

## STANDARD OVERDRAFT PRACTICES

### What You Need to Know About Overdrafts and Overdraft Fees

#### What is an overdraft?

An overdraft occurs when the available balance in your account is not enough 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, for which you can opt in below.
2. We automatically link your primary share account to your checking account. You may also choose an overdraft protection plan that "links" your other accounts to cover your overdrafts. Please see page 3 for other important information regarding the terms and conditions of our overdraft programs.

This notice explains our Standard Overdraft Practices.

#### What are the Standard Overdraft Practices?

We authorize and pay for the following types of transactions:

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

If you opt in, we may authorize and pay overdrafts for the following types of transactions:

- 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 be charged?

Under our Standard Overdraft Practices:

- We will charge you a fee of \$25.00 each time we pay an overdraft for automatic bill payments, ACH transactions, checks and other transactions made using your checking account number, and any other transactions from your checking account.
- We will charge you a fee each time we pay an overdraft for a debit card transaction. Fees are based on the amount of the transaction.

Item/Transaction amount	Fee amount
\$0.01-\$1.00	No fee
\$1.01-\$5.00	\$1.00 per item
\$5.01-\$15.00	\$5.00 per item
\$15.01-\$25.00	\$15.00 per item
\$25.01 or greater	\$25.00 per item

- Based upon the prior 30 days of account activity and total deposits, we will only pay up to \$500.00 in total overdraft

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transactions. After that, we will decline the transaction and charge you an NSF fee of \$25.00\* for automatic bill payments, ACH transactions, checks and other transactions made using your checking account number. For debit card transactions, we will decline the transaction but will not charge an NSF fee.

#### If you opt out of our Standard Overdraft Practices:

- If you opt out of our Standard Overdraft Practices for debit card transactions, we will decline your transaction, and the merchant will reject your payment.
- If you opt out of our Standard Overdraft Practices for automatic bill payment, ACH, checks and other transactions, this means that any of these types of transactions that may cause your account to go in the negative will be declined, and you will be charged an NSF fee of \$25.00 each time we reject an item.\*

\*A particular item may be presented for payment multiple times. You may be charged an NSF or overdraft fee for each presentation.

#### If you want us to authorize and pay overdrafts:

If you want us to authorize and pay overdrafts (including on everyday debit card transactions), call 800-268-6928, or complete the form below and present it at a branch or mail it to: P.O. Box 26646, Richmond, VA 23261. You may revoke your consent at any time by contacting us at the above address/phone number.

- Yes**, I want you to authorize and pay overdrafts on everyday debit transactions.
- No**, I do not want you to authorize and pay overdrafts on my everyday debit card transactions. I understand the merchant will decline these transactions.
- No**, I do not want you to authorize and pay overdrafts on my checks, automatic bill payments, ACH and other transactions made using my checking account number. I understand the merchant may decline these transactions, and I will pay an NSF fee.

\_\_\_\_\_  
 Printed Name

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Account Number

#### Return to:

**Dominion Energy Credit Union**  
 PO Box 26646, Richmond, VA 23261-6646  
 Phone: 800-268-6928 • Fax: 804-521-2510  
 Email: mycu@dominionenergy.com

**Zix secure email: [www.dominionenergycu.org/securemail](http://www.dominionenergycu.org/securemail)**

You may also return the form via Secure Messaging by logging in to Digital Banking.

## OVERDRAFT PROTECTION PLANS

You may choose an overdraft protection plan that “links” your accounts to cover your overdrafts. Please see page 3 for other important information regarding the terms and conditions of our overdraft programs.

### How does it work?

You can tell us to “link” your savings account to your checking account, so if you cause an overdraft, we will transfer money from your linked account to pay the overdraft. If there’s not enough money in any of your linked accounts, we will follow your instructions for Standard Overdraft Practices on page 1.

### What fees will I be charged?

If you have no money available in any of your linked accounts:

- An NSF fee of \$25.00 each time we reject an item, if you have told us to reject items;\* or
- We will charge you a fee of up to \$25.00 each time we pay an overdraft for automatic bill payments, ACH transactions, checks and other transactions made using your checking account number, and any other transaction from your checking account.
- We will charge you a fee each time we pay an overdraft for a debit card transaction. Fees are based on the amount of the transaction.

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\$15.01-\$25.00	\$15.00 per item
\$25.01 or greater	\$25.00 per item

Also note:

- We may increase fees at any time. See our fee schedule for the most current fees.

\*A particular item may be presented for payment multiple times. You may be charged an NSF or overdraft fee for each presentation.

**Yes**, please transfer money from my savings to cover my overdrafts (including everyday transactions).

*If you link a savings account, the number of transfers may be limited. See your Membership Agreement, Electronic Funds Transfer Agreement, or Truth-in-Savings disclosures for more information.*

*If there’s not enough money in your share account, we will follow your instructions for Standard Overdraft Practices on page 1. For example, if you choose not to authorize Standard Overdraft Practices, we will reject any overdraft items if there is not enough money in your linked accounts.*

**No**, don’t link my accounts. I do not want to link my other accounts to my checking account. I will pay an NSF fee.

**Right to Revoke:** You have the right to revoke or change your overdraft elections at any time by contacting us at the address or phone number on the previous page.

**Signature:** By signing below, I choose the overdraft option checked above. I also acknowledge and agree to the fees and terms described above and in the “Important Terms Regarding Overdraft” section on page 3.

Signature

Date

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### Return to:

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 PO Box 26646, Richmond, VA 23261-6646  
 Phone: 800-268-6928 • Fax: 804-521-2510  
 Email: mycu@dominionenergy.com

**Zix secure email: [www.dominionenergycu.org/securemail](http://www.dominionenergycu.org/securemail)**

*You may also return the form via Secure Messaging by logging in to Digital Banking.*

## IMPORTANT TERMS REGARDING OVERDRAFT

The following terms apply when overdrafts occur on your accounts, regardless of which overdraft service or protection program you choose. This document is incorporated into your Membership and Account Agreement as if fully set forth therein. If the terms of this document conflict with the terms described in your Membership and Account Agreement, the terms of this document will supersede. By signing the document entitled "What You Need to Know About Overdrafts and Overdraft Fees" and by using your checking account, you agree to the following.

### Understanding Your Obligations Regarding Overdrafts

- We use your available balance to determine whether you incur overdrafts and associated fees.
- The law permits us to pay items drawn on your account in any order, even if the order in which we pay items causes an overdraft. We may honor any item or instruction even if it creates an overdraft or negative balance in your account or if it violates any minimum balance requirement or other requirements of the account, in which case you agree to pay all fees, penalties or other charges imposed on you as well as costs incurred by us.
- Online postings and transactions are not made, and balance information is not updated, in real time or instantaneously.
- Any item or transaction may be presented multiple times when it has been returned unpaid for any reason, and we have no control over this. Each presentation will be charged a separate overdraft or NSF fee, even if it is on the same item.
- Pre-authorization holds for debit card transactions placed on sufficient available funds do not guarantee that an overdraft or NSF item will not occur. Transactions may occur after the pre-authorization hold that reduces the balance before the final debit card transaction posts to the account (e.g., a previously written check may clear). In such a case, you will be charged an overdraft or NSF fee.
- Having the ability to overdraw, even if you have overdraft protection, does not relieve you of your duty to make sure you have enough money in your account to cover your transactions.
- Excessive or repeated overdrafts can lead to suspension or termination of your checking account.
- It is your responsibility to monitor and balance your accounts. You are responsible for any overdrafts caused by you or any joint owner on your account. You must repay any overdraft amounts and update your accounts at least once every 31 calendar days.
- We do not have to notify you if your account does not have enough money to cover drafts, fees or other posted items.
- We may not pay your overdrafts if you are not in good standing with us. Good standing means:
  - You have had an account with us for at least 30 days
  - You are age 18 or over
  - You have no past charge-offs that have not been fully recovered
  - There are no tax levies, garnishments or other legal actions against your account(s)

- You have at least \$400.00 in your account, or you've had \$750.00 in deposits of any type into your account in the last 30 days.
- No negative warning indicators
- No negative balances or delinquent loans for more than 30 days

We reserve the right to discontinue service at any time.

- Your accounts are reviewed every day to ensure qualifications are met. If you have opted in to our Standard Overdraft Practices but are temporarily ineligible due to not meeting the good standing requirements, the following will occur:
  - For overdrafts on your debit card transactions, we will not permit any overdrafts and will decline any transactions that will overdraw your account. However, we will not assess an overdraft fee for your declined transactions.
  - For overdrafts on your checks, automatic bill payments, ACH and other transactions made using your checking account number, we will not permit any overdrafts and will decline any transactions that will overdraw your account and charge you an NSF fee of \$25.00.
- We reserve the right to change fees, change programs or discontinue programs at any time.

**NOTE: We have the right to refuse to pay any overdraft in any given situation for any reason. When you tell us how you want overdrafts paid, you are telling us your preference. It does not mean that overdrafts will automatically be paid. You must repay all overdraft amounts.**

### Understanding Your "Available Balance" Versus "Actual Balance"

Your checking account has two kinds of balances: an "actual balance" and an "available balance." Both balances will change with any check, debit card or other transaction as you use your checking account.

#### What is "actual balance"?

Your "actual balance" is the actual amount of money in your account. It may be referred to in your statement as "current balance" or simply "balance." It reflects items that have been fully processed and posted to your account but not transactions that are still processing or "pending." Some people say these transactions "have cleared my account."

#### What is "available balance"?

Your "available balance" is usually a different number than your "actual balance." Your "available balance" is the portion of your actual balance that is available for immediate withdrawal or to pay other debit items; it takes into account standard funds availability held under our Funds Availability Policy, as well as any pending debits and credits we have received but not yet posted to your account (for example, pre-authorized debit card transactions,

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pending checks, transfers, withdrawals or other holds on your account). Items still in process or on hold may be referred to as “pending” on your Digital Banking. The available balance changes throughout the day as transactions occur.

**Available balance is the amount of money you have in your account that is available for you to use without incurring an overdraft fee.** This is the number you should use when determining whether any of your items or transactions will cause you to overdraw your account.

The following examples show how your balances work and how an overdraft can occur:

- Assume you have an actual balance of \$100.00 and an available balance of \$100.00. (This means that all transactions have cleared, and you have no pending transactions because you haven’t used your account). Now, if you swipe your debit card at a restaurant for \$35.00, a hold will be placed on your account as the transaction is processed, and your available balance will be reduced to \$65.00. Your actual balance, however, remains \$100.00 until that transaction is posted to your account. Now assume that a week prior to the transaction at the restaurant, you had written a check to your friend for \$75.00. She cashes it while your available balance is \$65.00. This will cause an overdraft on your account because the check is for more than the available balance, even though the \$35.00 restaurant transaction has not yet been posted to your account. The total transactions were \$35.00 (restaurant) + \$75.00 (check) = \$110.00 when your balance was only \$100.00. Once both transactions are posted to your account, your actual balance will be negative \$10.00, and your available balance will be \$0.00. You will need to deposit more money into your account to avoid further overdrafts and fees.
- Assume you just deposited a large check (over \$5,000.00) into your checking account this morning. Under federal regulations, we can delay the availability of those funds for a certain number of days. If we do so, we will notify you at the time you make the deposit. Until the deposited funds have cleared and the hold has been lifted, you will not have those funds as part of your

available balance. So, if your available balance at the time you deposit a \$6,000.00 check is \$100.00, your available balance will still be \$100.00 until the hold is lifted. If you had written a check for \$4,000.00 last week, and that check is posted before the hold on the \$6,000.00 deposit is lifted, an overdraft will occur.

### Reliability of Your Available Balance

You can view both your actual balance and available balance online. The available balance and actual balance listed may not be completely accurate because it may not yet reflect any pending items; e.g., you may have written checks that have not been cashed or deposited yet, or you may have pre-authorized recurring payments that haven’t been processed yet. You should keep all outstanding items in mind when determining your balance for overdraft purposes. It is your responsibility to know what transactions you may still have outstanding.

### Will a debit card transaction hold always be the same amount as the actual transaction?

No. Some merchants, particularly gas stations, hotels, car rental agencies and sometimes restaurants, will pre-authorize an amount greater than your actual transaction. For example, gas stations may pre-authorize up to \$75.00 because they don’t know how much gas you will buy at the time you swipe your card. This hold should only last a few hours before it is released and the actual transaction amount is known. This actual amount is often referred to as the “final settlement request” by the merchant to the financial institution. A hotel may pre-authorize an amount equal to one night’s stay and can hold that amount for up to 72 hours at the time you make reservations. When you check in, it can also place another authorization to cover any incidental expenses you may incur during your stay. Once you check out and the hotel processes the transaction, the actual amount that you incur (final settlement) will be posted. Car rental agencies can also pre-authorize an amount greater than the rental to cover any incidental expenses you may incur and will process the actual amount (final settlement) once you return the vehicle and the rental contract is completed.

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