



200 Westgate Center Drive  
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## Standard and Premium Overdraft Service Charge Policy

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 multiple ways:

1. The Credit Union has standard overdraft practices that come with your account.
2. The Credit Union offers various types of overdraft protection products to members, including an overdraft line of credit as well as overdraft protection from savings; which may be less expensive than our standard overdraft practice.

This notice explains our standard overdraft practices. For more information about overdraft protection plans, stop in any of our branches, or reach out to our contact center at 800.852.5886.

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### 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 **unless you ask us to**:

- ATM transactions
- Everyday debit card transactions

### What if I want UMassFive College Federal 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 you may stop into to any branch, reach out to our Contact Center at 800.852.5886, or send a secure message via Online Banking.

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 and you may incur a service charge.

### What service charges are associated with UMassFive College Federal Credit Union paying for my overdraft?

Under our standard overdraft practices:

- We will charge up to \$32.00 each time we pay an overdraft for use of the service.
- There is a limit of \$64.00 per day that we may charge you for services associated with overdrawing your account.
- Re-presentation of a transaction for the same check, share draft or ACH payment will not incur multiple service charges.

## Discretionary Premium Overdraft Policy

It is the policy of UMassFive College Federal Credit Union (hereinafter referred to as "UMassFive") to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards.

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The Deposit Account Agreement and Disclosure provided to you at the time you opened your account with us controls the duties, obligations and rights of the Depositor, the Authorized Signatories and UMassFive with regard to your checking account. The Deposit Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Discretionary Premium Overdraft Policy and the Deposit Account Agreement and Disclosure. A copy of the Deposit Account Agreement and Disclosure is available to you by request from your UMassFive representative.

Premium Overdraft is not a line of credit. However, if you inadvertently overdraw your account, we will have the discretion to pay the overdraft, subject to the limit of your Premium Overdraft Policy and the amount of the associated service charges. UMassFive is not obligated to pay any item presented for payment if your account does not contain sufficient available funds. Any discretionary payment by UMassFive of an overdraft check (or item, such as an ATM withdrawal) does not obligate UMassFive 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 UMassFive's commitment to provide you with the best level of service, we will offer most members our Premium Overdraft service at account opening and UMassFive will have the discretion to pay overdrafts within the Premium Overdraft limits. For the duration, your consumer account must remain in good standing. Good standing includes:

- A) Bringing your account to a positive balance within every thirty (30) day period for a minimum period of 24 hours,
- B) Not being in default on any loan or other obligation to UMassFive College Federal Credit Union,
- C) Not being subject to any legal or administrative order or levy.

Payment by UMassFive is a discretionary courtesy and not a right of the member or an obligation of UMassFive. This privilege for consumer checking accounts will generally be limited to a maximum of \$2,000 overdraft (negative) balance for accounts set up with direct deposit or \$750 overdraft (negative) balance for accounts without direct deposit. Of course, any and all service charges, including without limitation the non-sufficient funds service (as set forth in our Service Prices schedules and deposit account agreement and disclosure), will be included as part of this maximum amount. It may be possible that your account will become overdrawn in excess of the Premium Overdraft amount as a result of the assessment of a service charge.

The total of the discretionary Premium Overdraft (negative) balance, which includes any and all service charges, including all non-sufficient funds/overdraft charges is due and payable upon demand, and 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 service charge of \$32.00 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 service charges incurred.

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

For our consumer members, UMassFive will not pay overdrafts for ATM or everyday debit card transactions unless UMassFive has provided you with the notice required by section 205.17(b) of Regulation E and you have opted in to the payment of these overdrafts. In order to avoid overdrafts due to ATM or everyday debit card transactions, UMassFive will place a hold on your account for any ATM or everyday debit card transaction authorized until the transaction settles. ATM and everyday debit card transactions usually settle within two 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, for both consumer and commercial accounts, you may opt out of the Premium Overdraft services for ACH, check, as well as debit card and bill payment transactions at any time by contacting one of our Member Service Specialists.

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By signing below, I acknowledge that I have been provided with and have read and understand the Standard and Premium Overdraft Service Charge Policy and Discretionary Premium Overdraft Policy, and agree to accept or not accept the following terms for the Account stated below.

**I am authorizing** UMassFive to provide discretionary Premium Overdraft Services for checks and ACH transactions.

**I am authorizing** UMassFive to provide discretionary Premium Overdraft Services for ATM and everyday debit card transactions.

**OR**

**I DO NOT authorize** UMassFive to provide discretionary Premium Overdraft Services.

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Name (Please print legibly)

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Date

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Signature

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Last 4 digits of Account Number