



**TLC Community Credit Union
Discretionary Overdraft Privilege Disclosure**

It is the policy of TLC Community Credit Union to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards.

The Deposit Account Agreement and Disclosure provided to you at the time you opened your account with us controls the duties, obligations and rights of the Depositor, the Authorized Signatories and TLC Community Credit Union with regard to your checking account. The Deposit Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Discretionary Overdraft Privilege Disclosure and the Deposit Account Agreement and Disclosure. A copy of the Deposit Account Agreement and Disclosure is available to you on request from your TLC Community Credit Union officer.

The Overdraft Privilege is not a line of credit. However, if you inadvertently overdraw your account, we will have the discretion to pay the overdraft, subject to the limit of your then-existing Overdraft Privilege limit and the amount of the overdraft fee. TLC Community Credit Union is not obligated to pay any item presented for payment if your account does not contain sufficient available funds. Any discretionary payment by TLC Community Credit Union of an overdraft check (or item, such as an ATM withdrawal) does not obligate TLC Community Credit Union to pay any other overdraft check (or item), or to provide prior notice of its decision to refuse to pay such check (or item).

Pursuant to TLC Community Credit Union's commitment to always provide you with the best level of service, now and in the future, if you maintain your account in good standing, which includes at least:

- A) Bringing your account to a positive balance within every thirty-five (35) day period for a minimum period of 1 business day;
- B) Not being in default on any loan or other obligation to TLC Community Credit Union; and
- C) Not being subject to any legal or administrative order or levy.

TLC Community Credit Union will have the discretion to pay overdrafts within the Overdraft Privilege limits, but payment by TLC Community Credit Union is a discretionary courtesy and not a right of the member or an obligation of TLC Community Credit Union. An Overdraft Privilege limit of \$500.00 will be given at account opening to eligible consumer accounts and \$1,000.00 for business accounts. This privilege for consumer checking accounts will generally be limited to a maximum of \$500.00 overdraft (negative) balance and a maximum of \$1000.00 (negative) balance for business accounts. Of course any and all fees and charges, including without limitation, the non-sufficient funds fees (as set forth in our fee schedules and deposit account agreement and disclosure), will be included as part of this maximum amount. It may be possible that your account will become overdrawn in excess of the Overdraft Privilege amount as a result of the assessment of a fee.

The total of the discretionary Overdraft Privilege (negative) balance, which includes any and all fees and charges, including all non-sufficient funds/overdraft fees is due and payable upon demand, and Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all such amounts, as described in the Deposit Account Agreement and Disclosure. Our standard Overdraft fee of \$25.00 will be imposed for overdrafts created by checks, ACH, ATM withdrawals, everyday debit card transactions, in-person withdrawals, or by other electronic means.

While TLC Community Credit Union will have the discretion to pay overdrafts on accounts in good standing (as described above), any such payment is a discretionary courtesy, and not a right of the member or an obligation of TLC Community Credit Union and TLC Community Credit Union in its sole and absolute discretion, can cease paying overdraft at any time without prior notice of reason or cause. If you do not maintain your account in good standing, the Overdraft Privilege limit will be reduced to \$100.00.

For our consumer members, TLC Community Credit Union will not pay overdrafts for ATM or everyday debit card transactions unless TLC Community Credit Union has provided you with the notice required by §1005.17(b) of Regulation E and you have opted in to the payment of these overdrafts. In order to avoid overdrafts due to ATM and everyday debit card transactions, TLC Community Credit Union will place a hold on your account for any ATM or everyday debit card transaction authorized until the transaction settles. ATM and everyday debit card transactions usually settle within two business days after the transaction is authorized. The amount of the hold will be for the amount authorized, or as permitted under applicable payment network rules. Holds on authorized ATM and everyday debit card transactions will be removed prior to settlement where required by applicable payment network rules.

Both consumer and commercial members may discontinue having Overdraft Privilege cover future transactions at any time by contacting one of our Member Services Representatives.

March 2014



What You Need to Know about Overdrafts and Overdraft Fees

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts in two ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to a savings account and an overdraft line of credit, which may be less expensive than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains our standard overdraft practices.

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

We do authorize and pay overdrafts for the following types of transactions:

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

We will not authorize and pay overdrafts for the following types of transactions without your consent:

- ATM transactions
- Everyday 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 I be charged if TLC Community Credit Union pays my overdraft?

Under our standard overdraft practices:

- We will charge you a fee of up to \$25 each time we pay an overdraft.
- There is no limit on the total fees we can charge you for overdrawing your account.

What if I want TLC Community Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions?

If you want us to authorize and pay overdrafts for which an Overdraft fee will be assessed on ATM and everyday debit card transactions, call (517) 263-9120, visit our website at <http://www.tlccu.org>, complete the form below and present it at one of our branches or mail it to:

TLC Community Credit Union
P.O. Box 927
Adrian, MI 49221

You can revoke your authorization at any time by any of the above methods. Your revocation must include both your name and your account number so that we can properly identify your account.

 I do not want TLC Community Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

I do want TLC Community Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Printed Name: _____ Date: _____

Account Number: _____

E-mail Address (if you would like us to send your opt-in confirmation via e-mail – otherwise, we will mail your confirmation):
