

What You Need to Know about Overdrafts and Overdraft Fees

An overdraft occurs when you have an insufficient balance available in your checking account to cover a transaction, but we pay it anyway. We can cover your overdrafts in the following ways:

1. We have standard overdraft practices called Courtesy Pay that come with your account.
2. We have Extra Courtesy Pay services that can be elected by you for us to authorize and pay non-recurring everyday debit card transactions.
3. We also offer Overdraft Protection Plans, such as a link to a savings account, which may be less expensive than our standard overdraft practices. To learn more, see the Overdraft Options page.

This notice explains our standard and elected overdraft practices.

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

Courtesy Pay: We may authorize and pay overdrafts for the following types of transactions up to a certain limit disclosed to you:

- Checks and other transactions made using your checking account number
- Online bill payments
- ACH Debit
- Recurring debit card transactions

If a check, online bill pay, ACH debit, or recurring debit card transaction is authorized, you may be charged an overdraft fee if paid or a non-sufficient funds (NSF) fee if returned unpaid.

ATM transactions may not be authorized without an available account balance and will not be charged an overdraft fee should a transaction become authorized through an ATM network.

➤ **What are the Extra Courtesy Pay services that I can select?**

We do not authorize and pay overdrafts for the following types of transactions unless you ask us to (see below):

- Non-recurring everyday debit card transactions, including PIN and signature based authorized purchases.

We pay overdrafts at our discretion, which means we do not guarantee that we will always pay any type of transaction.

If we do not pay or authorize a non-recurring everyday debit card transaction, your transaction will be declined, and **no overdraft or NSF fee** will be charged.

➤ **What fees will I be charged if Members 1st pays or returns my transactions?**

- We will charge you an overdraft or NSF fee of up to **\$37** each time we pay or return a transaction of \$5.01 or more. A fee is charged each time an item (that is, a check, draft, ACH debit, online bill pay or debit card transaction) is presented or represented. Items may be presented multiple times and are subject to a fee for each time presented or represented that are \$5.01 or more. Members 1st uses your “available account balance” to determine if you have available funds, which may differ from your “account balance.” This is explained in more detail on page 3. Fees charged are dependent upon overdraft services elected and transaction types as defined in this policy.
- We will not charge you an overdraft or NSF Fee on debit card transactions that are \$5.00 or less.
- If a check, draft, ACH or bill pay transaction of \$5.00 or less is presented or represented to your account and causes an overdraft/NSF fee, we will refund the fee associated with the transaction immediately.
- There is a **maximum of six (6)** overdraft and non-sufficient funds (NSF) fees per calendar day which we may charge you for overdrawing your account. Six overdraft fees equals \$222.

➤ **What if I want Members 1st to authorize and pay overdrafts on my non-recurring everyday debit card transactions?**

If you also want us to authorize and pay overdrafts for non-recurring everyday debit card transactions, you can accomplish this one of the following ways:

- Log into Members 1st Online
- Call 800-283-2328
- Complete the form below and return it to any branch or mail it to:

Deposit Operations
 P.O. Box 8893
 Camp Hill, PA 17001

_____ I do not want Members 1st to authorize and pay overdrafts on my non-recurring everyday debit card transactions.

_____ I want Members 1st to authorize and pay overdrafts on my non-recurring everyday debit card transactions.

Printed Name: _____

Date: _____

Account Number: _____

An overdraft occurs when you have an insufficient balance available in your checking account to cover a transaction. Our policies for handling overdrafts are described below.

Your “account balance” may differ from your “available account balance”. This difference is most commonly due to holds on deposits or holds placed for debit card purchases. When you make a purchase using a debit card, a merchant may electronically request a temporary hold on your account for a specific amount, which may at times be more or less than the actual purchase amount. This temporary hold will eventually be released usually when the purchase transaction posts to your account or approximately two days after the authorization hold is placed on your account.

Until the purchase posts and/or the hold is released, your available account balance will be reduced by the amount of the authorized hold resulting in an available account balance that is less than the account balance. Should a check, draft, ACH debit, online bill payment or debit card transaction exceed the available account balance, the payment may be declined, returned unpaid, or paid, and may be subject to an overdraft fee or non-sufficient funds (NSF) fee dependent upon your overdraft and/or courtesy pay service election.

It is very important to understand that you may still overdraw your account even though the account balance appears to show there are sufficient funds to cover a transaction that you want to make. This is because your account balance may not reflect all your outstanding checks and online bill payments, or other outstanding transactions which you have authorized that have not been presented to your account.

Overdraft Protection Plans:

You can link your checking account with other eligible accounts to cover your checking account when funds are not available. There are no fees for these transfers.

Lines of Credit can also be used as overdraft protection for a checking account. There are no fees for these transfers, but the loan will accrue interest based on your loan agreement terms. You can use either a personal line of credit or a home equity line of credit for overdraft protection. Set up overdraft protection in any branch, over the phone, or online at members1st.org.

Overdraft Options

Courtesy Pay:

Courtesy Pay is a discretionary service offered automatically by Members 1st to eligible checking account holders to pay items presented for payment via check, online bill payment, ACH debit and recurring debit card transactions in the event you have an insufficient available balance. Courtesy Pay is only used when no funds are available in your checking account or you have exhausted funds from enrolled overdraft savings or line of credit sources.

Extra Courtesy Pay:

Extra Courtesy Pay is an additional discretionary service offered by Members 1st to eligible checking account holders but is not automatically offered. It has all the features of Courtesy Pay, but also covers non-recurring everyday debit card transactions. You must opt-in to use the Extra Courtesy Pay service.

An overdraft occurs when you have an insufficient balance available in your checking account to cover a transaction. Here are two options:	Courtesy Pay: This option comes with your account. We generally let your online bill payments, ACH debits, recurring debit transactions, and checks go through, and decline your non-recurring everyday debit card transactions.	Extra Courtesy Pay: If you elect to this option, we may authorize non-recurring everyday debit card transactions that overdraw your account..
Non-recurring everyday debit card transactions (\$5.01 or more)	No fee; however, transaction may be denied.	\$37
Online bill payment transactions (\$5.01 or more)	\$37	\$37
ACH debit and recurring debit card transactions (\$5.01 or more)	\$37	\$37
Check transactions (\$5.01 or more)	\$37	\$37
Compare options with these examples:	Example: You attempt to spend \$25 at the store using your debit card	Example: You spend \$25 at the store using your debit card
	Your account has \$10	Your account has \$10
	Your transaction is declined because of an insufficient available balance in your checking account - \$0	Your transaction is approved despite an insufficient available balance in your checking account. -\$25
	Overdraft fees - \$0	Overdraft fees -\$37
	You still have \$10	You now have -\$52
Features that apply to both Overdraft Options		
Maximum number of fees	6 overdraft fees per calendar day	
Transaction Amount Threshold	Debit card transactions \$5.00 or less will not be charged an overdraft/NSF fee. Checks, drafts, ACH or bill pay transactions of \$5.00 or less that cause an overdraft/NSF fee will be refunded immediately.	

If you wish to decline or to participate in Extra Courtesy Pay, please mail the completed form on the second page to:

Deposit Operations
P. O. Box 8893
Camp Hill PA 17001