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 anyway. Qualstar can cover your overdrafts in two different ways:

1. We have standard overdraft practices (Courtesy Pay) that come with your account based on your account history. We notify you by mail if you qualify for our Courtesy Pay service.
2. We also offer overdraft protection plans, such as a link to a savings account or line of credit, which may be less expensive than our standard overdraft practices. Please let us know if you are interested in one of these options.

This notice explains our standard overdraft practices.

What are the standard overdraft practices that come with my account?

Once you are approved for our **Basic Courtesy Pay** program, we authorize and pay overdrafts for the following:

- Checks, ACH, Electronic Fund Transfers, automatic bill payments and other recurring electronic transactions $20 and over (items under $20 are automatically paid with no fee) made using your checking account number (this does not include debit and ATM).

We do not authorize and pay overdrafts for the following types of transactions unless you request Extended Courtesy Pay:

- ATM transactions
- Everyday debit card transactions

We pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction. If we do not authorize and pay an overdraft, your transaction will be declined.

What fees will I be charged if Qualstar pays my overdraft?

Under our standard overdraft practices:

- We will charge you a fee of up to **$20 each time we pay an overdraft $20 and over** (items under $20 are automatically paid with no fee.)
- A maximum of $1000 in total Courtesy Pay fees is allowed annually, Jan.-Dec.; after $1000 is reached, Courtesy Pay will be deactivated and items will be returned, unpaid and/or card transactions will be declined.

What if I want Qualstar to authorize/pay overdrafts on my ATM and debit card transactions?

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions through Extended Courtesy Pay (for the same $20 per item fee), simply do one of the following to opt into this service:

- Call us at **1-800-848-0018** to request **Extended Courtesy Pay** on your account.
- Log into Home Banking at **www.qualstarcu.com**, click "Secure E-Mail," and send us an e-mail request.
- Complete the form below and mail it to us or drop it off at any of our branch locations

Please Note: You have right to revoke the Extended Overdraft Coverage at any time by contacting us via phone, written request or secure email in Mobile or Home Banking

Qualstar Credit Union • PO Box 3050 Bothell, WA 98041-3050 • 1-800-848-0018 • www.qualstarcu.com

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Extended Courtesy Pay Opt-in Form

Please complete and return this form to us. You can change your opt-in status at any time by simply contacting us via phone, mail, or e-mail via Home Banking (log in to your account and click on "Secure E-Mail.")

❑ **NO,** I do not want Qualstar to authorize and pay overdrafts on my ATM and everyday debit card transactions.

❑ **YES,** I want Qualstar to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Printed Name: _____ Account Number: _____

Signature: _____ Date: _____