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ILWU Credit Union **Discretionary Overdraft Privilege Disclosure**

It is the policy of ILWU Credit Union to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards.

The Deposit Account Agreement and Disclosure provided to you at the time you opened your account with us controls the duties, obligations and rights of the Depositor, the Authorized Signatories and ILWU Credit Union with regard to your checking account. The Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Discretionary Overdraft Privilege Disclosure and the Account Agreement and Disclosure. A copy of the Account Agreement and Disclosure is available to you on request from your ILWU Credit Union representative, or our website, www.ILWUCU.org

Overdraft Privilege is not a line of credit. However, if you inadvertently overdraw your account, we will have the discretion to pay the overdraft, subject to the limit of your Overdraft Privilege and the amount of the overdraft fee. ILWU Credit Union is not obligated to pay any item presented for payment if your account does not contain sufficient available funds. Any discretionary payment by ILWU Credit Union of an overdraft check (or item, such as an ATM withdrawal) does not obligate ILWU Credit Union to pay any other overdraft check (or item), or to provide prior notice of its decision to refuse to pay such check (or item).

Pursuant to ILWU Credit Union's commitment to always provide you with the best level of service, now and in the future, if your account has been open for at least (90) days, and thereafter you maintain your account in good standing, which includes at least:

- A) Bringing your account to a positive balance within every twenty one (21) day period for a minimum period of 24 hours;
- B) Not being in default on any loan or other obligation to ILWU Credit Union and
- C) Not being subject to any legal or administrative order or levy,

ILWU Credit Union will have the discretion to pay overdrafts within the Overdraft Privilege limits, but payment by ILWU Credit Union is a discretionary courtesy and not a right of the member or an obligation of ILWU Credit Union. This privilege for checking accounts will generally be limited to a maximum of \$1,000 overdraft (negative) balance if there is a regular direct deposit to the account. It may be possible that your account will become overdrawn in excess of the Overdraft Privilege amount as a result of the assessment of a fee.

The total of the discretionary Overdraft Privilege (negative) balance, which includes any and all fees and charges, including all non-sufficient funds/overdraft fees is due and payable upon demand, and Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all such amounts, as

described in the Deposit Account Agreement and Disclosure. Our standard Overdraft fee of \$25 will be imposed for overdrafts created by checks, ACH, ATM withdrawals, non-recurring debit card transactions, in-person withdrawals, or by other electronic means. Transactions may not be processed in the order in which they occurred, and the order in which transactions are received and processed may impact the total amount of fees incurred.

While ILWU Credit Union will have the discretion to pay overdrafts on accounts in good standing (as described above), any such payment is a discretionary courtesy, and not a right of the member or an obligation of ILWU Credit Union and ILWU Credit Union in its sole and absolute discretion, can cease paying overdrafts at any time without prior notice of reason or cause.

ILWU Credit Union will not pay overdrafts for ATM or non-recurring debit card transactions unless ILWU Credit Union has provided you with the notice required by section 205.17(b) of Regulation E and you have opted in to the payment of these overdrafts. In order to avoid overdrafts due to ATM and non-recurring debit card transactions, ILWU Credit Union will place a hold on your account for any ATM or non-recurring debit card transaction authorized until the transaction settles. ATM and non-recurring debit card transactions usually settle within two business days after the transaction is authorized. The amount of the hold will be for the amount authorized, or as permitted under applicable payment network rules. Holds on authorized ATM and non-recurring debit card transactions will be removed prior to settlement where required by applicable payment network rules.

In addition, you may discontinue the Overdraft Privilege service for check, ACH and debit card bill payment transactions at any time by contacting one of our Member Services Representatives.

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