



UNIVERSITY OF KENTUCKY FEDERAL CREDIT UNION

UKFCU Overdraft Options

We want to educate you on the overdraft coverage available in the event funds do not exist in your checking account to cover a purchase or transaction. We have several ways these transactions can be covered:

- 1) We can set up an Account Transfer from your attached savings or money market account, and funds will be transferred to cover the transaction that would overdraw your checking account. There is a \$3 fee for the transfer, and amounts are transferred in \$100 increments.
- 2) You can apply for a small, unsecured line of credit that would be available to cover you when a transaction overdraws your account. There is no annual fee, no transfer fee, and an APR on funds that are transferred from a Line of Credit to your checking account to cover the transaction that will overdraw your account. Funds are transferred in \$100 increments, and there is a monthly minimum payment due on the loan.
- 3) We also have our Courtesy Pay Program in which we will strive to pay check and auto draft items for you when funds are not available in your account. When an account has insufficient funds, a \$29 fee is charged for every non-sufficient fund item whether the item is paid or returned unpaid. 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 may include:
 - 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
- 4) We can extend the Courtesy Pay Program to your everyday debit and ATM transactions with your approval. If funds do not exist in your account, we will strive to pay those everyday debit purchases and ATM transactions. If we do need to cover an item for you, you would be charged a fee of \$29 per transaction that overdraws your account. You can request this service to be removed at any time.

If you, the account holder, would prefer that UKFCU not honor any items when there are not sufficient funds in the account, you may opt out of this discretionary service by contacting UKFCU and expressing this preference. The account holder is fully aware that without Courtesy Pay, an established account Overdraft Protection transfer, or Overdraft Line of Credit, 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.

The Depositor's Account Agreement prescribes the duties, obligations and rights of the Depositor, as well as the Authorized Signatories and the institution with regard to the account. The terms of the Depositor's Account Agreement supersede the overdraft policy in any potential conflict of interests.