



OPTIONS FOR COVERING UNEXPECTED OVERDRAFTS

Account: _____
Courtesy Pay: _____
Overdraft Limit: _____

Dear Member,

Life happens! L.A. Healthcare Federal Credit Union understands that unexpected overdrafts occur from time to time - Overdraft Coverage can help.

OVERDRAFT COVERAGE OPTIONS

The choice is yours. Consider these ways to cover overdrafts:

- Overdraft Protection Link to the Savings Account you have at L.A. Healthcare Federal Credit Union (up to 6 overdraft transfers a month)
- Overdraft Protection Line of Credit up to \$1,500*(Subject to interest; Subject to credit approval)
- Courtesy Pay Program up to \$500* (\$31 Overdraft Fee per item).

OVERDRAFT PROTECTION SERVICES apply to all transactions and may help prevent overdrafts by automatically transferring funds to your checking account from your savings account or a line of credit you may have at L.A. Healthcare Federal Credit for a fee or finance charge. Please note that overdraft lines of credit are subject to credit approval. Call us at (213) 748-4788, email us at info@lahfcu.org, or come by a branch to sign up or apply for these services.

COURTESY PAY PROGRAM allows you to overdraw your account up to the disclosed limit for a fee in order to pay a transaction. You currently have STANDARD Courtesy Pay Coverage in the amount of \$500 on your account ending in _____. Standard Coverage includes checks and ACH (automatic debits) NOT ATM Debit Transactions. If you choose Extended Courtesy Pay Coverage, ATM withdrawals and everyday debit card transactions will be included with the Standard Coverage transactions listed above.

If you would like to select Extended Coverage for future transactions:

- **CALL** us at (213) 748-4788
- complete the **ONLINE** consent form found at www.lahfcu.org
- visit any **BRANCH**
- **MAIL** the completed the enclosed consent form to us at P.O. Box 17159, Los Angeles, CA 90017
- **E-MAIL** us at info@lahfcu.org

You can discontinue the Courtesy Pay Program in its entirety by contacting us at (213) 748-4788 or sending us an email at info@lahfcu.org.

What Else 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.
- Even if you have overdraft protection, Courtesy Pay Program is still available as secondary coverage if the other protection source is exhausted.
- Good account management is the best way to avoid overdrafts. Use our mobile banking, home banking, and telephone banking services to keep track of your balance.



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(CONTINUED)

- The \$31 Overdraft Fee is the same fee amount that would be charged if a check was returned as unpaid. If multiple items would overdraw your account on the same day, each item would be assessed an appropriate Overdraft Fee or a Return Fee of \$31. All fees and charges are not 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.
- For member accounts, there is no limit of Overdraft Fees per day we will charge.
- We post items in the following order: 1) ATM and debit card transactions (in the order received), 2) ACH debits (in the order received), 3) ACH credits (in the order received), 4) checks (in the order received). The order in which transactions are posted may impact the total amount of Overdraft Fees or Return Fees assessed.
- Although under payment system rules, L.A. Healthcare Federal Credit Union may be obligated to pay some unauthorized debit card transactions, L.A. Healthcare Federal Credit Union will not authorize debit card or ATM transactions unless there are available funds (including Overdraft Coverage Options) to cover the transactions and any fees).
- Giving us your consent to pay every day debit card and ATM overdrafts may result in you incurring Overdraft Fees for transactions that we would otherwise be required to pay without assessing an Overdraft Fee. However, this would allow us to authorize transactions up to the amount of your Courtesy Pay Program limit and may also help you avoid overdrafts in excess of your available funds that could result in restriction of your debit card.
- Except as described in this letter, L.A. Healthcare Federal Credit Union will not pay items if your account does not contain available funds (including the Courtesy Pay Program 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 Program limit.
- L.A. Healthcare Federal 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.
- 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 thirty (30) days for a minimum of one business day.
- 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.

If you have any questions about Overdraft Protection or Courtesy Pay Program, please call us at (213) 748-4788 or visit a branch.

Sincerely,

A handwritten signature in black ink, appearing to read "Annice Kim".

Annice Kim
Chief Executive Officer
L.A. Healthcare Federal Credit