

Privilege Pay Disclosure

Overview and Frequently Asked Questions



What is Privilege Pay?

Privilege Pay is an overdraft service automatically provided to you on your checking and money market accounts that allows you to overdraw your account to pay for items presented by check, ACH, or Bill Pay.

Privilege Pay does not pay for everyday, one-time debit card transactions or ATM transactions unless you authorize us to do so (see second page for authorization form).

Connexus pays overdrafts at our discretion and is not obligated to pay an item presented for payment if your available balance* does not contain sufficient funds. Regardless of how frequently or under what circumstances we have paid overdrafts on your account in the past, you should not rely on us to continue to pay overdrafts on your account. We reserve the right to revoke or suspend the Privilege Pay service on your account for any reason.

When would I be ineligible for Privilege Pay?

Your checking and money market accounts will not be eligible for Privilege Pay if any of the following apply:

- You do not bring your overdrawn account to a positive balance within thirty (30) days
- You do not have a valid address on file
- Primary account owner is deceased
- You are not current on your loans or other obligations to Connexus Credit Union
- Primary account owner is under the age of 18
- You are subject to a legal order, levy, administrative order, or garnishment
- Your account is a Teen Checking or Health Savings Account
- Your account operates under a fiduciary arrangement such as a Trust, Estate, Guardianship, or Representative Payee
- You have filed for bankruptcy and did not reaffirm the debt

How much can I overdraw my account?

Our decision to pay or return an overdraft item is based on your account history. The amount you may overdraw your account depends on factors such as the age of your account, frequency of deposits, amount of deposits, repayment patterns, and deposit patterns.

What if I no longer want Privilege Pay on my account?

You can opt out of Privilege Pay at any time by calling us at 800.845.5025, visiting one of our branches, logging in to Digital Banking and submitting a form through Contact Us, or selecting to opt out using the form at the end of this document. If you opt out of Privilege Pay and your available balance* is insufficient to cover a transaction, we may return the transaction unpaid and charge a fee.

Are there other overdraft protection options?

Yes, we offer the ability to link your eligible checking or money market accounts to another savings, money market, or line-of-credit account. For more information, please call us at 800.845.5025 or visit one of our branches.

*The "available balance" is the amount you have in your account at a particular time that is available for immediate withdrawal or to cover other debit items. Your available balance can be different than your current balance because it takes into account holds placed on deposits and pending transactions that have not yet posted to your account. Connexus Credit Union uses the available balance to determine whether or not we will pay or return an item. For example, assume your current and available balances are both \$100, and you swipe your debit card at a restaurant for \$40. If the restaurant requests preauthorization in the amount of \$40, an authorization hold is placed on \$40 in your account, so your available balance is only \$60. Your current balance is still \$100. Before the restaurant charge is sent to us for payment, a check that you wrote for \$95 clears. Because your available balance is \$60, your account will be overdrawn by \$35, even though the current balance is \$100. In this case, we may pay the \$95 check, but you may be charged an Overdraft Paid Fee. That fee will be deducted from your account, further reducing the balance.

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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 on your behalf. Connexus can cover overdrafts in two ways:

1. Through the Privilege Pay service that comes with your account.
2. Through other overdraft protection options, such as a linked savings or line-of-credit account, which may be less expensive than our Privilege Pay service. To learn more, ask us about these options by calling 800.845.5025.

This disclosure explains our Privilege Pay services.

What is the **Privilege Pay** service that comes with my account?

We authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your account number
- Automatic bill payments
- Recurring debit card transactions

We pay overdrafts at our discretion, which means we do not guarantee we will always authorize and pay for any type of transaction. If we do not authorize and pay an overdraft, your transaction may be declined or returned, and you will be subject to the related fees.

What fees will I be charged for an overdraft?

- You will be subject to a fee of \$18 each time we pay an overdraft or \$4 each time we return a transaction unpaid, with a combined maximum of two (2) fees assessed per account, per business day.
- You will not be charged a fee on a transaction that overdraws your account by \$10 or less.

What if I want Connexus Credit Union to authorize and pay overdrafts on my ATM and one-time debit card transactions?

If you want Connexus Credit Union to authorize and pay overdrafts on ATM and one-time debit card transactions under Privilege Pay, call 800.845.5025 to opt in, log in to Digital Banking and submit a form under Contact Us, or complete the form below. You can return the form at a branch, fax it to 715.870.2699, or mail it to Connexus Credit Union, PO Box 8026, Wausau, WI 54402.

Right to Revoke: *You always have the right to revoke your consent by opting out of Privilege Pay at any time. To opt out, call 800.845.5025, log in to Digital Banking and submit a form under Contact Us, or complete the form below.*

Privilege Pay Authorization Form

Account Owner Name: _____
First MI Last

Account Number(s): _____

- ☐ I want Connexus Credit Union to authorize and pay overdrafts on ATM and one-time debit card transactions.
- ☐ I do not want Connexus Credit Union to pay my overdrafts for ATM and one-time debit card transactions.
- ☐ I want to un-enroll from **ALL** Privilege Pay services (this includes checks, ACH, ATM, and one-time debit transactions).

Signature: _____

Date: _____