



BETTER THAN FREE
CHECKING ACCOUNT OVERDRAFT AGREEMENT

IMAGE DOCUMENT
MBR#:
Orig. Date:
Doc Class Signature Card Misc.
Dept.:

Member(s) Member # Suffix #

In this Overdraft Agreement ("Agreement"), the words "you," "your," and "yours" mean each and all of those who use the Overdraft Service described below. The words "we," "us," and "our" mean Orange County's Credit Union. The word "overdraft" includes a negative balance in your primary checking account with us ("Checking Account") that may occur for various reasons, including, but not limited to: (1) the payment of checks, electronic transfers, telephone-initiated transfers, or other withdrawal requests authorized by you including, but not limited to, ATM transactions, debit card transactions, Point of Sale transactions, and preauthorized transfers for which funds are insufficient; (2) the return (unpaid) of items deposited by you; (3) the imposition of service charges by us; or (4) the deposit of items which are treated as not yet "available" according to our Funds Availability Policy

Pursuant to our commitment to provide valued service and benefits, we may pay checks or other items/transactions, which would cause your Checking Account to have a negative (or further negative) balance (herein "overdraft"), pursuant to the terms and conditions of this Agreement. The first choice by the system to clear checks will be the accounts or Line of Credit options you have indicated on the reverse side of this disclosure. If funds are not available to be transferred as overdraft protection from those options, your Checking Account may be brought negative pursuant to all terms and conditions of this Agreement.

Pursuant to our commitment to provide valued service and benefits, we may pay checks or other items/transactions, which would cause your Checking Account to have a negative (or further negative) balance (herein "overdraft"), pursuant to the terms and conditions of this Agreement.

The Overdraft Service is not a credit product and requires no credit application. The service will only be applied to your Checking Account if:

- You have no negative account history with any financial institution;
You maintain your membership in good standing;
Your loans with us and credit cards are not past due;
There are no legal or administrative orders or levies against your Checking Account;
The primary accountholder is 18 years of age or older

ANY SUCH PAYMENT WILL BE MADE ON A CASE BY CASE BASIS, IN OUR SOLE AND ABSOLUTE DISCRETION. However, we shall not pay any check or other item/transaction if your negative Checking Account balance is, or if we were to make payment pursuant to the terms and conditions of this Agreement would become, greater than \$ Dollars (less any applicable fees). This means that the fees are applied towards your total overdraft limit. Your limit is based on the net amount of your most recent direct deposit to this Checking Account. We may change or remove your limit at any time without prior notice. You will be notified by mail of any nonsufficient funds checks, items, or other transactions that have been paid or returned; however, you understand that we have no obligation to notify you before we pay or return any check, item, or other transaction. We may refuse to pay any overdrafts without first notifying you even though your account is in good standing and even if we have paid previous overdrafts.

For your overdrafts cleared, you promise to immediately pay us all sums, including the fees and charges for this service, advanced to you or any other person you permit to use your Checking Account and/or who causes an overdraft on your Checking Account. You understand that items presented for payment on the same day will be paid in amount order, smallest to largest. This means that items may not be processed in the order in which they occurred. You understand that the order in which items are processed can affect the total amount of fees that may be assessed against your Checking Account. Our standard practice is to pay Automated Clearing House (ACH) items in the morning and checks later in the day.

An Overdraft Fee of Twenty-Nine Dollars (\$ 29.00) will be charged to your Checking Account, in accordance with our Schedule of Fees and Charges, for each overdraft check or other item/transaction that is cleared on your Checking Account. This means that more than one Overdraft Fee may be assessed against your Checking Account per day depending upon the number of overdrafts cleared through the Overdraft Service.

The Overdraft Fee is the same fee charged by us for each "nonsufficient funds" (NSF) item presented for payment and returned unpaid on a Checking Account. The total of the overdraft (negative) balance in your Checking Account, including any and all fees and charges is due and payable upon demand, and you are required to immediately deposit with us sufficient funds to cover the overdrawn check paid by us and pay the related fees.

You also agree that we have the right to transfer available funds from your other accounts you may have with us to cover the overdrawn check and pay the related fees. You understand and agree that we may transfer funds to your Checking Account from any of your other account(s) with us (excluding IRA accounts), including account(s) upon which you are a joint owner, in an amount equal to the overdrawn check, item, or other transaction which we may pay according to the terms and conditions of this Agreement and to pay the related fees. In addition to any other rights that we may have, you agree that any deposits or future deposits in or other credits to any account in which you may now or in the future may have an interest are subject to our right of off-set for any liabilities, obligations, or other amounts owed to us by you (e.g., overdrafts and any related fees and charges) and such is applicable irrespective of any contribution to the account or source of funds in the account. Moreover, unless you "opt-out" of the Overdraft service by calling the telephone number below, you consent and expressly agree that the application of an off-set of funds in any account includes the off-set of government benefits (such as Social Security and other public benefit funds) deposited to your account. Each person who causes an overdraft, which is paid by us, is a maker and agrees to be individually and jointly obligated to repay the unpaid negative balance in accordance with the terms and conditions of this Agreement. We reserve the right to limit Overdraft Service to one (1) account per household or member without notice of reason or cause.

You will be in default under the terms of this Agreement if you fail to live up to any of the terms and conditions of this Agreement or you are in default on any loan obligation with us and/or a negative balance exists in any other deposit account with us on which you are an owner. If you are in default, we may temporarily suspend overdraft privileges or terminate the Overdraft Service or close your Checking Account and demand immediate payment of the entire unpaid negative balance. You also agree to pay any collection costs, attorneys' fees, and court costs which we or you shall or may incur as a result of your default.

We may terminate or suspend the Overdraft Service at any time without prior notice. In no event shall any termination relieve you of your obligation to repay such sums already overdrafted, overdraft fees, collection costs, and attorneys' fees, if any. We can delay enforcing any of our rights under this Agreement without losing them.

If you prefer not to have Overdraft Service, please contact us at (888) 354-6228, Monday through Friday, 8:00 a.m. to 7:00 p.m. and Saturday, 9:00 a.m. to 2:00 p.m. Pacific Time.

Please cover any overdrafts on my Better Than Free Checking account by transferring funds from my savings account, money market account or PAL Line of Credit* in the order indicated below before taking the account negative.

Option 1 _____ Option 2 _____

*An approved PAL Line of Credit is required
Fees will be accessed for all overdraft options. Please refer to your Schedule of Fees and Charges for details.

Signature/Date

Signature/Date

For Credit Union Use Only

File Maintenance Updated on: _____ By Teller#: _____

Associate Signature: _____