

What You Need to Know About Overdrafts, Overdraft Fees and Courtesy Pay

An overdraft occurs when you do not have enough money in the available balance in your account to cover a transaction at the time it is presented to us for payment, but we pay it anyway. For more information about overdrafts and the balances in your account, please refer to the Sunward Membership and Account Agreement, the terms of which are incorporated into this notice.

We cover your overdrafts in two different ways:

1. We have standard overdraft practices, which we call Courtesy Pay, that come with your account provided you qualify.
2. We also offer overdraft protection plans, which we call overdraft transfers, which may be less expensive than our standard overdraft practices. For instance, you could link your savings account to your checking account and set up overdraft transfers, and there would not be a fee for the overdraft transfer service. To learn more, ask us about overdraft transfers.

This notice explains our standard overdraft practices—Courtesy Pay and Courtesy Pay Plus.

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

Provided you qualify, we may authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions (excluding ATM withdrawals) made using your checking account number
- Automatic bill payments

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

- Everyday debit card transactions (which are one-time, nonrecurring transactions)

We pay overdrafts using Courtesy Pay at our discretion, which means we do not guarantee that we will always authorize and pay any type of overdraft transaction.

If we do not authorize and pay an overdraft, your transaction will be declined.

> What fees will I be charged if Sunward pays my overdraft?

Under our standard overdraft practices:

- We will charge you a fee of \$ 25 each time we pay an overdraft using Courtesy Pay
- We will only charge a limit of 6 overdraft fees per day for items overdrawing your account.

> What if I want Sunward to authorize and pay overdrafts on my everyday debit card transactions?

If you want Sunward to authorize and pay overdrafts on your everyday debit card transactions using courtesy pay, which we call Courtesy Pay Plus, opt-in electronically by setting your choice in online banking or complete the form below and bring it to any Sunward branch or mail it to:

Sunward Federal Credit Union
PO Box 23040
Albuquerque, NM 87192

_____ I want Sunward to authorize and pay overdrafts on my everyday debit card transactions (that is, I want to opt in to Courtesy Pay Plus).

Signature: _____

Printed Name of Accountholder: _____

Date: _____

Account Number: _____