

Information You Should Know

- A link to another account or a line of credit is a less expensive option than an overdraft. A single larger overdraft will result in just one fee, as opposed to multiple smaller overdrafts. Good account management is the best way to avoid overdrafts. Use our mobile banking, online banking, and telephone banking services to keep track of your balance. For additional financial education resources, please visit www.mymoney.gov.
- Courtesy Pay's \$30 Fee is the same fee amount that is charged if a check is returned as unpaid. If multiple items overdraw your account on the same day, each item will be assessed an appropriate Courtesy Pay Fee or a Non-Sufficient Funds Fee of \$30. For the HUB checking account, an Overdraft Fee of \$10 will be charged on transactions less than \$30. All fees and charges will be included as part of the Courtesy Pay limit amount. Your account may become overdrawn in excess of the Courtesy Pay limit amount as a result of a fee.
- This describes posting order for purposes of determining overdrafts. Our general policy is to post items throughout the day and to post credits before debits. Paper checks are posted in order from the smallest dollar amount to the highest dollar amount, ATM and debit card transactions are posted as received, while ACH are posted from lowest to highest dollar amount. However, because of the many ways we allow you to access your account, the posting order of individual items may differ from these general policies. Holds on funds (described below) and the order in which transactions are posted may impact the total amount of Courtesy Pay Fees or Non-sufficient Funds Fee assessed.
- Although under payment system rules, Direct Federal may be obligated to pay some unauthorized debit card transactions, Direct Federal will not authorize debit card or ATM transactions unless there are available funds (including Overdraft Coverage Options) to cover the transactions and any fee(s).
- Giving us your consent on your consumer account to pay every day debit card and ATM overdrafts may result in you incurring Courtesy Pay Fees for transactions that we would otherwise be required to pay without assessing a Courtesy Pay Fee. However, this would allow us to authorize transactions up to the amount of your Courtesy Pay Plus limit and may also help you avoid overdrafts in excess of your available funds that could result in restriction of your debit card.
- Direct Federal authorizes and pays transactions using the available balance in your account. Direct Federal may place a hold on deposited funds in accordance with our Deposit Account Agreement and Disclosure, which will reduce the amount in your available balance. The available balance for checks, ACH items, and recurring debit card transactions is comprised of the account balance, less any holds on deposited funds and any debit card holds, plus the amount of the Courtesy Pay limit and any available overdraft protection. The available balance for ATM and everyday debit card transactions on accounts with Courtesy Pay is the account balance, less any holds on deposited funds and any debit card holds, plus any available overdraft protection, but does NOT include the Courtesy Pay Limit. For accounts with Courtesy Pay Plus, the Courtesy Pay Limit is included in the available balance for authorizing ATM and everyday debit card transactions.
- Please be aware that the Courtesy Pay amount is not included in your balance provided through online banking or mobile banking.
- Direct Federal 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.
- Except as described in this letter, Direct Federal will not pay items if your account does not contain available funds (including the Courtesy Pay limit) to cover the item(s) and the amount of any fee(s).

- We may restrict your debit card use if you incur overdrafts in excess of the available funds in your account, including any Courtesy Pay limit. Debit cards on your account will remain suspended until you make sufficient deposits so that your available balance, taking into account any Courtesy Pay limit, is positive and then you contact us.
- Direct Federal may also suspend your debit card if your account is overdrawn more than 32 consecutive calendar days. Debit cards on your account will remain suspended until you make sufficient deposits so that your account balance is positive.
- If your debit card is suspended, you will be unable to use your debit card for purchases or to access your account at the ATM. If you use your debit card for recurring payments, e.g., utilities, and your debit card is ever suspended, these transactions will be declined or returned. You will need to make other arrangements to make these payments to the payee(s).
- Courtesy Pay is not a line of credit; it is a discretionary overdraft service that can be withdrawn at any time without prior notice.
- Courtesy Pay may be discontinued 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 32 days for a minimum of one business day. You must bring your account balance positive for at least one business day to have Courtesy Pay reinstated.
- Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all overdraft and fee amounts, as described in the Deposit Account and Disclosure Agreement. The total (negative) balance, including all fees and charges, is due and payable upon demand.