



Founders Privilege Disclosure

Overview. Founders Privilege is a service that offers overdraft protection for your Checking Account. It is your duty to use your Checking Account in a responsible manner; however, we understand situations occur causing a financial shortfall. Paid items are subject to the fees listed in the Truth-in-Savings Rates and Fees Schedule (Fee Schedule). Founders Privilege is not a loan and is not subject to interest charges or late fees. Founders Federal Credit Union (FFCU) may change the terms of this program or revoke your privileges without notice unless required by law.

Applicable Fees. Overdraft transactions greater than \$3.00 will be charged \$32.00 per transaction. Items \$3.00 or less resulting in an overdraft transaction will not incur a fee.

Daily Fee Limit. Your Founders Privilege benefit is limited to allowing your available balance to reach no more than \$500.00 negative. However, applicable fees may cause your balance to exceed \$500.00 negative. FFCU holds the discretion to pay each overdraft item, and we reserve the right not to pay. The daily fee limit is \$160.00.

There is no limit on the total fees we can charge you for overdrawing your account.

Services. You may choose to enroll in Founders Privilege at any time. Use Founders Privilege to cover overdrafts caused by items such as checks, individually authorized ACH transactions, and recurring ACH/debit card transactions. Founders Privilege may also cover ATM and everyday debit transactions if you have agreed to have FFCU pay these transactions in a separate Regulation E agreement. FFCU offers additional overdraft options. Those are:

1. Overdraft Protection Transfer

If you have other accounts with the Credit Union, you can authorize us to set up an automatic transfer and move the funds needed to cover your overdraft if funds are available.

2. Personal Line of Credit or Home Equity Line of Credit Transfer

You may qualify for a Personal Line of Credit or Home Equity Line of Credit to cover overdrafts. This service requires you to complete a loan application. Approval will be based on your creditworthiness. Draws on any line of credit are considered a loan advance and are subject to applicable interest charges and the terms of your loan agreement.

We also offer services to help monitor your account. You may use Founders Online, Founders Mobile, and Call 24 to minimize the risk of incurring a fee. Visit your local office, foundersfcu.com or call 800-845-1614 for more information on all the services mentioned.

Revoke. You have the right to revoke your opt-in to Founders Privilege by completing a new form in office, making your selection online or calling 800-845-1614. You understand that any transactions that would result in a negative available balance in your Checking Account will be returned. Returned items are subject to the insufficient funds (NSF) fees outlined in the Fee Schedule. Represented items which can be identified as such will only be charged once. Items we are unable to identify may be charged each time they are presented, which may result in more than one charge for the same item.

Eligible Accounts. Founders Privilege provides protection for Checking Accounts.

Accounts not eligible are regular savings accounts, Money Market Plus accounts, business and organizational accounts, fiduciary accounts, SmartStart debit and public funded checking accounts.

Member Eligibility. Eligibility is at the sole discretion of the Credit Union and is based on you managing your Checking Account in a responsible manner and other factors. You must be 18 years or older, have no negative deposit balances or delinquent loans over 30 days, and your account must not be dormant. You may not be eligible for Founders Privilege if you have had a loan charged off, caused a loss, filed for bankruptcy, or have had loans modified through troubled loan modification. Reasons your Founders Privilege may not be available, suspended, or permanently removed may include but are not limited to:

- You are more than 30 days past due on any Credit Union loan or delinquent on any other obligations to the Credit Union.
- Your account has been modified through troubled loan modification.
- You are subject to any legal or administrative orders or levies, or you are currently a party in bankruptcy proceedings.
- Your account is classified as inactive/dormant.
- We believe you are managing your account in an irresponsible manner which may harm you or us.

Responsibility to Repay. You have a responsibility to return your account to a positive balance within thirty (30) days of the transaction causing an overdraft. If you do not, we may terminate your account, exercise the right to offset without prior notice, begin collection action, and report negatively to the credit bureaus. Joint owners have equal responsibility for the overdraft and are subject to the prior mentioned actions and fees. The Credit Union reserves the right to apply deposits received after the transaction has settled, including direct deposits, to pay overdrafts or applicable fees.

Understanding Actual vs Available Balance. Actual Balance means the total amount of funds in your account(s). Available Balance means the amount of the Actual Balance that is available for transactions (withdrawals, checks, debit transactions, online banking, or other preauthorized transactions). Fees are based on your Available Balance versus your Actual Balance.

For example, a gas station may submit an initial authorization for \$100.00 before processing your payment. If your purchase of gas is only \$20.00, they will charge your account for the \$20.00 purchase, however the initial \$100.00 authorization reduces your available balance by that amount until we receive the corresponding charge from the gas station.

Payment Order of Items. The order items are presented may affect the fees assessed to your account. Most transactions are posted when you conduct them. Funds availability rules apply, and funds deposited on a real-time basis may not be made immediately available. See our Funds Availability Policy for details. Debit card holds for purchases conducted through the Card network post immediately. The transaction settlement may not be posted to your account for hours or days afterwards based on when the merchant submits them. Transactions such as ACH entries and checks are received in batch files. We post each day's ACH credits first followed by ACH debits, then checks. We post ACH debits and checks in the order in which they are received.

Waiver. We reserve the right to waive or choose not to enforce any and all terms, rights, or remedies under this Founders Privilege Disclosure, or any provision of the Membership Agreement and Disclosures, and such waiver shall not affect our right to enforce that or another term, right, or remedy at a later time.