
What You Need to Know About Overdrafts and Overdraft Fees

What is an Overdraft?

An overdraft occurs when a transaction is paid but you do not have enough money in your account to cover the transaction, instead of the transaction being returned due to insufficient funds.

We can cover your overdrafts in two different ways

1. We have overdraft protection plans, such as a link to a savings account or a line of credit, which may be less expensive than our standard practices. To learn more, ask us about these plans.
2. We offer discretionary pay overdraft.

What is Discretionary Pay?

Discretionary Pay will allow your account to be overdrawn by a preset dollar amount, which is set by Michigan United Credit Union policy, to pay the following types of transactions:

- Checks and other transactions made using your checking account number
- ACH transactions (Automatic withdrawals using your checking account)

You have the option to decline this service. If you do decline, items that are presented against your account will be returned when funds are NOT available and you may be charged a fee.

*See **ATM and Everyday Debit Card Transactions** for your overdraft options for ATM/Debit transactions.

ATM and Everyday Debit Card Transactions

Discretionary Pay can only be used for ATM and Everyday Debit cards transactions if you authorize us to do so.

ATM and Everyday Debit Card transactions are approved based on the funds available in your checking account and any overdraft protection plans you have setup on your account at the time of approval.

You may opt in to have discretionary pay for ATM and Everyday Debit card transactions. ATM and Everyday Debit Card transactions will then be approved based on the funds available in your checking account and any overdraft protection plans you have setup on your account and Discretionary Pay amount available to you at the time of approval.

Everyday Debit Card transaction is a single authorized, non-recurring purchase/payment made with your card

What Fees Will I Be Charged for Overdrafts?

Under our standard overdraft practices:

- We will charge a fee of up to \$30 each time we pay an overdraft, fees are subject to change
- There is no limit on the total fees we can charge for paying overdrafts on your account

We pay overdraft 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

Discretionary Pay will only be used after all other overdraft options on the account have been exhausted

DISCRETIONARY PAY SELECTION: (Complete Option 1 OR Option 2)

I understand that I have a right to revoke or change my election at any time and that the request must be in writing.

OPTION 1.

I **DO NOT** want MUCU to provide Discretionary Pay overdrafts for ANY of my account transactions

OR

OPTION 2.

I **DO** want MUCU to provide Discretionary Pay overdraft on my account, for the following types of transactions; checks or other transactions using my checking account number, ACH transactions.

I understand that my account must meet certain requirements before Discretionary Pay is available and that not all accounts will qualify.

Select one of following for ATM and everyday Debit Card transactions:

I **DO** want MUCU to provide Discretionary Pay overdraft for ATM/Debit Card transactions.

I **DO NOT** want MUCU to provide Discretionary Pay overdraft for ATM/Debit Card transactions.

Member Signature: _____ Date: _____

Account Number: _____