OVERDRAFT COVERAGE OPTIONS:
OVERDRAFT PROTECTION AND PRIVILEGE PAY

Gulf Credit Union understands that unexpected overdrafts occur from time to time – Overdraft Coverage can help.

Overdraft Coverage Options
The choice is yours. Consider these ways to cover overdrafts:

Service	Cost
Overdraft Protection link to another deposit account you have at Gulf Credit Union[1]	**$3 fee per transfer**
Overdraft Protection Line of Credit[1, 2]	**Subject to interest**
Privilege Pay Standard or Extended Coverage	**$30 Overdraft Fee per item presented*.**

[1]Call us at (409) 963-1191, email us at supportservices@gecu.org, or come by a branch to sign up or apply for these services; [2]Subject to credit approval.

Per item presented means each time an item is presented, including re-presentment

Overdraft Protection applies to all transactions and may help prevent overdrafts by automatically transferring funds to your checking account from another account, or line of credit you may have at Gulf Credit Union for a fee or finance charge. Please note that overdraft lines of credit are subject to credit approval.

Privilege Pay allows you to overdraw your account up to the disclosed limit for a fee to pay a transaction. Even if you have Overdraft Protection, Privilege Pay is still available as secondary coverage if the other protection source is exhausted. Please review ***What Else You Should Know*** for other important information.

Transactions Covered with Privilege Pay	Standard Coverage (No action required)	Extended Coverage (Your consent required on consumer accounts) *	If you would like to select Extended Coverage for future transactions:
Checks	**X**	**X**	• call us at (409) 963-1191 • complete the online consent form found at www.gecu.org • visit any branch • complete a consent form and mail it to us at P.O. Box 848 Groves, TX 77619 • email us at supportservices@gecu.org
ACH - Automatic Debits	**X**	**X**	
Recurring Debit Card Transactions	**X**	**X**	
Online Bill Pay Items	**X**	**X**	
ATM Transactions		**X***	
Everyday Debit Card Transactions		**X***	

*If you choose Extended Coverage on your consumer account, **ATM transactions and everyday debit card transactions** will be included with the transactions listed under Standard Coverage. If you already have Privilege Pay Extended Coverage, it is not necessary to request it again. Business accounts automatically have Extended Coverage.

If you want to discontinue Privilege Pay in its entirety, contact us at (409) 963-1191 or email us at supportservices@gecu.org.

WHAT ELSE YOU SHOULD KNOW

- A link to another account or line of credit may be less expensive than an overdraft. A single larger overdraft will result in one fee, instead of multiple smaller overdrafts. Use our mobile, internet, and telephone banking services to track your balance. For financial education resources, please visit www.mymoney.gov.
- The $30 Overdraft Fee that is charged if you overdraw your account is the same fee that is charged if an item is returned as unpaid. If multiple items overdraw your account on the same day, each item will be assessed an appropriate Overdraft Fee or a NSF Fee of $30. All fees and charges will be included as part of the Privilege Pay limit amount. Your account may become overdrawn more than the Privilege Pay limit amount because of a fee.
- For consumer accounts, there is no limit on the total Overdraft Fees per day we will charge you for overdrawing your account. We will not charge an Overdraft Fee if a consumer account is overdrawn by $5 or less. These exceptions do not apply to business accounts.
- Recipients of federal or state benefits payments who do not wish us to deduct the amount overdrawn and the Overdraft Fee from funds that you deposit or that are deposited into your account may call us at (409) 963-1191 to discontinue Privilege Pay.
- If an item is returned because the Available Balance (as defined below) in your account is not sufficient to cover the item and the item is presented for payment again, Gulf Credit Union ("We") may charge a NSF Fee each time we return the item because it exceeds the Available Balance in your account. Because we may charge a NSF Fee each time an item is presented, **we may charge you more than one fee for any given item as a result of a returned item and re-presentment of the item.** When we charge a NSF Fee, the charge reduces the Available Balance in your account and may put your account into (or further into) overdraft. If, on re-presentment of the item, the Available Balance in your account is sufficient to cover the item we may pay the item, and, if payment causes an overdraft, charge an Overdraft Fee. We may use the terms "item" and "transaction" interchangeably.
- This describes the posting order for purposes of determining overdrafts. Our general policy is to post ACH credits before ACH or share draft debits. All debit transactions post in the order in which the items are received. Holds on funds (described herein) and the order in which transactions are posted may impact the total amount of Overdraft Fees or NSF Fees assessed. Holds on funds (described herein) and the order in which transactions are posted may impact the total amount of Overdraft Fees or NSF Fees assessed.
- Privilege Pay is not a line of credit; it is a discretionary overdraft service that can be withdrawn at any time without prior notice.
- Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all overdraft and fee amounts, as described in the Deposit Account Agreement and Disclosure. The total (negative) balance, including all fees and charges, is due and payable upon demand.
- We may be obligated to pay some debit card transactions that are not authorized through the payment system but which we are required to pay due to the payment system rules, and as a result you may incur fees if such transactions overdraw your account. However, we will not authorize debit card or ATM transactions unless your account's Available Balance (including Overdraft Coverage Options) is sufficient to cover the transactions and any fee(s).
- Giving us your consent to pay everyday debit card and ATM overdrafts on your consumer account (Extended Coverage) may result in you incurring Overdraft Fees for transactions that we would otherwise be required to pay without assessing an Overdraft Fee. However, this would allow us to authorize transactions up to the amount of your Privilege Pay limit. If you consent to Extended Coverage on your consumer account, it will remain on your account until it is otherwise withdrawn.

Understanding your Available Balance: Your account has two kinds of balances: the Ledger Balance and the Available Balance.

- We authorize and pay transactions using the Available Balance.
- Your Ledger Balance reflects the full amount of all deposits to your account as well as payment transactions that have been posted to your account. It does not reflect checks you have written and are still outstanding or transactions that have been authorized but are still pending.
- Your Available Balance is the amount available to you to use for purchases, withdrawals, or to cover transactions. The Available Balance is your Ledger Balance, less any holds due to pending debit card transactions and holds on deposited funds.
- The balance used for authorizing checks, ACH items, and recurring debit card transactions is your Available Balance plus the amount of the Privilege Pay limit and any available Overdraft Protection.
- The balance used for authorizing ATM and everyday debit card transactions on accounts with Standard Coverage is your Available Balance plus any available Overdraft Protection but does NOT include the Privilege Pay limit.
- The balance used for authorizing ATM and everyday debit card transactions on accounts with Extended Coverage is your Available Balance plus any available Overdraft Protection and includes the Privilege Pay limit.
- Because your Available Balance reflects pending transactions and debit holds, your balance may appear to cover a transaction but later upon settlement it may not be sufficient to cover such transaction. In such cases, the transaction may further overdraw your account and be subject to additional overdraft fees. You should assume that any item which would overdraw your account based on your Available Balance may create an overdraft. Note that we may place a hold on deposited funds in accordance with our Deposit Account Agreement and Disclosure, which will reduce the amount in your Available Balance.
- Please be aware that the Privilege Pay amount is not included in your Available Balance provided through online banking, mobile banking or Gulf Credit Union's ATMs.
- We will place a hold on your account for any authorized debit card transaction until the transaction settles (usually within two business days) or as permitted by payment system rules. In some cases, the hold may exceed the amount of the transaction. When the hold ends, the funds will be added to the Available Balance in your account. If your account is overdrawn after the held funds are added to the Available Balance and the transaction is posted to the Available Balance, an Overdraft Fee may be assessed.
- Except as described herein, we will not pay items if the Available Balance in your account (including the Privilege Pay limit, if applicable) is not sufficient to cover the item(s) and the amount of any fee(s).

Understanding Privilege Pay Limits

- New consumer and business checking accounts will receive a $100 Introductory Privilege Pay limit at account opening that will be increased to $700 after 35 days in good standing for consumer accounts or to $1000 after 35 days in good standing for business accounts.
- Privilege Pay may be reduced if you default on any loan or other obligation to us, your account becomes subject to any legal or administrative order or levy, or if you fail to maintain your account in good standing by not bringing your account to a positive balance within 35 days for a minimum of one business day. You must bring your account balance positive for at least one business day to have the full Privilege Pay limit reinstated.

If you have any questions about Overdraft Protection or Privilege Pay, please call us at (409) 963-1191 or visit a branch.

WHAT YOU NEED TO KNOW ABOUT OVERDRAFTS AND OVERDRAFT FEES

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 another account or a line of credit, which may be less costly than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains our standard overdraft practices.

- **What are the standard overdraft practices that come with my account?**

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

- Checks and other transactions made using your checking account number
- Automatic bill payments

We will not authorize and pay overdrafts for the following types of transactions without your consent.

- ATM transactions
- Everyday 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**.

- **What fees will I be charged if Gulf Credit Union pays my overdraft?**

Under our standard overdraft practices:

- We will charge you a fee of up to **$30** each time we pay an overdraft
- We will not charge you a fee if your account is overdrawn by $5 or less
- **There is no limit** per day on the total fees we can charge you for overdrawing your account

- **What if I want Gulf Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions?**

If you want us to authorize and pay overdrafts on ATM and everyday debit card transactions, call (409) 963-1191, visit our website at www.gecu.org, email us at supportservices@gecu.org, complete the form below and present it at a branch or mail it to: P.O. Box 848 Groves, TX 77619. You can revoke your authorization for Gulf Credit Union to pay these overdrafts at any time by any of the above methods. Your revocation must include both your name and the last 4 digits of your account number so that we can properly identify your account.

_____ **I do not** want Gulf Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

_____ **I want** Gulf Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Printed Name: _____

Date: _____

Account Number: _____

Member Signature: _____