

Signing Up For Overdraft Protection

What is overdraft protection?

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 savings account, which is less expensive than our standard practices.

Standard Overdraft Protection

We DO authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number
- Automatic bill payment
- ATM transactions
- Every day 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. Even if a transaction is declined you are still subject to the overdraft fee.

What fees will I be charged if Pinnacle pays my overdraft?

Under our standard practices:

- We will charge you a fee of \$35.00 each time we pay an overdraft.
- We will charge you a fee of \$10.00 each time an automatic overdraft transfer occurs.
- There is no limit on the total fees we can charge you for overdrawing your account.
- If you do not wish to participate in overdraft protection, you could still be charged a fee of up to \$35.00 for any transactions that are declined.
- There is up to a \$500 safety net limit. After exceeding the limit transactions will be declined, and you will be assessed a fee.

If your account is overdrawn for 15 or more consecutive business days your account is subject to closure and could be reported to the credit bureaus. Your overdraft protection can be turned off at any time.

If you decide at a later date that you would like Pinnacle Credit Union to authorize and pay overdrawn transactions, please contact us at 404.888.1648, visit our website at www.pinnaclecu.org, or complete the form below and present it to any branch or mail it to:

Pinnacle Credit Union
536 North Ave NE
Atlanta, GA 30308

_____ I do NOT want Pinnacle Credit Union to authorize and pay overdrafts on my ATM or debit card transactions.

_____ I do want Pinnacle Credit Union to authorize and pay overdrafts on my ATM and debit card transactions.

Overdraft Transfer

Member Number: _____ Member Name: _____

Overdraft transfer/connect my checking account to: _____

Signature/Date:

Pinnacle Overdraft Program

This Overdraft Disclosure describes the circumstances when Pinnacle Credit Union (PCU) will use our overdraft protection services to pay overdrafts in your checking account and charge you a fee. "Overdraft" means there is not enough available balance in your account to pay for a transaction. Should an overdraft occur, we will first attempt to pay the item by transferring funds to your Checking Account from any approved Personal Line of Credit or other deposit account (such as a Savings Account) as described in our Membership and Account Agreement and any overdraft preferences you have established with us using the overdraft protection form or similar communication. If funds are not available in any of the above accounts, we may pay for an overdraft using the overdraft protection service if you are enrolled in such service, and you will be charged an overdraft protection fee as described in our fee schedule, which is updated periodically.

Currently our fee is \$35.00. Fee applies when overdraft is created by check, ACH debit, ATM withdrawal, debit card withdrawal, or other electronic means.

Please note that for one-time debit card transactions, you must affirmatively consent to this coverage. Without your consent, we may not authorize and pay a debit card transaction that will result in insufficient available funds in your account.

The following is important information regarding your account balance, how transactions are posted to your account, and when an overdraft fee will be charged. Please read through this disclosure in its entirety to be sure you understand the process.

YOUR CHECKING ACCOUNT BALANCE. Your checking account has two kinds of balances: the "actual" balance and the "available" balance. Both can be checked when you review your account online, at most ATMs, by phone, or at a branch. It is important to understand how the two balances work so that you know how much money is in your account at any given time. This section explains actual and available balances and how they work.

Your **actual** balance is the amount of money that is actually in your account at any given time. It reflects transactions that have "posted" to your account, but not transactions that have been authorized and are pending. While the term "actual" may sound as though the number you see is an up-to-date display of what is in your account that you can spend, that is not always the case. Any purchases, holds, fees, other charges, or deposits made on your account that have not yet posted will not appear in your actual balance. For example, if you have a \$50 actual balance, but you just wrote a check for \$40, then your actual balance is \$50, which does not reflect the pending check transaction. So, at that point, you actually have \$50, but you have already spent \$40.

Your **available** balance is the amount of money in your account that is available to you to use without incurring an overdraft fee. The available balance takes into account things like holds placed on deposits and pending transactions (such as pending debit card purchases) that the Credit Union has authorized but that have not yet posted to your account. For example, assume you have an actual balance of \$50 and an available balance of \$50. If you were to use your debit card at a restaurant to buy lunch for \$20, then that merchant could ask us to pre-authorize the payment. In that case, we will put a "hold" on your account for \$20. Your actual balance would still be \$50 because this transaction has not yet posted, but your available balance would be \$30 because you have committed to pay the restaurant \$20. When the restaurant submits its bill for payment (which could be a few days later), we will post the transaction to your account, and your actual balance will be reduced by \$20.

It is very important to understand that you may still overdraw your account even though the available balance appears to show there are sufficient funds to cover a transaction that you want to make. This is because your available balance may not reflect all your outstanding checks and automatic bill payments that you have authorized, or other outstanding transactions that have not been paid from your account. In the example above, the outstanding check will not be reflected in your available balance until it is presented to us and paid from

your account.

In addition, your available balance may not reflect all of your debit card transactions. For example, if a merchant obtains our prior authorization but does not submit a one-time debit card transaction for payment within three (3) business days of authorization (or for up to thirty (30) business days for certain types of debit card transactions), we must release the authorization hold on the transaction. The available balance will not reflect this transaction once the hold has been released until the transaction has been received by us and paid from your account.

How transactions are posted to your account. Transactions may not clear in the same order in which you transact business. They will clear in the order in which they are received by Pinnacle Credit Union.

We may receive multiple deposit and withdrawal transactions on your account in many different forms throughout each business day. This means that you may be charged more than one overdraft fee in a day if we pay multiple transactions when your account is overdrawn.

The best way to know how much money you have and avoid paying overdraft fees is to record and track all of your transactions closely.

If you prefer not to have our overdraft program cover your overdrafts, please contact us at 404.888.1648.

Overdraft program services are not credit products and require no credit application. The service will only be applied to your checking account if:

- You have an active checking account with a positive balance;
- You have no loans or Visa accounts with Pinnacle Credit Union which are more than 30 days delinquent;
- Your accounts have not been restricted;

We are not obligated to pay any overdraft, even if you enroll in the overdraft protection service. We will decide to pay overdrafts on a case-by-case basis, in our sole and absolute discretion. However, we shall not pay any check or other item/transaction if your negative checking account balance is greater than \$500. Fees are applied toward your total overdraft limit. We may change or remove your limit at any time without prior notice. We may refuse to pay any items without first notifying you, even though your account is in good standing and even if we have paid previous overdrafts.

For your overdrafts cleared, you promise to immediately pay us all sums, including the fees and charges for this service advanced to you or any other person you permit to use your checking account and/or who causes an overdraft on your checking account.

You agree that any deposits or future deposits or other credits to any account in which you may now or in the future may have an interest are subject to our right of off-set for any liabilities, obligations, or other amounts owed to us by you (overdrafts and any related fees and charges) and such is applicable irrespective of any contribution to the account or source of funds in the account. We reserve the right to limit the overdraft program to one (1) account or member per household without notice of reason or cause.

We may terminate or suspend the overdraft program at any time without prior notice. In no event shall any termination relieve you of your obligation to repay such sums already paid, including but not limited to, overdraft fees, collection costs, and attorneys' fees, if any.

As described above, we also offer overdraft protection using a linked Personal Line of Credit, which may be less expensive than our standard overdraft program. To learn more, ask us about these plans.