

# member privilege<sup>®</sup>

## OVERDRAFT POLICY

An insufficient available balance can result from several events, such as (1) the payment of checks, electronic funds transfers or other withdrawal requests; (2) payments authorized by you (i.e. signature-based point of sale transactions); (3) the return of unpaid items deposited by you; (4) credit union service charges; or (5) the deposit of items which, according to the credit union's 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 available balance is insufficient.

As long as you maintain your account in "good standing," we may approve your overdraft items within your current available Member Privilege limit as a non-contractual courtesy. For overdraft privilege consideration, your account is in "good standing" if you (1) make sufficient deposits to bring your account to a positive end-of-day available balance at least once every 30 calendar days (including the payment of all credit union fees and charges); (2) avoid excessive overdrafts suggesting the use of Member Privilege as a continuing line of credit; and (3) there are no legal orders, levies or liens against your account.

In the normal course of business, we generally pay electronic transactions first and then checks. We reserve the right to change the order of payment without notice to you if we suspect fraud or possible illegal activity affecting your account. Also, please be aware that the order of item payment may create multiple overdraft items during a single banking day for which you will be charged our Member Privilege fee of \$30 for each overdraft item paid.

You may opt out of the privilege at any time, but you are responsible for any overdrawn balances at the time of opting out. Normally, we will not approve an overdraft for you in excess of the predetermined amount assigned to your account type. So as not to exceed your limit, please note that the amount of the overdraft plus the credit union's Member Privilege fee of \$30 per item will be deducted from the overdraft limit.

We may refuse to pay an overdraft item at any time even though we may have previously paid overdrafts for you. For example, we typically do not pay overdraft items if your account is not in good standing as defined above, or if based upon our review of your account management, we determine that you have too many overdrafts or are using Member Privilege as a regular line of credit. You will be charged a NSF fee of \$30 for each item returned.

We have no obligation to notify you before we pay or return any item. The amount of any overdraft including our Member Privilege fee of \$30 and/or a NSF fee of \$30 that you owe us shall be due and payable upon demand, but if no demand is made, no later than 30 calendar days after the creation of the overdraft. If there is an overdraft on an account with more than one owner on the signature card, each owner and agent, if applicable, shall be jointly and severally liable for all overdrafts inclusive of fees.

Member Privilege should not be viewed as an encouragement to overdraw your account. To avoid fees, we encourage you to keep track of your account balance by entering all items in your check register, reconcile your checkbook regularly, and manage your finances responsibly. If you would like to have this service removed from your account, please call Member Services at 800.540.8707.

Please note that your Member Privilege limit may be available for each item paid under the limit created by checks and other transactions made using your checking account number, such as a teller withdrawal, an automatic payment (ACH) transaction, or automatic bill payment and recurring debit card payment. Also, at your request, we may authorize and pay ATM transfers or withdrawals and everyday debit card purchases using your limit. Your available balance may be affected by authorizations which could create additional overdrafts and associated fees. When you ask for your account balance, please remember the amount we show you does not include your overdraft limit.

LIMITATIONS: Member Privilege is a non-contractual courtesy that is available to individually/jointly owned accounts in good standing for personal or household use. Maine State Credit Union reserves the right to limit participation to one account per household and to suspend, revoke, or discontinue this service without prior notice. If your limit is suspended, unless we notify you otherwise or you request this service be removed from your account, your limit will be made available to cover overdrafts again the first business day after you bring your account to a positive end-of-day available balance.

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## Maine State Credit Union Locations

### MAIN OFFICE

200 Capitol Street  
Augusta, ME 04330  
207.623.1851

### EASTSIDE

162 Hospital Street  
Augusta, ME 04330  
207.621.6060

### WATERVILLE AREA BRANCH

81 Grove Street  
Waterville, ME 04901  
207.873.5159



**MAINE  
STATE  
CREDIT UNION**

[www.mainestatecu.org](http://www.mainestatecu.org)



# member privilege<sup>®</sup>

OVERDRAFT  
PRIVILEGE  
FOR YOUR  
CHECKING  
ACCOUNT



## How soon can I use my Member Privilege?

If you are a new member, we will advise you 30 or more days after your account is opened that you may use Member Privilege. This is provided you have maintained satisfactory activity in the account, including regular deposits, consistent with our internal standards for new account types that may offer Member Privilege. Once you are notified your Member Privilege limit is available to you, it may continue to be available provided you maintain the account in "good standing" as defined in this brochure.

## What are some other ways I can cover overdrafts at Maine State Credit Union?

The best way to avoid overdrafts and fees is to keep track of your account balance by entering all checks, debit card purchases and ATM withdrawals in your check register, reconcile your checkbook regularly and manage your finances responsibly. However, if an overdraft occurs, Maine State Credit Union offers additional ways to cover overdrafts in addition to Member Privilege.

Ways to Cover Overdrafts at Maine State Credit Union	Example of Associated Fees <sup>1</sup>
Good account management	\$0
Link to savings account	\$2 per occurrence <sup>2</sup>
Overdraft Protection Loan	14% APR <sup>3</sup>
Member Privilege	Member Privilege fee of \$30 for each item

<sup>1</sup> This information is effective as of January 2017 and is provided only as examples. Please ask us about our specific products and fees.

<sup>2</sup> Up to 6 occurrences per month

<sup>3</sup> Annual Percentage Rate subject to change without notice.

## What if I do not want to have Member Privilege on my share draft account?

If you would like to have this service removed from your account, please call 800.540.8707.



### What is Member Privilege®?

Member Privilege® is a discretionary overdraft service requiring no action on your part that provides you a safety net up to an automatically assigned overdraft limit.

Your Member Privilege limit may be available for checks and other transactions made using your checking account number or automatic bill payment and recurring debit card payments. Also, at your request, we may authorize and pay ATM transfers or withdrawals and everyday debit card purchases using your limit.

### How does Member Privilege work?\*

As long as you maintain your account in “good standing”, we may approve your overdraft items within your current available Member Privilege limit as an non-contractual courtesy.

For overdraft privilege consideration, your account is in “good standing” if you (1) make sufficient deposits to bring your account to a positive end-of-day available balance at least once every 30 calendar days (including the payment of all credit union fees and charges); (2) avoid excessive overdrafts suggesting the use of Member Privilege as a continuing line of credit; (3) there are no legal orders, levies or liens against your account.

Please note that the amount of the overdraft plus our Member Privilege fee of \$30 for each item will be deducted from your overdraft limit. If the item is returned, the NSF fee of \$30 will be deducted from your account. No interest will be charged on the overdraft balance.

\*Please refer to the member privilege overdraft policy for additional details.

### What does my Member Privilege cost?

There is no additional cost associated with this privilege unless you use it. You will be charged our Member Privilege fee of \$30 for each overdrawn item created by a traditional paper-based check, a teller withdrawal, an automatic payment (ACH) transaction or a recurring

debit card payment. Also if you have requested us to do so, we may authorize and cover ATM transfers or withdrawals and everyday debit card purchases. Your available balance may be affected by authorizations which could create additional overdrafts and associated fees.

For example, three paid items in one day will result in \$30 in Member Privilege fees. To help you manage your account, the total fees you have paid for items (both paid and returned) during the current month and for the year-to-date will be reflected on your monthly checking statement.

### What is my Member Privilege limit? If I have two checking accounts, can I get Member Privilege on both?

Your Member Privilege limit is \$300. If you have multiple accounts for your household, you may have a \$300 limit on all eligible accounts. However, Maine State Credit Union reserves the right to limit participation to one account per household and to suspend, revoke or discontinue this service without prior notice.

### How quickly must I repay my Member Privilege?

You should make every attempt to bring your account to a positive end-of-day available balance as soon as possible, and must do so within 30 calendar days. If you are not able to do so, you will receive a letter from Maine State Credit Union informing you that your Member Privilege limit has been suspended and additional items will be returned. Unless we advise you differently or you request this service be removed from your account, your limit will be made available to cover overdrafts again after you bring your account to a positive end-of-day available balance.

### What if I go beyond my Member Privilege limit?

Overdrafts above and beyond your established Member Privilege limit may result in checks or other items being returned to the payee. The NSF fee of \$30 will be charged per item and assessed to your account.

### What are some of the ways I can access my Member Privilege limit? Will my limit be reflected in the balance I receive?

The chart below shows the different ways you can access your Member Privilege limit and indicates whether or not this limit will be reflected in the balance provided.

Access Points	Is my Member Privilege available?	Does the available balance provided reflect my overdraft privilege limit?
Teller	Yes	No
Writing A Check	Yes	-NA-
Visa® Check Card (recurring)	Yes	-NA-
Visa® Check Card (everyday)	No**	-NA-
ATM Withdrawal	No**	No
ACH-Auto Debit	Yes	-NA-
Online Advantage	No	No
Bill Pay	Yes	-NA-
Touch Tone Teller	No	No

\*\*Member Privilege service will be made available for ATM or everyday debit card transactions upon your request. Call 800.540.8707 or visit one of our branches to arrange for your ATM and debit card coverage.

### What if I am having trouble repaying my Member Privilege or use it frequently?

Please contact us at 800.540.8707 if you: (1) do not believe you will be able to bring your account to a positive end-of-day available balance within the required time period; (2) find that you are using Member Privilege more often than you intend; or (3) don't understand why your account becomes overdrawn. We would like to discuss your situation with you.

Following regulatory guidance, we will contact you if you are paying multiple Member Privilege fees, to discuss possible alternatives to Member Privilege that may better meet your short term credit needs. In the event you ask us to stop contacting you because you have determined Member Privilege is appropriate for your needs, we will honor your wishes. However, if we identify that the number and frequency of overdrafts increases materially for an extended period of time, at some point after that, we may contact you again to ensure Member Privilege is still the most appropriate option available to you for covering your short term credit needs.

*At times*, unanticipated expenses or unforeseen problems can leave you with too little cash in your checking account. Having a check returned due to insufficient available balance can be a costly, inconvenient and potentially embarrassing experience.

At Maine State Credit Union, we do not encourage overdrafts. As always, we encourage you to manage your finances responsibly. However, we want to save you from the additional merchant fees and possible damage to your credit history that might result if a check is returned. That's why we provide Member Privilege®, a special overdraft service for Maine State Credit Union's members.

