

MEMBER PRIVILEGESM

A Special Service For Your Checking Account

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, such as a teller withdrawal by check, an automatic (ACH) payment transaction, automatic bill payment or recurring debit card payment. If you request us to do so (opt-in), we may authorize ATM transfers or withdrawals and everyday debit card purchases using your available balance and your Member Privilege limit.

Balances displayed do not include the Member Privilege limit.

How does Member Privilege work?

There are several ways your account can become overdrawn, such as (1) the payment of checks, electronic funds transfers or other withdrawal requests; (2) payments authorized by you (i.e. debit card at point of sale); (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.

As long as you maintain your account in "**good standing**," we may approve your overdraft items within your unused Member Privilege limit as a non-contractual courtesy.

For Member Privilege consideration, your account is in "good standing" if you (1) make sufficient deposits to bring your account to a positive end-of-day 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) have no legal orders, levies or liens against your account and (4) if you have a loan with the credit union, that loan is current.

First Bristol Federal Credit Union reserves the right to limit participation to one account per household or to suspend, revoke, or discontinue this service without prior notice.

What if I go beyond my Member Privilege limit?

Normally, we will not approve an overdraft for you in excess of the predetermined limit assigned to your account. So as not to exceed your limit, please remember that the amount of the overdraft plus our Paid Overdraft Non-Sufficient Funds (NSF) fee of \$32 for each submitted or resubmitted item will be deducted from the Member Privilege limit. Overdrafts above and beyond your established Member Privilege limit may result in submitted or resubmitted checks or other items being returned to the payee. You will be charged our Returned NSF fee of \$32 for each submitted or resubmitted item returned. Returned items may be presented for payment by the payee or their financial institution multiple times, which may result in multiple NSF fees.

An OD/NSF notice will be sent to notify you of submitted or resubmitted items paid and/or returned.

What does my Member Privilege cost?

There is no additional cost associated with Member Privilege unless you use it. If you do use the Member Privilege limit, you will be charged our Paid Overdraft NSF fee of \$32 for each submitted or resubmitted overdrawn item created by checks and other transactions made using your checking account number, such as a teller withdrawal by check, an automatic payment (ACH) transaction, automatic bill payment, or recurring debit card payment.

If you request us to do so (opt-in), we may authorize ATM transfers or withdrawals and everyday debit card purchases by using your available balance and your Member Privilege limit. Your balance at the time of authorization for these transactions will determine the overdraft status and the assessment of fees. Other transactions initiated by you, or a delay in processing authorized transactions by the merchant, may result in previously authorized transactions posting against an insufficient balance. A Paid Overdraft NSF fee of \$32 will be charged for each ATM or everyday debit card transaction that was authorized against insufficient funds. Once opted in, you may revoke your authorization at any time by contacting us at 860-584-0956.

In the normal course of business, we generally pay electronic transactions first and then checks beginning with the lowest dollar amount, per the credit union's policy; however, checks are often converted to electronic transactions which may post to your account more quickly, affecting the order in which they post. In addition, we post incoming transactions in real time, so checks and other electronic withdrawals to your account may post before deposits and other credits. If there are insufficient funds in your account at the time a transaction posts, you will be charged for each submitted or resubmitted item paid. 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, the order we pay your items may create multiple submitted or resubmitted overdraft items during a single banking day and you will be charged our Paid Overdraft NSF Fee of \$32 for each submitted or resubmitted overdraft item paid.

Multiple paid submitted or resubmitted items will result in multiple fees. For example, three submitted or resubmitted paid items in one day will result in \$96 in Paid Overdraft NSF 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. Those fees charged for items paid will be reflected in Total Overdraft Fees. Those fees charged for items returned will be reflected in Total Returned Item Fees.

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

Your Member Privilege limit is \$500. If you have multiple accounts for your household you may have a limit on each eligible account.

How quickly must I repay my Member Privilege?

You should make every attempt to bring your account to a positive end-of-day 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 First Bristol Federal 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 9pm on the first business day after you bring your account to a positive end-of-day balance.

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 balance provided reflect my Member Privilege limit? |
|----------------------------|-----------------------------------|--|
| Teller Withdrawal by Check | Yes | No |
| Writing a Check | Yes | N/A |
| Debit Card (recurring) | Yes | N/A |
| Debit Card (everyday) | No* | N/A |
| ATM Withdrawal | No* | No |
| ACH-Auto Debit | Yes | N/A |
| Online Banking | No | No |
| Bill Pay | Yes | N/A |
| Telephone Banking | No | No |

*Member Privilege service will be made available for ATM or everyday debit card transactions on personal accounts upon your request. Call 860-584-0956 or visit

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

Please contact us at 860-584-0956 if you: (1) do not believe you will be able to bring your account to a positive end-of-day balance within the required time period; (2) find that you are using Member Privilege more often than you intended; or (3) don't understand why your account becomes overdrawn. We would like to discuss your situation with you.

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 are using Member Privilege excessively or seem to be using Member Privilege as a regular line of credit. You will be charged a Returned NSF fee of \$32 for each submitted or resubmitted item returned.

If we notice that you are paying excessive Paid Overdraft NSF Fees, we may contact you 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.

How do I know when I use the overdraft limit?

You will receive an overdraft notice each time submitted or resubmitted items are paid, including fees. You will need to subtract the total fees when balancing your checkbook.

We have no obligation to notify you before we pay or return any item. The amount of any submitted or resubmitted overdraft including our Paid Overdraft NSF fee of \$32 and/or our Returned NSF fee of \$32 that you owe us is due and payable upon demand even if we do not ask you for payment. You must repay us no later than 30 calendar days after the creation of the overdraft. If there is more than one owner on the account, each owner and agent, if applicable, shall be jointly and severally liable for all overdrafts including all fees charged.

How soon can I use my Member Privilege?

If you are a new member, you may be able to use Member Privilege 30 or more days after your account is opened. Once your Member Privilege limit is available to you, it may continue to be available provided you maintain the account in "good standing" as defined above.

What are some other ways I can cover overdrafts at First Bristol Federal 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 check book regularly and manage your finances responsibly. First Bristol Federal Credit Union offers additional ways to cover overdrafts in addition to Member Privilege.

| Ways to Cover Overdrafts at First Bristol Federal Credit Union | Example of Associated Rates and Fees ¹ |
|--|---|
| Good account management | \$0 |
| Link to savings account | \$10 transfer fee ² |
| Member Privilege | Paid Overdraft NSF fee of \$32 for each submitted or resubmitted overdrawn item |

¹This information is effective as of April 2020 and is provided as examples. ²The number of transfers allowed from a savings account each month may be limited and additional fees/consequences for exceeding this limit may apply.

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

If you would like to revoke your previous authorization for ATM and debit card transaction coverage, or have this service removed entirely from your account, please call 860-584-0956.

While you may opt out of the privilege at any time, you are responsible for any overdrawn balances at the time of opting out.

FIRST BRISTOL
FEDERAL CREDIT UNION

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MEMBER PRIVILEGE MEMBER POLICY

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While we are not obligated to pay any item presented for payment if your account does not contain enough funds, as long as you maintain your account in "good standing," we may approve your overdraft items within your unused Member Privilege limit as a non-contractual courtesy. For Member Privilege consideration, your account is in "good standing" if you (1) make sufficient deposits to bring your account to a positive end-of-day 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) have no legal orders, levies or liens against your account and (4) if you have a loan with the credit union, that loan is current.

In the normal course of business, we generally pay electronic transactions first and then checks beginning with the lowest dollar amount, per the credit union's policy; however, checks are often converted to electronic transactions which may post to your account more quickly, affecting the order in which they post. In addition, we post incoming transactions in real time, so checks and other electronic withdrawals to your account may post before deposits and other credits. If there are insufficient funds in your account at the time a transaction posts, you will be charged for each submitted or resubmitted item paid. 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, the order we pay your items may create multiple overdraft items during a single banking day and you will be charged our Paid Overdraft NSF Fee of \$32 for each submitted or resubmitted 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 limit assigned to your account. So as not to exceed your limit, remember that the amount of the overdraft plus the credit union's Paid Overdraft NSF fee of \$32 per submitted or resubmitted item will be deducted from the Member Privilege 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 are using Member Privilege excessively or seem to be using Member Privilege as a regular line of credit. You will be charged a Returned NSF fee of \$32 for each submitted or resubmitted item returned. Returned items may be presented for payment by the payee or their financial institution multiple times, which may result in multiple NSF fees.

We will notify you promptly of any non-sufficient fund items paid or returned, however we have no obligation to notify you before we pay or return any item. The amount of any overdraft including our Paid Overdraft NSF fee of \$32 and/or a Returned NSF fee of \$32 that you owe us is due and payable upon demand even if we do not ask you for payment. You must repay us no later than 30 calendar days after the creation of the overdraft. If there is more than one owner on the account, each owner and agent, if applicable, shall be jointly and severally liable for all overdrafts including all fees charged.

Member Privilege should not be viewed as an encouragement to overdraw your account. To avoid fees, we encourage you to manage your finances responsibly by keeping track of your account balance and reconciling it regularly. Balances provided do not include the Member Privilege limit.

Your Member Privilege limit may be available for each item created by checks and other transactions made using your checking account number, such as a teller withdrawal by check, an automatic payment (ACH) transaction, automatic bill payment, or recurring debit card payment.

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If you would like to revoke your previous authorization for ATM and debit card transaction coverage, or have this service removed entirely from your account, please call 860-584-0956.

LIMITATIONS: Member Privilege is a non-contractual courtesy that is available to individually/jointly owned accounts in good standing for personal use. First Bristol Federal 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 after 9pm on the first business day after you bring your account to a positive end-of-day balance.**



MEMBER FDIC

04/20 Generic
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