

Courtesy Pay (Overdraft Protection Program) DISCLOSURE

(Rev. January 2018)

Having a check returned due to insufficient funds can be a costly and humiliating experience, which is why we provide Courtesy Pay, a special overdraft protection service for Deseret First Federal Credit Union's (DFFCU) members.

Courtesy Pay gives you an added level of protection against unanticipated cash flow emergencies and account reconciliation errors. At DFFCU, we do not encourage overdrafts; as always, we encourage you to manage your finances responsibly. The purpose of this service is to save you from the embarrassment, additional merchant fees or other problems that might result if a transaction item is denied because insufficient funds are in your checking account.

Courtesy Pay is an overdraft protection service that requires your affirmative consent. The following transactions **REQUIRE YOUR CONSENT** for DFFCU to include them in the Courtesy Pay program. Choosing not to "Opt In" may result in these items being declined:

- ATM withdrawals
- Debit/Check card purchases you make at a merchant, online, or by telephone.

If you are a new, active account holder, you will be able to use the overdraft service 60 days after the account is opened.

As long as you maintain your account in good standing, DFFCU may honor overdrafts up to the Courtesy Pay limit on your account. Whether your overdraft will be paid is discretionary and we reserve the right not to pay. For example, we typically do not pay overdrafts if your account is not in good standing. If DFFCU pays an overdraft, you will be charged fees as described:

- We will charge you a \$28.00 Courtesy Pay fee each time we pay to cover an item for you.
- We will not charge you a Courtesy Pay fee for each day your account remains overdrawn. If your account has a negative balance for more than 30 days, DFFCU may suspend your account and take other steps to recover the funds.
- There is no limit on the total Courtesy Pay fees charged for overdrawing your account.
- No interest will be charged on the Courtesy Pay overdraft balance.

You will receive an overdraft notice in the mail each time items are paid. The notice will show the identity of the transaction item, amount and the Courtesy Pay fee. You will need to subtract the total fees when balancing your checkbook. Your periodic statement will describe the fee as: "Courtesy Pay/NSF Fee" or "Courtesy Pay ATM/POS Fee".

There is a Courtesy Pay limit of \$600 on your account on Regular Checking.

There is a Courtesy Pay limit of \$1,000 on your account on First Choice Checking.

Overdrafts above and beyond your established Courtesy Pay limit may result in a transaction(s) being returned to the payee. The normal NSF (non sufficient funds) fee will be charged per item and assessed to your account. An NSF notice will be sent to notify you of this action.

You are responsible to pay any negative balance in your account, and should make every attempt to bring your account to a positive balance within 30 days. If you are not able to do so, you will receive a letter from DFFCU informing you of the situation and your options. If, after a period of time, your account has not been brought to a positive balance, we may suspend your account and take other steps to recover the funds, including collection and/or legal action. You will be responsible for all costs of collection including, but not limited to, collection fees, attorney fees, and court costs.

There is no additional cost associated with this privilege unless you use it.

Each monthly statement will summarize the total amount of Courtesy Pay fees assessed for each month, as well as the year-to-date total of fees. They will be itemized on the periodic statement as: "Summary of Overdraft and Returned Item Fees".

The chart below shows the different ways you can access your Courtesy Pay limit and indicates whether or not this limit will be reflected in the balance provided.

Access Points	Is my Courtesy Pay limit available?			Is the Courtesy Pay limit reflected in the account balance?
	Opt In 1*	Opt In 2**	Opt Out***	
Teller	Yes	Yes	No	No
Writing A Check	Yes	Yes	No	N/A
Check/Debit Card	Yes	No	No	No
ATM Withdrawal	Yes	No	No	No
ACH-Auto Debit	Yes	Yes	No	N/A
Internet Banking	Yes	Yes	No	No
Phone Teller	No	No	No	No

*Includes ATM withdrawals and Check/Debit Card transactions with other transactions.

**Excludes ATM withdrawals and Check/Debit Card transactions.

***Opts Out of Courtesy Pay. Does not elect for any protection from overdrafts.

The best way to avoid overdrafts and bounced check fees is to manage your account so you don't overdraw it; however, if a mistake occurs, DFFCU offers additional ways to cover overdrafts in addition to Courtesy Pay.

Courtesy Pay costs you nothing unless you use it. If you would like to "opt in" or "opt out" of this service, you may do so by (1) calling 801-456-7000 or 1-800-326-3328; (2) visit any branch; (3) mailing a request to: P.O. Box 45046, SLC, UT (see Addendum A below); or (4) through internet banking at: www.dfcu.com.

Courtesy Pay Overdraft Policy

Occasionally, an insufficient balance may be experienced on your checking account. We are not obligated to pay any item presented for payment if your account does not contain sufficient funds; however, if you maintain your account in good standing (defined as making regular deposits and bringing your account to a positive balance, including payment of all credit union fees charged to your account, at least once every 30 days) and there are no legal orders, liens or levies outstanding, we may approve your reasonable overdrafts as a non-contractual courtesy. In the normal course of business, we generally pay electronic transactions first and then checks beginning with the largest amount first down to the smallest amounts. We reserve the right to change the order of payment without notice to you if we suspect abuse of the overdraft service, fraud or possible illegal activity affecting your account. Also, please be aware that the order of item payment may create multiple overdrafts during a single banking day for which you will be charged our standard Courtesy Pay fee as stated in our current fee schedule for each overdraft (paid or returned). You must affirmatively consent to this service. Opting In can be for all checking transactions or you may exclude transactions initiated at an ATM or from your Check/Debit Card. Additionally, you may opt out of the privilege at any time, but you are responsible for any overdrawn balances at the time of opting out. Normally, we will not approve an overdraft for you in excess of the predetermined amount assigned to your account type. So as not to exceed your limit, please note that the amount of the overdraft plus the credit union's standard Courtesy Pay fee (per item) will be deducted from the overdraft limit. We may refuse to pay an overdraft for you at any time even though we may have previously paid overdrafts for you. You will be notified by mail of any non-sufficient funds items paid or returned that you may have; however, we have no obligation to notify you before we pay or return any item. The amount of any overdraft plus our standard Courtesy Pay fee that you owe us shall be due and payable upon demand. If there is an overdraft paid by us on an account with more than one owner on the signature card, each owner and agent, if applicable, drawing/presenting the item creating the overdraft, shall be jointly and severally liable for such overdraft plus our standard NSF fee. Courtesy Pay should not be viewed as an encouragement to overdraw your account. As always, we encourage you to manage your finances responsibly.

Limitations: Courtesy Pay is a non-contractual courtesy that is available to individually/jointly owned accounts in good standing for personal or household use. DFFCU reserves the right to limit participation to one account per household and to discontinue this service without prior notice.