



# Mississippi Federal

## CREDIT UNION

### **OVERDRAFT PROTECTION POLICY/COURTESY PAY/OVERDRAFT PRIVILEGE**

It is the policy of Mississippi Federal Credit Union to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards.

The Deposit Account Agreement and Disclosure, which is provided at the time an account is opened with Mississippi Federal Credit Union, controls the duties, obligations and rights of the Depositor, the Authorized Signatories and Mississippi Federal Credit Union with regard to member checking accounts. The Deposit Account Agreement (and all amendments thereto) and its terms shall control any possible conflict between provisions of this Overdraft Protection Policy and the Deposit Account Agreement and Disclosure. A copy of the Deposit Account Agreement and Disclosure is available per request from a Mississippi Federal Credit Union Officer.

Overdraft Protection is not a line of credit. If an account is inadvertently overdrawn, Mississippi Federal Credit Union will have the discretion to pay the overdraft subject to the limit of overdraft protection and the amount of the overdraft fee. Mississippi Federal Credit Union is not obligated to pay any item presented for payment if the account does not contain sufficient available funds. Any discretionary payment by Mississippi Federal Credit Union of an overdraft check or item, such as an ATM withdrawal, does not obligate Mississippi Federal Credit Union to pay any other overdraft check or item, or to provide prior notice of its decision to refuse to pay such check or item.

Pursuant to Mississippi Federal Credit Union's commitment to always provide the highest level of service, now and in the future, if a consumer account (primarily used for personal and household purposes) has been open for thirty five (35) days and thereafter the account is maintained in good standing, which includes:

1. Bringing the 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 Mississippi Federal Credit Union.
3. Not being subject to any legal or administrative order or levy.

Mississippi Federal Credit Union will have the discretion to pay overdrafts within the overdraft protection limits, but payment by Mississippi Federal Credit Union is a discretionary courtesy and not a right of the member or an obligation of Mississippi Federal Credit Union. This protection for consumer checking accounts will generally be limited to a maximum of \$500 overdraft (negative) balance. Any and all fees and charges, including without limitation the non-sufficient funds fees (as set forth in our fee schedules and deposit account agreement and disclosure), will be included as part of this maximum amount. It is possible that a member's account will be overdrawn in excess of the overdraft protection amount as a result of the assessment of a fee.

The total of the Overdraft Protection (negative) balance, which includes any and all fees and charges (including all non-sufficient funds/overdraft fees), is due and payable upon demand. The Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all such amounts, as described in the Deposit Account Agreement and Disclosure. Our standard Overdraft fee of \$27 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 fee incurred.

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

For consumer members, Mississippi Federal Credit Union will not pay overdrafts for ATM or everyday debit card transactions after August 15, 2010 unless Mississippi Federal Credit Union has provided a member with the notice required by section 205.17(b) of Regulation E and a member has opted in to the payment of these overdrafts. In order to avoid overdrafts due to ATM or everyday debit card transactions, Mississippi Federal Credit Union will place a hold on an account for any ATM or everyday debit card transaction authorized until the transaction settles. ATM and everyday debit card transactions usually settle within two (2) 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.

In addition, a member may opt out of the Overdraft Protection service for check, ACH and debit card bill payment transactions at any time by contacting one of our Member Service Representatives.

## WHAT IS OVERDRAFT PROTECTION? (Courtesy Pay or Overdraft Privilege)

Overdraft protection is designed to help guard members against having items returned unpaid by our Credit Union. At our discretion, each eligible member will be provided a specific dollar amount depending on the type of checking account. At account opening, members are provided overdraft protection of \$100. After 35 days members in good standing are eligible for the overdraft protection limits listed below. The overdraft limit amount includes a \$27.00 fee.

## HOW DOES OVERDRAFT PROTECTION WORK?

Should you overdraw your checking account, we will charge you a \$27.00 fee and pay the item if it is within your overdraft protection limit. You will also be able to use overdraft protection for ATM withdrawals and Debit Card transactions if you Opt-In for this service. You may Opt-Out at any time by signing the Opt-Out form or by contacting Member Services.

## WHAT ARE THE LIMITS OF ELIGIBLE ACCOUNTS?

<u>Account Type</u>	<u>ODP Limit</u>
Premier Checking	\$500.00
Green Plus Checking	\$500.00
Traditional Checking	\$500.00
Aspire Checking	\$300.00

## WHAT IS EXCLUDED FROM OVERDRAFT PROTECTION?

- ❖ Right Directions Checking Account
- ❖ Members under the 21 years of age
- ❖ Members who have an outstanding charge-off with our Credit Union
- ❖ Members who have past due loans greater than 30 days with our Credit Union
- ❖ Accounts with Return Mail
- ❖ Accounts open less than 35 days
- ❖ Dormant and inactive accounts
- ❖ Multiple checking accounts per account number

## HOW DO I KEEP THIS PROTECTION?

You must make regular deposits into your account, remain in good standing and bring your account to a zero or positive balance within every 30 day period for a minimum of 24 hours.