ATM transactions
- **Fee** \$32.00 fee per overdraft item paid.
- Requires you to opt-in for this service by completing and returning the Courtesy Pay Opt-In/Opt-Out Form.
- **Limit** Up to \$500 (including fees).

4. Overdraft Line of Credit

- Apply for an unsecured Line of Credit to cover overdrafts.
- No transfer fee, but interest is charged at an Annual Percentage Rate (APR).
- Subject to credit approval and underwriting.

You are eligible for overdraft protection if

1. Your checking account has been open at least 30 days
2. You are not past due or in default on any loans or obligations with XCEL
3. Your account is not subject to any legal or administrative orders or levies

Fees

Overdraft Fee (Paid Item): \$32 per item

NSF Fee (Returned Item): \$32 per item

Savings Transfer Fee \$7 per item



Daily Cap No more than 5 overdraft fees per day

No fee for overdrafts of \$10.00 or less

Representation of Items

If a check or payment is returned for insufficient funds and then presented again ("represented"), you will be charged a fee each time the item is presented and your account does not have sufficient funds.

Transaction Order

When processing transactions, XCEL will

1. Use available funds in your checking account.
2. Transfer of available funds from your linked regular share/savings account (if applicable).
3. Advance funds from your Overdraft Line of Credit (if applicable).
4. At XCEL's discretion, cover items through Courtesy Pay (fees may apply).

Repayment Terms

- Any overdraft balance must be repaid within 45 calendar days of the transaction.
- Overdrawn accounts exceeding 45 days may be converted into a Fresh Start Loan at which time notification will be sent to the member advising of this modification.
- Accounts not brought current may be reported to ChexSystems, closed and/or charged off.

Your Rights & Choices

1. Opt-Out of Courtesy Pay: You have the right to decline or cancel Courtesy Pay Protection services at any time. We will not authorize or pay overdrafts, and items presented without sufficient funds will be returned unpaid with an NSF fee.
2. Opt-In for Debit/ATM Coverage: Federal law requires us to get your permission before including one time debit card and ATM transactions in Courtesy Pay.

To opt-in or opt out, complete and return the Courtesy Pay Opt-In/Opt-Out form by

- Visiting an XCEL branch
- Faxing it to **973 528 8761** or **973 528 8760**
- Mailing it to 1460 Broad Street, Bloomfield, NJ 07003
- Emailing it to **xcel@XCELfcu.org**
- Electronically sign it via **www.XCELfcu.org/courtesy**