

## OVERDRAFT COVERAGE OPTIONS: OVERDRAFT PRIVILEGE AND OVERDRAFT PROTECTION

Life happens! People's 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 People's Credit Union <sup>1</sup>	Overdraft Protection Transfer Fee per instance; refer to the fee schedule for more information
Overdraft Protection Line of Credit <sup>1, 2</sup>	Subject to fees + interest
Overdraft Privilege	Insufficient Funds Charge per item; refer to the fee schedule for more information

<sup>1</sup>Call us at 800.498.8930, email us at [memberservice@peoplescu.com](mailto:memberservice@peoplescu.com), or come by a branch to sign up or apply for these services; <sup>2</sup>Subject to credit approval.

**Overdraft Protection** services apply 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 People's Credit Union for a fee or finance charge. Please note that overdraft lines of credit are subject to credit approval.

**Overdraft Privilege** allows you to overdraw your account up to the disclosed limit for a fee in order to pay a transaction. Even if you have overdraft protection, Overdraft Privilege is still available as secondary coverage if the other protection source is exhausted.

Transactions Covered with Overdraft Privilege	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	<ul style="list-style-type: none"> <li>• call us at <b>800.498.8930</b>,</li> <li>• complete the online consent form found at <a href="http://www.peoplescu.com">www.peoplescu.com</a>,</li> <li>• visit any branch,</li> <li>• complete a consent form and mail it to us at 858 West Main Rd, Middletown, RI 02842, or</li> <li>• e-mail us at <a href="mailto:memberservice@peoplescu.com">memberservice@peoplescu.com</a></li> </ul>
ACH - Automatic Debits	X	X	
Recurring Debit Card Payments	X	X	
Online Bill Pay Items	X	X	
Internet Banking Transfers	X	X	
Teller Window Transactions	X	X	
ATM Withdrawals		X*	
Everyday Debit Card Transactions		X*	

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

You can discontinue the Overdraft Privilege in its entirety by contacting us at 800.498.8930 or sending us an e-mail at [memberservice@peoplescu.com](mailto:memberservice@peoplescu.com).

### What Else You Should Know

- A link to another account or a line of credit may be a less expensive option than an overdraft. A single larger overdraft will result in just one fee, as opposed to multiple smaller overdrafts. Good account management is the best way to avoid overdrafts. Use our mobile banking, Internet banking, and telephone banking services to keep track of your balance. For additional financial education resources, please visit [www.mymoney.gov](http://www.mymoney.gov).
- The Insufficient Funds Charge paid is the same fee amount that is charged if a check is returned as unpaid. If multiple items overdraw your account on the same day, each item will be assessed an appropriate Paid or Returned Insufficient Funds Charge (refer to fee schedule). All fees and charges will be included as part of the Overdraft Privilege limit amount. Your account may become overdrawn more than the Overdraft Privilege limit amount because of a fee.
- For all accounts, there is a limit of four Insufficient Funds Charges (paid or returned) per day that we will charge. We will not charge an Insufficient Funds Charge if a consumer account is overdrawn by \$10 or less.

- This describes the posting order for purposes of determining overdrafts. We generally post items in the following order: 1) credits, 2) ATM and debit card transactions, 3) ACH debits, 4) checks, low to high dollar amounts. However, because of the many ways we allow you to access your account, the posting order of individual items may differ from these general policies. Holds on funds (described below) and the order in which transactions are posted may impact the total amount of Paid or Returned Insufficient Funds Charges assessed.
- Holds on funds (described below) and the order in which transactions are posted may impact the total amount of Insufficient Funds Charges (paid or returned) assessed.
- Although under payment system rules, People's Credit Union may be obligated to pay some unauthorized debit card transactions, People's Credit Union will not authorize debit card or ATM transactions unless there are available funds (including Overdraft Coverage Options) to cover the transactions and any fee(s).
- Giving us your consent to pay every day debit card and ATM overdrafts on your consumer account may result in you incurring Insufficient Funds Charges for transactions that we would otherwise be required to pay without assessing an Insufficient Funds Charge. However, this would allow us to authorize transactions up to the amount of your Overdraft Privilege limit and may also help you avoid overdrafts in excess of your available balance that could result in suspension of your debit card.
- People's Credit Union authorizes and pays transactions using the available balance in your account. People's Credit Union 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. The available balance for checks, ACH items, and recurring debit card transactions is comprised of the ledger balance, less any holds on deposited funds and any debit card holds, plus the amount of the Overdraft Privilege limit and any available overdraft protection. The available balance for ATM and everyday debit card transactions on accounts with Standard Coverage is the ledger balance, less any holds on deposited funds and any debit card holds, plus any available overdraft protection, but does NOT include the Overdraft Privilege Limit. For accounts with Extended Coverage, the Overdraft Privilege Limit is included in the available balance for authorizing ATM and everyday debit card transactions.
- Please be aware that the Overdraft Privilege amount is not included in your available balance provided through online banking, mobile banking or People's Credit Union's ATMs.
- People's Credit Union 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 Insufficient Funds Charge may be assessed.
- Except as described in this disclosure, People's Credit Union will not pay items if your account does not contain available funds (including the Overdraft Privilege limit) to cover the item(s) and the amount of any fee(s).
- People's Credit Union may suspend your debit card if you incur overdrafts in excess of the available balance in your account, including any Overdraft Privilege limit (as described in this disclosure). Debit cards on your account will remain suspended until you make sufficient deposits so that your available balance, taking into account any Overdraft Privilege limit, is positive and then you contact us.
- People's Credit Union may also suspend your debit card if your account is overdrawn more than thirty-two (32) consecutive calendar days. Debit cards on your account will remain suspended until you make sufficient deposits so that your account balance is positive.
- People's Credit Union may also suspend your debit card if we are unable to contact you due to an incorrect mailing address or phone number(s). You must contact us with your correct mailing address and/or phone number(s) to have your debit card reinstated.
- If your debit card is suspended, you will be unable to use your debit card for purchases or to access your account at the ATM, and if you use your debit card for recurring payments, e.g., utilities, you are responsible to make other arrangements for your recurring debit payment(s).
- Overdraft Privilege limits of up to \$500 are available for eligible Personal Checking accounts opened at least 30 days in good standing and up to \$1000 for eligible Business Checking accounts opened at least 30 days in good standing.
- Overdraft Privilege is not a line of credit; it is a discretionary overdraft service that can be withdrawn at any time without prior notice.
- Overdraft Privilege may be discontinued 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 thirty-two (32) days for a minimum of one business day. You must bring your account balance positive for at least one business day to have Overdraft Privilege reinstated.
- 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.

If you have any questions about Overdraft Protection or Overdraft Privilege, please call us at 800.498.8930 or visit a branch.