

## Checkguard Disclosure

As a service to account holders and to help avoid the significant fees that may be charged by third parties for unpaid items, the institution strives to pay account holders' overdrafts when possible. It is the obligation of the institution to operate in accordance with all safety and soundness standards. Therefore, a continual evaluation of all accounts is performed to determine if it is financially sound to honor items that may cause an overdraft situation for a particular account. The account criteria evaluated are:

- Age of Account
- Deposits Balances
- Deposit Regularity
- Previous Overdraft Activity
- Account status relating to any legal or administrative order or levy
- Status of Loan Obligations with the institution

When an account has insufficient funds, a \$30.00 fee is charged for every non-sufficient fund item whether the item is paid or returned unpaid.

The institution is not obligated to cover any items, defined as checks or preauthorized debits presented for payment if the account does not contain sufficient collected and/or available funds. Furthermore, service charges assessed against items presented to the account, does not obligate the institution to pay said request for funds, nor does it obligate the institution to provide prior written notice of the decision to refuse payment.

Should a check be submitted or a transaction be made for funds exceeding what is available in the account, pursuant to the depositor's Account Agreement, the account holder is responsible for the amount of any overdraft and applicable fees immediately. It is the obligation of the account holder to keep their account in good standing with the institution and to bring their account to a positive balance immediately should an overdraft situation occur, without notice or demand from the institution.

If the account holder would prefer that the institution not honor any items when there are not sufficient funds in the account, the account holder may opt-out of this discretionary service by contacting the institution and expressing this preference. The account holder is fully aware that without this discretionary service or some other form of overdraft protection, such as a line of credit (which is offered to qualified applicants), any items presented that overdraw the account may be returned unpaid with the applicable non-sufficient fund fee charged to the account for each item.

Your account agreement describes the duties, obligations, and rights of depositors, authorized signatories and the Credit Union with regard to your deposit accounts. That account agreement is incorporated herein for all purposes as if it were set forth verbatim as to matters not directly addressed by this disclosure. Your account agreement and this disclosure shall be construed so as to minimize conflicts between them.

**Waiver:** The Credit Union's forbearance from, or delay in, exercising any of the Credit Union's rights, remedies, privileges, or right to insist on your strict performance of any provisions of your account agreement, this Checkguard disclosure, or any other provision related to your account, shall not be construed to be a current or future waiver of the Credit Union's rights, remedies or privileges. You and the Credit Union agree that the exclusive remedy and forum for all disputes arising out of the Checkguard or your or Credit Union's performance there under, except for matters you or Credit Union take to small claims court, is arbitration by an independent arbitrator pursuant to the applicable rules of the American Arbitration Association, except as prohibited by law.