



PARDA Federal Credit Union
2601 Cambridge Court, Suite 210
Auburn Hills, Michigan 48326
Tel: (248) 340-7000
Fax: (248) 475-2550
Email: info@parda.com

Overdraft Privilege Protection Disclosure

IMPORTANT MEMBER INFORMATION

Congratulations! A **\$100.00** overdraft privilege has been placed on your account, in accordance with PARDA Federal Credit Union's Discretionary Overdraft Privilege Policy ("Policy"). Should you inadvertently overdraw your account, we may, at our sole discretion, elect to cover and pay your overdrafts up to \$100.00, as outlined in our Policy. When your overdraft obligations are paid this service will save you the embarrassment and inconvenience of the items presented against your checking account being returned or declined.

This service is offered as an additional benefit of doing business with PARDA Federal Credit Union. It is our pleasure to make this courtesy available to you as a means of expressing our appreciation for the confidence you have placed in PARDA Federal Credit Union by entrusting us with your financial relationship. Please note this notice constitutes neither an obligation nor a prearranged agreement obligating PARDA Federal Credit Union to pay your overdrafts, and we may withdraw this privilege at any time without prior notice and without cause.

If you have any questions regarding this privilege, please contact your local branch or contact our Member Solutions Center at 800-860-5640.

WHAT YOU NEED TO KNOW ABOUT OVERDRAFTS AND OVERDRAFT FEES

Your available account balance is the balance after deducting (1) deposits not yet available for withdrawal under our funds availability policy; (2) debit card or other transactions we are legally obligated to pay, or have already paid out in cash; (3) other pending transactions such as Automated Clearinghouse

(ACH) transactions; and (4) any holds on your account to comply with court orders or other legal requirements.

An overdraft occurs when you do not have sufficient available funds in your account to cover a transaction. In such cases we may pay the obligation in our sole discretion. We can cover your overdrafts in two different ways:

1. We offer PARDA Overdraft Privilege, a discretionary overdraft privilege program, which comes with your account. You have the right to opt out of this service at any time.
2. We also offer overdraft protection options, such as a link to a savings account or overdraft line-of-credit, which may be less expensive than our discretionary overdraft privilege program.

HOW DOES THE OVERDRAFT PRIVILEGE PROGRAM WORK?

We may authorize and pay overdrafts at our discretion for the following types of transactions:

1. Share Drafts – checks you write to a third party against your checking account
2. Electronic Funds Transfers – ACH or recurring debit card transactions.

We are not able to provide the overdraft privilege program automatically for ATM withdrawals or one time debit card transactions unless we receive your authorization. If we do not hear from you, we will not authorize and pay overdrafts caused by ATM withdrawals or one time debit card transactions. If you choose to opt-in, we may cover these items up to your current overdraft limit. You can provide us with your choice to opt-in at your local branch, by phone, online or by calling our Member Solutions Center at 800-860-5640. You have the right to revoke your opt-in election at any time.

We pay overdrafts at our discretion, which means we do not guarantee we will always authorize and pay any type of transaction. If we do not authorize and pay an overdraft obligation, your transaction may be declined and any applicable non-sufficient funds fees or charges may be assessed. The credit union may refuse to provide this service on any checking account at any time. The credit union reserves the right to change or terminate the overdraft service at any time without prior notification.

If PARDA Federal Credit Union pays an overdraft obligation on your behalf, you agree to reimburse the credit union immediately for all paid overdrafts, including any fees and charges. If we are not reimbursed, your service will be

suspended after 30 days and the obligation will be charged off; and if we have not been reimbursed after 45 days, your membership will be terminated.

WHAT FEES WILL I BE CHARGED IF PARDA FEDERAL CREDIT UNION PAYS MY OVERDRAFT?

Under our discretionary overdraft privilege program:

- We will charge you a fee each time we pay an overdraft obligation. Please refer to PARDA Federal Credit Union's Fee Schedule for details.
- The items or obligations, and the maximum in fees we can charge you for paying overdraft obligations against your account is determined by your current overdraft limit.
- No fee is charged to have the PARDA Overdraft Privilege coverage on your account.

- No fee is incurred if you never use PARDA Overdraft Privilege

WHAT OTHER WAYS CAN I COVER MY OVERDRAFTS?

Your account is set up to automatically transfer from applicable savings accounts to your checking account to cover an overdraft. If funds are transferred from any of your savings accounts, you will be charged a transfer fee, which is disclosed in PARDA Federal Credit Union's Fee Schedule. You have the right to cancel this service at any time. We also offer lines of credit that can also be used as overdraft protection plans. Lines of credit are subject to credit approval. Please visit or call your local branch or call our Member Solutions Center at 800-860-5640 for more information on how to apply. You can also apply online at www.parda.com.

WHAT IF I WANT PARDA FEDERAL CREDIT UNION TO CONTINUE TO AUTHORIZE AND PAY OVERDRAFTS ON MY ATM AND DEBIT CARD TRANSACTIONS?

PARDA Overdraft Privilege for ATM withdrawals and Debit Card transactions will no longer be provided automatically. You must opt-in to take advantage of the program. You can opt-in at your local branch, by phone, online or by calling our Member Solutions Center at 800-860-5640.