

WHAT ELSE YOU SHOULD KNOW

Glossary

Term	Meaning
Item	A transaction. Pelican uses the terms item and transaction interchangeably.
Courtesy Pay	A discretionary overdraft service that can be withdrawn at any time without prior notice. Is it NOT a line of credit.
Overdraft Protection	A linked deposit account or line of credit that can be used to prevent your account from overdrawing.
Courtesy Pay Fee	A \$32 fee that is charged for overdrawing your account.
Returned Item Fee	A \$37 fee that is charged if an item is returned as unpaid.
Available Balance	The amount available to you to use for purchases, withdrawals, or to cover transactions. Is it your Ledger Balance, less any holds due to pending debit card transactions and holds on deposited funds.
Ledger Balance	Reflects the full amount of all deposits to your account as well as payment transactions that have been posted to your account. Does not reflect checks you have written and are still outstanding or transactions that have been authorized but are still pending.
Returned Item	An item that is presented for payment but returned due to an insufficient Available Balance.

What is the best way to avoid overdrafts? Good account management is the best way to avoid overdrafts. Use mobile or online banking, and telephone banking services to keep track of your balance. For additional financial education resources, please visit www.mymoney.gov.

Who is liable for overdraft and fee amounts? Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all overdraft and fee amounts, as described in the Membership and Account Agreement. The total (negative) balance, including all fees and charges, is due and payable upon demand.

Can I be charged multiple fees per day?

- There is no limit on the total Courtesy Pay Fees of \$32 per day we will charge. If multiple items overdraw your account on the same day, each item will be assessed an appropriate Courtesy Pay Fee or a Returned Item Fee. All fees and charges will be included toward your Courtesy Pay limit amount. Your negative balance may exceed the Courtesy Pay limit amount because of a fee.
- If an item is returned because the Available Balance (as defined above) in your account is not sufficient to cover the item and the item is presented for payment again, Pelican State Credit Union will charge a Return Item Fee each time it returns the item because it exceeds the available balance in your account. **Because we may charge a Return Item Fee each time an item is presented, we may charge you more than one fee for any given item as a result of a returned item and re-presentation of the item.** When we charge a Return Item Fee of \$37, the charge reduces the Available Balance in your account and may put your account into (or further into) overdraft. If, on re-presentation of the item, the available balance in your account is sufficient to cover the item Pelican State Credit Union may pay the item, and, if payment causes an overdraft, charge a Courtesy Pay Fee.
- We generally post items in the following order: 1) ACH Credits, 2) ACH Debits ATM and debit card transactions (in the order received), 3) checks (check number order). However, exceptions will occur. Holds on funds (described herein) and the order in which transactions are posted may impact the total amount of Courtesy Pay Fees or Returned Item Fees assessed.

Can I still overdraw my account if the Available Balance appears to cover a transaction?

- Except as described herein, Pelican State Credit Union will not pay items if the Available Balance in your account (including the Courtesy Pay limit, if applicable) is not sufficient to cover the item(s) and the amount of any fee(s).
- Because your Available Balance reflects pending transactions and debit holds, **your balance may appear to cover a transaction but later upon settlement, it may not be sufficient to cover a transaction.** In such cases, the transaction may further overdraw your account and be subject to additional fees. You should assume that any item which would overdraw your account based on your Available Balance may create an overdraft. Note that we may place a hold on deposited funds in accordance with our Membership and Account Agreement, which will reduce the amount in your Available Balance.

¹This limit is subject to change daily based off of your deposit history and loan obligations with Pelican State Credit Union.

²Per item presented means each time an item is presented, including representation.

- Pelican State Credit Union will place a hold on your account for any authorized debit card transaction until the transaction settles (usually within two business days) or as permitted by payment system rules. In some cases, the hold may exceed the amount of the transaction. When the hold ends, the funds will be added to the Available Balance in your account. If your account is overdrawn after the held funds are added to the available balance and the transaction is posted to the available balance, a Courtesy Pay Fee may be assessed.

What balance does Pelican use to authorize checks, ACH items, and recurring debit card transactions? Pelican uses your Available Balance, plus the amount of your Courtesy Pay limit and any available Overdraft Protection you may have.

What balance does Pelican use to authorize everyday debit card transactions?

- If you have **STANDARD** Courtesy Pay Coverage, Pelican uses your available balance, plus any Overdraft Protection you may have. It does not include the Courtesy Pay limit.
- If you have **EXTENDED** Courtesy Pay Coverage, Pelican uses your available balance, plus any Overdraft Protection you may have and the Courtesy Pay limit. Please be aware that the Courtesy Pay amount is not included in your available balance provided through online banking, mobile banking, or ATMs.
- We may be obligated to pay some debit card transactions that are not authorized through the payment system but which we are required to pay due to the payment system rules, and as a result, you may incur fees if such transactions overdraw your account. However, we will not authorize debit card transactions unless your account's Available Balance (including Overdraft Coverage Options) is sufficient to cover the transactions and any fee(s).
- Giving us your consent to authorize everyday debit card overdrafts on your consumer account (Extended Coverage) may result in you incurring Courtesy Pay Fees for transactions that we would otherwise be required to authorize without assessing an Courtesy Pay Fee. However, this would allow us to authorize transactions up to the amount of your Courtesy Pay limit. If you consent to Extended Coverage on your consumer account, it will remain on your account until it is otherwise withdrawn.

Do I have other options?

- A link to another account or a line of credit may be a less expensive option than an overdraft. A single larger overdraft will result in just one fee, as opposed to multiple smaller overdrafts.
- Recipients of federal or state benefits payments who do not wish us to deduct the amount overdrawn and the Courtesy Pay Fee of \$32 from funds that you deposit or that are deposited into your account may call us at 1-800-351-4877 to discontinue Courtesy Pay.

What is my Courtesy Pay limit?

- New consumer and business checking accounts will receive a \$50 Introductory Courtesy Pay limit at account opening that may be increased up to \$1,000 after 60 days in good standing. Courtesy Pay limits are subject to change **daily** based off your ongoing deposit and loan activity with Pelican State Credit Union. Please visit <https://www.pelicanstatecu.com/personal/courtesy-pay-options> for detailed information regarding how Pelican State Credit Union determines Courtesy Pay limits.
- Courtesy Pay may be reduced or suspended if you default on any loan or other obligation to us, your account becomes subject to any legal or administrative order or levy, or if you fail to maintain your account in good standing by not bringing your account to a positive balance within thirty-two (32) days. You must bring your account balance positive to have the full Courtesy Pay reinstated.



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pelicanstatecu.com

Overdraft Services Consent

One-Time Debit Card Transactions

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. Please refer to the Membership and Account Agreement (Agreement) for a more thorough explanation of factors that determine when an overdraft occurs and when you may incur a fee for overdrawing your account. The terms of the Agreement are incorporated herein, and both this document and the Agreement are meant to be interpreted together. We can cover your overdrafts in two different ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to another account of yours, 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:

- Share drafts/checks, and other transactions made using your checking account
- Automatic bill payments
- ACH transactions

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

- One-time 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 the Credit Union pays my overdraft?

Under our standard overdraft practices:

- We will charge you a fee of \$ _____ each time we pay a debit card transaction overdraft.
- There is no limit on the total fees we can charge you for overdrawing your account.

What if I want the Credit Union to authorize and pay overdrafts on my one-time debit card transactions?

If you want us to authorize and pay overdrafts on one-time debit card transactions, complete the section below and present it at a branch or mail it to _____,

CREDIT UNION NAME

, call _____,

CREDIT UNION ADDRESS

TELEPHONE NUMBER

or visit _____.

WEB ADDRESS

If there are multiple owners on your account, any account owner can act on behalf of all account owners. Only one (1) account owner signature is needed to add or decline/remove the overdraft coverage.

ADD COVERAGE

- ☐ I want the Credit Union to authorize and pay overdrafts on my one-time debit card transactions. I understand I will be charged fees as listed above.

I have the right to revoke this coverage at any time by contacting the Credit Union in writing or by phone.

DECLINE/REMOVE COVERAGE

- ☐ I do not want the Credit Union to authorize and pay overdrafts on my one-time debit card transactions.

Member/Owner Signature	Date
X	

Printed Name: _____

Account Number: _____

Share ID: _____

Share ID: _____

CREDIT UNION CONSENT CONFIRMATION

Credit Union Employee: _____
Date: _____

Effective Date: ☐ Coverage added
☐ Coverage declined/removed