

## **Black Hills Federal Credit Union Overdraft Privilege Service Policy**

Black Hills Federal Credit Union (“we, us or our”) offers an Overdraft Privilege Service. If your account qualifies for Overdraft Privilege Service, we will consider, without obligation on our part, paying items for which your account has insufficient or unavailable funds, instead of automatically returning those items unpaid. This document explains how Overdraft Privilege Service operates.

### **Transactions that May Qualify for Overdraft Privilege Service**

An overdraft occurs when you do not have enough money in your account to cover a transaction. Although there are many reasons why your account might become overdrawn, most overdrafts result from the following:

- a) You write a check, swipe your debit card, or initiate an electronic funds transfer in an amount that exceeds the amount of funds available in your account;
- b) You deposit a check or other item into your account and the item is returned unpaid, which causes a negative balance in your account once your balance is reduced by the amount of the returned check;
- c) You have inadequate funds in your account when we assess a fee or service charge; or
- d) You initiate a transaction before funds deposited into your account are "available" or "finally paid" according to our Funds Availability Policy. For example, if you deposit a check into your account, the proceeds of that check may not be available to you for up to seven days after you deposit the check. If you do not have sufficient funds in your account—independent of the check—to cover the transaction, you will incur an overdraft. Please refer to the Membership and Account Agreement for additional information regarding available balances.

The Overdraft Privilege Service applies to a variety of transactions, including checks and other transactions made using your checking account number, automatic bill payments, ATM transactions and everyday debit card transactions; however, we will not include ATM and everyday debit card transactions within our Overdraft Privilege Service without first receiving your affirmative consent to do so. Absent your affirmative consent, ATM and everyday debit card transactions generally will not be paid under Overdraft Privilege Service.

Participation in Overdraft Privilege Service is not mandatory. You may opt-out of the service any time by notifying one of our Personal Financial Associates. Furthermore, you may revoke your affirmative consent to have ATM and everyday debit card transactions considered for payment under Overdraft Privilege Service without removing other items from the service. Simply inform us of your preference.

As noted above, we retain full discretion to decline to pay any item under the Overdraft Privilege Service Program. This means we may refuse to pay any overdraft for any reason. Even if we decide to pay an overdraft item, absent an agreement to the contrary, such payment does not create any duty to pay future overdrafts. If we do not authorize and pay an overdraft, your transaction will be declined and we may assess NSF fees on your account in accordance with your account agreement and the fee schedule in effect at the time of the overdraft.

### **Fees**

For each overdraft we pay, we will charge the standard per item insufficient funds item fee set forth in our fee schedule (currently **\$25.00**). The amounts of any overdrafts, including our fees, are due and payable immediately, or on demand.

### **Accounts Eligible for Overdraft Privilege Service**

Overdraft Privilege Service is a discretionary service and is generally limited to a \$750 overdraft (negative) balance for eligible Freedom and Ultimate Checking accounts. Please note that per item overdraft fees count toward your Overdraft Privilege Service Limit. We may, in our sole discretion, limit the number of accounts eligible for Overdraft Privilege Service to one account per household or per taxpayer identification number. Further, Overdraft Privilege Service is usually extended only to accounts in good standing. An account in good standing exhibits, but is not limited to, the following characteristics:

- a) The account demonstrates consistent deposit activity;
- b) The account owner is current on all loan obligations with us; and
- c) The account is not subject to any legal or administrative order or levy, such as bankruptcy or tax lien.

We offer other overdraft protection services in addition to Overdraft Privilege Service. These include an overdraft line of credit and overdraft protection linked to another account of yours with us, such as a savings account. If you apply and are approved, or establish these optional services, you may save money on the total fees you pay us for overdraft protection services.

Overdrafts should not be used to pay ordinary or routine expenses and you should not rely on overdrafts as a means to cover these expenses. If at any time you feel you need help with your financial obligations, please contact one of our Personal Financial Associates at (605) 718-1818.