



WHAT ELSE YOU SHOULD KNOW Overdraft Programs

- 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, as opposed to multiple smaller overdrafts. Good account management is the best way to avoid overdrafts. Use our mobile, internet banking, and telephone banking services to track your balance. **Enroll in our free email or text account alerts.** For financial education resources, please visit www.mymoney.gov.
- The \$30 Consumer and Business Paid NSF Fee that is charged if you overdraw your account is the same or lower than the 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 Paid NSF Fee (up to two Courtesy Pay fees per day) or a Return Unpaid NSF Fee of \$30 for Consumer, \$35 for Business. All fees and charges will be included as part of the Courtesy Pay limit amount. Your account may become overdrawn more than the Courtesy Pay limit amount because of a fee.
- Recipients of federal or state benefits payments who do not wish us to deduct the amount overdrawn and the Paid NSF Fee from funds that you deposit or that are deposited into your account may call us at 1-800-877-6440 (TTY 711) to discontinue Courtesy 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, NIH Federal Credit Union ("We") may charge a Return Unpaid NSF Fee if we return the item because it exceeds the Available Balance in your account. When we charge a Return Unpaid NSF Fee, the charge reduces the Available Balance in your account and may put your account into (or further into) overdraft. If, on re-presentation 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 a Paid NSF (Courtesy Pay) Fee. This means that we may charge your account more than one fee for any given item as a result of a returned item and re-presentation of the item. We may use the terms "item" and "transaction" interchangeably.
- We generally post items in the follow order: 1) ACH credits in the order presented, 2) ACH debits (in the order presented), 3) lockbox payments and deposits (in the order presented), 4) checks (in the order presented), 5) all other items are posted as received. However, because of the many ways we allow you to access your account, the posting order of individuals items may differ from these general policies. Holds on funds (described herein) and the order in which transactions are posted may impact the total amount of Paid NSF Fees or Return Unpaid NSF Fee assessed.
- Courtesy 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 ("Courtesy Pay Plus") may result in you incurring Paid NSF Item Fees for transactions that we would otherwise be required to pay without assessing a Paid NSF Fee. However, this would allow us to authorize transactions up to the amount of your Courtesy Pay limit. If you consent to Courtesy Pay Plus 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 Courtesy 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. This balance does NOT include the Courtesy Pay limit.
- The balance used for authorizing ATM and everyday debit card transactions on accounts with Courtesy Pay Plus is your Available Balance plus any available Overdraft Protection which may include the Courtesy 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 Courtesy Pay amount is not included in your Available Balance provided through online banking, mobile banking or NIH Federal 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 Paid NSF Fee may be assessed.
- Except as described herein, we will not pay items if the Available Balance in your account (including the Courtesy Pay limit, if applicable) is not sufficient to cover the item(s) and the amount of any fee(s).
- If a transaction is authorized and your Available Balance at the time of authorization is sufficient to cover the transaction amount, but at the time of settlement (when the merchant presents the transaction to NIH FCU) the balance is not sufficient, we will pay the transaction and not charge a fee.

Understanding Courtesy Pay Limits

- An Courtesy Pay limit of \$730 may be granted to eligible Consumer Checking accounts opened at least 31 days in good standing.
- An Courtesy Pay limit of \$730 may be granted to eligible Business Checking accounts opened at least 61 days in good standing.
- Courtesy Pay may be suspended if you default on any loan or other obligation to us or we agree to modify a NIHFCU loan due to a financial hardship, your account becomes subject to any legal or administrative order or levy, if you fail to maintain your account in good standing by not bringing your account to a positive balance within 32 days for a minimum of one business day or if we have any reason to believe that a negative Checking balance would not be repaid. **You must bring your account balance positive for at least one business day to have the Courtesy Pay limit reinstated.**

If you have any questions about Overdraft Protection or Courtesy Pay, please call us at 1-800-877-6440 (TTY 711) or visit any NIHFCU branch.