

OVERDRAWN?

WE'LL STAND BEHIND IT. BUT FIRST, YOU **MUST** "OPT IN."

Overdrafts can happen to the best of us! That's why at LA Financial, we provide Courtesy Pay — to cover those "little mistakes," whether you pay by check or VISA® Debit Card. But the law has changed. And now, you must first request Courtesy Pay in order to receive or continue this service on your personal checking ATM or everyday VISA® Debit Card transactions.

Whether you forgot to make a deposit or subtract a purchase, or you simply made a little miscalculation...overdrawing your account can be costly and embarrassing. And having your VISA® Debit Card declined at the check-out counter can be extremely inconvenient!

But you don't have to worry about that with Courtesy Pay at your Credit Union. **There is no charge to set up or maintain this protection.** In fact, if you OPT IN for Courtesy Pay, we will allow transactions up to negative \$10 before any overdraft fee is charged. In either event, your payment will be honored and you will avoid a fee or penalty from the merchant, as well. **But you must OPT IN for this service.**

CAN'T DECIDE?

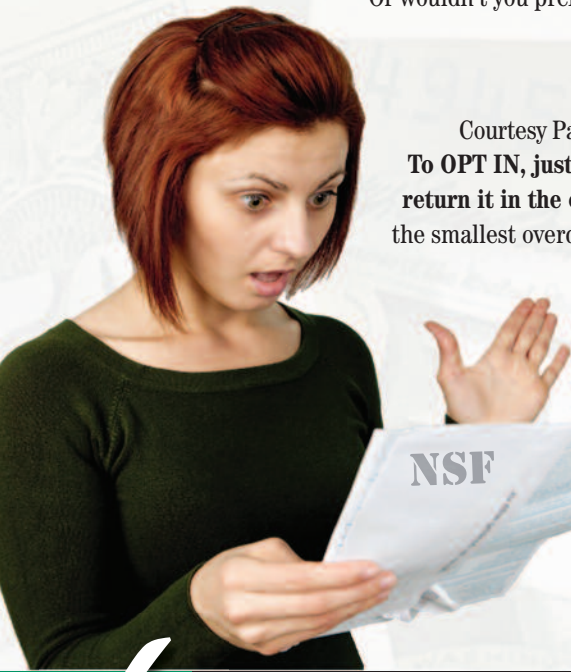
If you do not OPT IN, your Debit Card will be denied if you do not have enough money for the transaction. That's good if you are buying a soft drink at a convenience store — you could probably do without the soft drink. But what if you are in a situation where your Debit Card just has to work? That's when you need Courtesy Pay. Courtesy Pay means your Debit Card will be approved, even if you don't have the funds in your account, allowing you to be negative up to \$300.

- You've got a cart full of groceries for your family, and you don't have your checks on you. Wouldn't you want your Debit Card to work, even if you're short just \$20?
- You're at the 24-hour pharmacy at 3 a.m. because your child is sick. You know you don't have the money in your account for the prescription, but you get paid in two days. Wouldn't you want your Debit Card to be approved?
- It's the middle of the night, and you're out of gas. The gas station isn't open, but the "Pay-at-the-Pump" card reader still works. Wouldn't you want your Debit Card to be approved?
- You're out of town, and you come down with a fever. You go to a local walk-in clinic for care and they won't accept out-of-town checks, so you can only pay with your Debit Card. Wouldn't you want your Debit Card to be approved?
- That woman you've had your eye on finally said "yes" and you're on your very first date. You don't get paid until tomorrow, and when the bill comes it's a bit higher than you had planned. Do you ask her to pay her share? Or wouldn't you prefer that your Debit Card is accepted because you have Courtesy Pay?

OPT IN TODAY TO PROTECT YOURSELF AGAINST OVERDRAWING YOUR ACCOUNT

Courtesy Pay is the ultimate safety net...even if you already have Overdraft Protection in place. **To OPT IN, just check the "OPT IN" box(es) on the form below, then sign and date the form and return it in the enclosed reply envelope.** If you *don't* OPT IN, you will lose protection against even the smallest overdrafts, should funds be unavailable from other sources.

OPT IN now to make sure your ATM and everyday VISA® Debit Card transactions always clear. Please see reverse side for disclosure and additional information regarding **what you need to know about overdrafts and overdraft fees.** Remember, **if you OPT IN for Courtesy Pay, we will allow transactions up to negative \$10 before any overdraft fee is charged.**



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OPT IN AND ENJOY THE BENEFITS OF COURTESY PAY FOR YOUR ATM AND EVERYDAY VISA® DEBIT CARD TRANSACTIONS!

You must either choose **OPT IN** or **OPT OUT** for Courtesy Pay on all personal checking accounts listed at the right. By choosing **OPT IN**, you want LA Financial Credit Union to authorize and pay overdrafts on ATM and everyday Visa® Debit Card transactions. By choosing **OPT OUT**, you do not want LA Financial to authorize and pay overdrafts on ATM and everyday Visa® Debit Card transactions. Please sign and date this form and return it in the supplied envelope.

OPT IN OPT OUT

Checking Account # *Please check one box above*

OPT IN OPT OUT

Checking Account # *Please check one box above*

OPT IN OPT OUT

Checking Account # *Please check one box above*



Signature

Date

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 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 a savings account, 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 do not authorize and pay overdrafts for the following types of transactions unless you ask us to (see reverse side for authorization):

- ATM transactions
- Everyday VISA® 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 LA Financial Federal Credit Union pays my overdraft?

Under our standard overdraft practices:

- We will charge you a fee of up to \$28 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 LA Financial Federal Credit Union to authorize and pay overdrafts on my ATM and everyday VISA® Debit Card transactions?

If you also want us to authorize and pay overdrafts on your personal checking ATM and everyday VISA® Debit Card transactions, complete the form on the reverse side and mail to: LA Financial Credit Union, P.O. Box 6015, Pasadena, CA 91102.

TERMS AND CONDITIONS OF COURTESY PAY:

An insufficient balance can result from several events, such as (1) the payment of checks, ATM, debit cards, electronic funds, transfers or other withdrawal requests; (2) payments authorized by you; items which, according to the Credit Union Funds Availability Policy, are treated as not yet available or finally paid. We are not obligated to pay any item presented for payment if your account does not contain sufficient funds.

However, if you maintain your account in good standing, we may approve your personal checking overdrafts within your current available Courtesy Pay limit (up to \$300) as a non-contractual courtesy. Your account is in good standing if you (1) maintain the minimum required \$5 in your Primary Saving Account; (2) have no negative balances in your savings or checking account(s); (3) demonstrate responsible account management — such as making regular deposits to bring your account to a positive end-of-day balance; (4) avoid excessive overdrafts suggesting the use of Courtesy Pay as a continuing line of credit; (5) there are no legal orders, levies or liens against your account; (6) loans are not delinquent or in default; and (7) you have not caused a prior loss to the Credit Union.

If we choose to pay a checking overdraft, you will be subject to a NSF-PAID (NSF/Uncollected Funds Paid Item) fee of \$28. In that event, you understand and agree that you are obligated to reimburse us “on demand” and you are required to immediately deposit sufficient good funds equal to or greater than the amount of the discretionary courtesy overdraft extended (check amount and any fees) within 30 days from the date of overdraft. You agree that we have the right to transfer available funds from your other accounts you may have with us to cover the overdrawn check, transfer, or withdrawal request and pay the NSF-PAID fee.

In addition, based upon our review of your account management, if we determine you may be using the Courtesy Pay service as a regular line of credit by creating excessive overdrafts, we may suspend the privilege without any prior notice. Please be aware that due to random clearing, item payment may create multiple overdrafts during a single banking day for which you will be charged our NSF-PAID fee as stated in our Schedule of Fees and Charges (currently \$28) for each overdraft payment.

We may refuse to pay an overdraft for you at any time even though we may have previously paid overdrafts for you. You will be charged a NSF-RET (NSF/Uncollected Funds Returned Item) fee as stated in our Schedule of Fees and Charges (currently \$28) for each item returned. You will be notified by mail of any non-sufficient funds items paid or returned that you may have; however, we have no obligation to notify you before we pay or return any item. The amount of any overdraft plus our NSF-PAID fee and/or a NSF-RET fee that you owe us shall be due and payable upon demand. If there is an overdraft paid by us on an account with more than one owner on the signature card, each owner and agent, if applicable, drawing/presenting the item creating the overdraft, shall be jointly and severally liable for such overdraft plus our NSF-PAID fee.

Courtesy Pay should not be viewed as an encouragement to overdraw your account. As always, we encourage you to manage your finances responsibly. If you would like to opt out this service, please call 1-800-894-1200 for an account authorization form to opt out.

