

Discretionary Courtesy Pay Overdraft Service Disclosure

The *Membership and Account Agreement* 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 Connex Credit Union with regard to your checking account. The *Membership and Account Agreement* (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this *Discretionary Courtesy Pay Overdraft Service Disclosure* and the *Membership and Account Agreement*. A copy of the *Membership and Account Agreement* is available to you on request from your Connex Credit Union representative.

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

Pursuant to Connex Credit Union's commitment to always provide you with the best level of service, now and in the future, if your consumer checking account has been open for at least thirty (30) days or your commercial checking account has been open for at least sixty (60) days and the account has been maintained in good standing, which includes at least:

- 1) Bringing your checking account to a positive balance within every thirty (30) day period for a minimum period of 24 hours;
- 2) Not being in default on any loan or other obligation to Connex Credit Union, and
- 3) Not being subject to any legal or administrative order or levy,

Connex Credit Union will have the discretion to pay overdrafts within Connex Credit Union's Courtesy Pay Overdraft Service limit, but payment by Connex Credit Union is a discretionary service and not a right of the member or an obligation of Connex Credit Union. This privilege for consumer and commercial checking (share draft) accounts will generally be limited to a maximum of \$1,750 overdraft (negative) balance. Of course, any and all fees and charges, including without limitation the non-sufficient funds fees and sustained overdraft fees (as set forth in our *Fee Schedule* and *Membership and Account Agreement*), will be included as part of this maximum amount. It may be possible that your checking account will become overdrawn in excess of the Courtesy Pay Overdraft Service amount as a result of the assessment of a fee.

The total of the discretionary Courtesy Pay Overdraft Service (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 *Membership and Account Agreement*. Our standard Overdraft fee of \$35 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.

While Connex Credit Union will have the discretion to pay overdrafts on checking accounts in good standing (as described above), any such payment is a discretionary courtesy, and not a right of the member or an obligation of Connex Credit Union, and Connex Credit Union, in its sole and absolute discretion, can cease paying overdrafts at any time without prior notice or cause.

For our consumer members, Connex Credit Union will not pay overdrafts for ATM or everyday debit card transactions unless Connex Credit Union has provided you with the notice required by 12 CFR Section 1005.17(b) of Regulation E and you have opted in to the payment of these overdrafts. In order to avoid unauthorized overdrafts due to ATM and everyday debit card transactions, Connex Credit Union will place a hold on your checking account for any ATM or everyday debit card transaction authorized until the transaction settles. 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 accountholders may opt out of the Courtesy Pay Overdraft Service for check, ACH, and recurring debit card bill payment transactions at any time by contacting one of our Member Service Representatives or Financial Needs Specialists.



This page is intentionally left blank