

# Overdraft Protection Plus – Agreement & Terms of Service



This Agreement is entered into between Wings Financial Credit Union and any person who has enrolled in this service through Wings Digital Banking or by visiting one of our branch locations.

Please read this Agreement carefully and print or save it for future reference. By clicking "I Agree" or enrolling in this service you are acknowledging and agreeing that the terms and conditions outlined in this Agreement will apply to and govern your use.

Please contact Wings with any questions at 1 (800) 692-2274.

When you opt in, you give Wings consent to pay or authorize transactions, up to your approved limit, for either the payment of 1) check and ACH debits or 2) ATM withdrawals and Debit Card transactions or 3) Check, ACH debits, debit card transactions and ATM withdrawals.

By "opting in" to Overdraft Protection Plus you:

- Agree to pay a \$30 Overdraft Protection Plus fee if you do not have enough money in your available balance to cover the transaction at the time a debit transaction is authorized (when you initiate the transaction not when it posts to your account) or when the transaction posts for all other types of transactions. The fee will be waived for paid items under \$15; maximum 6 fees per day per account.
- Agree that Overdraft Protection Plus will take effect after all other accounts you may have established to provide overdraft protection have been depleted.
- Agree to deposit sufficient funds - to cover the overdraft and fee - within 30 days. Overdraft Protection Plus will discontinue covering items once the account has been negative for 20 days, even if the limit has not been reached. **Account must maintain a positive balance for at least 24 hours to be eligible for continued access to Overdraft Protection Plus.**
- Agree that Wings Financial is not obligated to pay every overdraft, not all accounts are eligible, and some restrictions apply. Please read this entire document for details.

**There are less expensive options!** You may authorize Wings to pull funds from an eligible savings, checking or line of credit prior to overdrawing your checking account and activating Overdraft Protection Plus. For additional information regarding overdraft options, see a Member Service Representative, call 1 (800) 692-2274, or visit [wingscu.com](http://wingscu.com).

**Limitations** – Overdraft Protection Plus is only available to eligible checking accounts primarily used for personal and household purposes. Wings may limit the number of accounts eligible for Overdraft Protection Plus to one account per household. Overdraft Protection Plus will not cover overdrafts if:

- Overdraft Protection Plus has not been selected for the account on which the item is presented.
- The amount of the debit will exceed your overdraft limit.
- Your account has been open for less than 90 days.
- Your account is classified as dormant or inactive.
- You are delinquent on any loan or credit card obligation.
- You are under 18 years of age.
- Your account has been negative for 20 days or more.
- Your account is a business, organizational or trust account.
- The mailing address we have on file for you is not current and we have received returned mail.
- You are subject to legal or administrative orders, are currently a party in a bankruptcy proceeding, or there are holds on your account due to these actions.

Wings is not obligated to pay any item presented for payment or authorization if your account does not contain sufficient available funds. However, rather than automatically returning, unpaid, any non-sufficient funds items that you may have, or denying an authorization, if your eligible account is in "good standing", which includes at least continuing to make deposits consistent with your past practices and not subject to any of the limitations above, we will consider – as a discretionary courtesy (not a right of yours or an obligation on our part) approving or authorizing your reasonable overdraft. This discretionary courtesy will generally be limited to a \$600 overdraft (negative) balance. You can only be charged a maximum of six (6) Overdraft Protection Plus fees per day per account.

Wings may refuse to pay an overdraft, authorize a debit transaction, or terminate your access to this service at any time, even though your account is in good standing, and even though we have previously paid or authorized overdrafts for you. You will receive a notice of any non-sufficient funds paid or returned; however, we have no obligation to notify you before we pay or return any item. The amount of any overdraft plus our Overdraft Protection Plus fee shall be due and payable upon demand. If the overdraft is not paid within 45 days, your account will be closed, reported to a credit reporting agency, and subject to collection – which includes, but is not limited to, Wings exercising its right of setoff, terminating any available products and services, and in such case, you agree to be responsible for and pay

all costs of collection including court costs and attorney fees. If there is an overdraft paid by us on an account with more than one owner, each owner shall be jointly and severally liable for such overdrafts plus our Overdraft Protection Plus fee. In addition, any future deposits received by Wings to any account in which you are currently or may in the future have an interest are subject to Wings right of setoff, regardless of the source of funds received.

**Opting Out** – You may “opt out” of Overdraft Protection Plus by calling Wings Financial Credit Union Member Services at 1 (800) 692-2274, in writing by sending a letter stating your request to “opt out”, or you may opt out electronically using Wings Digital Banking.

### **Understanding Your Account Balance for Overdrafts**

Your checking account has two kinds of balances: the “actual” balance and the “available” balance. Both balances are accessible online, by phone or at a branch. We use the available balance when determining whether a transaction or authorization will cause your account to overdraw and for charging Overdraft Protection Plus fees.

#### **Your Actual Balance**

Your actual balance is the amount of money that is actually in your account at any given time. Your actual balance reflects transactions that have “posted” to your account but it does not include transactions that have been authorized and are pending. While it may seem that the actual balance is the most up-to-date display of the funds that you can spend from your account, this is not always the case. Your account may have purchases, holds, fees, other charges, or deposits that have not yet posted and, therefore, will not appear in your actual balance.

#### **Your Available Balance**

Your available balance is the amount of money in your account that is available to you without incurring an Overdraft Protection Plus fee. Your available balance takes into account holds that have been placed on deposits and pending transactions (such as pending debit card transactions) that we have authorized but that have not yet posted to your account.

#### **Example of Overdraft Protection Plus Fee for Insufficient Available Balance at the Time a Check is Posted**

If your actual balance and available balance are both \$100 and you swipe your debit card at a restaurant for \$35, a hold is placed on your account and your available balance will be reduced to \$65. Your actual balance is still \$100 because the transaction has not yet posted to your account. If a check that you had previously written for \$75 clears through your account before the restaurant charge is sent to us for processing, you will incur an Overdraft Protection Plus fee. This is because your available balance was \$65 when the \$75 check was paid. In this case, we may pay the \$75 check and charge you an Overdraft Protection Plus fee. The Overdraft Protection Plus fee will also be deducted from your account, further reducing your balance.

#### **Example of Overdraft Protection Plus Fee for Insufficient Available Balance at the time of a Debit Authorization**

If your actual balance and available balance are both \$25 and you swipe your debit card at a restaurant for \$100, Wings may authorize the transaction that would overdraw your account. A hold is placed on your account and your available balance will be reduced to -\$75. Your actual balance is still \$25 because the transaction has not yet posted to your account. When the \$100 debit card transaction is posted to your account, you will be charged an Overdraft Protection Plus fee. This is because you had an insufficient available balance in the account at the time the transaction was authorized by Wings.

#### **How Transactions Are Posted to Your Account**

There are two main types of transactions – credits or deposits of money into your account, and debits or payments out of your account. It is important to understand how each transaction is handled so that you know how much money you have available for use in your checking account.

Generally, transactions are received and posted to your account following the timetable below.

- **Early Morning** ACH – Direct Deposits and Direct Payment files are received. Deposits are posted before withdrawals.
- **Late Morning to Early Afternoon** Exception items and possible return items are reviewed. This includes checks from the previous night and ACH items from the morning.
- **Late Night** Checks clear.
- **Real-Time** ATM and Debit Card authorizations and transactions, over-the-counter transactions performed in a branch or received by mail, and transactions initiated through online and mobile banking are posted in real-time. In addition, ACH deposits and withdrawals processed as “same-day” are received throughout the day and processed upon receipt.

The information below describes how we handle credits and debits to your account and the resulting impact on your available balance. The information is a general description of how certain types of transactions are recorded and posted. We may receive multiple deposit and withdrawal transactions on your account in many different forms throughout each day. This means you may be charged more than one Overdraft Protection Plus fee if we pay or authorize multiple transactions when you have an insufficient available balance.

#### **Credits**

Most deposits are added to your account and available when we receive them, however, there are exceptions. Thus, your available balance may not reflect the most recent deposits to your account.

- For checks you deposit in person or by mail, these funds are generally made available immediately, unless a hold has been placed on the item. If a hold is placed, you will receive notice of the hold amount and when the funds will be available.
- For deposits made at an ATM, some funds will be made available immediately and the remaining deposit will be made available on the second business day.

- For deposits made through Mobile Deposit, a predetermined amount will be available to you immediately. This amount will be disclosed to you when you make the deposit. Funds deposited over the disclosed amount will be placed on a hold.
- See Wings Funds Availability Policy for information regarding check holds.

### **Debits**

There are many ways transactions are presented for payment by merchants and other financial institutions and we are not necessarily in control of when transactions are received and posted to your account. Wings posts daily check and ACH batches from the smallest item to the largest item. Posting from smallest to largest allows more items to post and minimizes the Overdraft Protection Plus or return item fees. ATM and Debit Card authorizations and transactions occur continuously.

### **What is a debit card authorization hold?**

When you use your debit card to conduct a Signature or "Credit" transaction (i.e., you do not enter your PIN), the merchant sends us the amount, usually the purchase total, for authorization. This amount is placed on hold and removed from your available balance immediately. The hold is released after approximately 72 hours or when the transaction clears, whichever comes first. The hold helps determine the available balance on your account.

### **Will debit card authorization holds apply to all my purchases?**

No, debit card authorization holds only apply to debit card transactions when you sign your name or do not enter a PIN. For example, a debit card purchase made at a restaurant or with an online merchant would be treated as a signature/credit transaction and would be subject to an authorization hold.

Debit card purchases and ATM withdrawals made using a PIN subtract the funds immediately from your account (except when you use your PIN at a gas station).