

# How We Pay Your Checking Account Transactions



## Information & Disclosure about:

- Your overdraft options
- When we will charge you a fee
- Your actual vs. available account balance
- How transactions are posted to your account



[myEECU.org](http://myEECU.org) / (800) 538-3328

## HOW CHECKING ACCOUNT TRANSACTIONS ARE PAID

This brochure contains important information about your account balance, how payment and deposit transactions are posted to your account, when we consider your account to be overdrawn, the fees you may be charged if your account is overdrawn, and our Overdraft Protection Programs.

**The best way to know how much money you have and avoid paying overdraft fees is to carefully record and track all of your transactions. You can add a layer of protection by setting up overdraft protection from your savings accounts or an overdraft protection loan. These options are generally less costly than having an insufficient funds item returned or paid by Platinum Overdraft.**

When there is not enough available balance in your checking account to pay the full amount of a transaction when it "posts" or is presented for payment, it is an insufficient funds transaction or "Overdraft." We may, without notifying you, return an insufficient funds transaction unpaid, pay it using a pre-arranged overdraft savings or loan source, or if you have opted in, overdraft your account and pay the transaction through our standard overdraft program known as Platinum Overdraft.

You may be charged a fee, as described in our Schedule of Fees, for each transaction regardless of whether we pay or return it. A fee may be charged each time a transaction is presented for payment. This means that you may be charged more than one fee for the same transaction if it is returned and resubmitted by the merchant.

This is a general description of how certain transactions are processed. **Refer to the Membership and Account Agreement Disclosure, Schedule of Fees, and/or loan contract, for additional information and a complete explanation.**

If you do not understand this information or if you have questions, visit a branch or call our Member Service Center at (800) 538-3328.

### YOUR ACTUAL & AVAILABLE ACCOUNT BALANCE

Your checking account has two kinds of balances: the "actual" balance and the "available" balance. Both can be checked when you review your account online at myEECU.org, by visiting an EECU branch, by calling Personal Telephone Access (PTA), or by calling our Member Service Center at 800-538-3328. It is important to understand how the two balances work so that you know how much money is in your account at any given time.

Your actual balance is the amount of money that is actually in your account at any given time. It generally appears with the heading "Balance" or "Current" on transaction receipts, in Online Access, and in other account-related records. Your actual balance reflects transactions that have "posted" to your account, but not transactions that are pending, such as checks you have written that are still outstanding, pre-authorized debit card purchases, or unposted Remote Deposit Capture (RDC) deposits. Actual balance is not always an up-to-date display of what is in your account that you can spend. Any purchases, holds, fees, checks, other charges, or deposits made on your account that have not yet posted will not appear in your actual balance.

Your available balance is the amount of money in your account that is available for use. Available balance generally appears with the heading "Available" on transaction receipts, in Online Access and in other account-related records. The available balance takes into account things like holds placed on deposits, pending transactions (such as pending debit card purchases) that we have authorized but that have not yet posted to your account, and other holds such as a pledge of funds, minimum balance, or court ordered hold.

**Available balance at the time transactions are posted (not when they are authorized) is used to determine when your account is overdrawn.**

IT IS VERY IMPORTANT TO UNDERSTAND THAT YOU MAY STILL OVERDRAW YOUR ACCOUNT EVEN THOUGH THE AVAILABLE BALANCE APPEARS TO SHOW THERE ARE SUFFICIENT FUNDS TO COVER A TRANSACTION THAT YOU WANT TO MAKE. This is because your current and available balances may not reflect all your outstanding checks, debit card transactions, automatic bill payments that you have authorized, or other outstanding transactions that have not been paid from your account. Your available balance also may not reflect recent deposits to your account that are subject to "holds" as described in our Funds Availability Policy.

### AUTHORIZATION HOLDS/PENDING TRANSACTIONS

When you make a purchase with your debit card, the merchant may seek prior authorization for the transaction. When that happens, we generally place a temporary hold, referred to as an "authorization hold," on the available funds in your account. Authorization holds reduce your available balance, but not your actual balance, as they are received by us throughout each day. At some point after you complete the transaction, it is processed by the merchant and submitted to us for payment. When the transaction posts to your account the authorization hold is released. This can happen hours or sometimes days after you completed the transaction.

The amount of an authorization hold may be different than the actual transaction amount because the final transaction amount may not yet be known to the merchant when the authorization request is submitted. For example, if you use your card at a restaurant, an authorization hold will be placed for the amount of the bill, but when the transaction posts it will include any tip that you added to the bill. This may also be the case when you use your card at a gas station, hotel or other retail establishment. We cannot control how much a merchant asks us to authorize, or when a merchant submits a transaction for payment.

If a merchant obtains prior authorization for a debit card transaction but does not submit the transaction for payment within three business days (longer for certain types of transactions), we must release the authorization hold and the available balance may increase by the amount of the authorization hold. When the merchant submits the authorized transaction for payment it will be posted to your account. This may result in an overdraft or negative balance and associated fee.

**Transaction Example.** Assume your actual and available balances are both \$100. You use your debit card at a restaurant for \$40. An "authorization hold" is placed so your available balance is only \$60. Your actual balance is still \$100. Before the restaurant submits its bill, an \$80 check you wrote clears. Because you only have \$60 available balance (you committed \$40 to the restaurant) your account will be overdrawn by \$20, even though your actual balance is \$100. In this case, unless overdraft protection or Platinum Overdraft is available, the check will be returned as a Non-Sufficient Funds (NSF) item. In any case, applicable fees will be charged, which may further reduce the balance. When the \$40 restaurant item posts, you will not be charged an overdraft fee because your available balance (without overdraft tolerance) was sufficient at the time the transaction was authorized.

### **OVERDRAFT PROTECTION FROM SAVINGS OR OVERDRAFT PROTECTION LOAN<sup>1</sup>**

You can establish overdraft protection by linking your checking account to other individual or joint savings accounts or to an approved Overdraft Protection Loan. **These overdraft options are generally less costly than having a transaction paid by Platinum Overdraft or returned due to insufficient available funds.**

Overdraft protection from savings or from a loan may pay the following types of insufficient funds transactions, provided there are available savings or available credit: checks and other transactions made using your checking account number; automatic bill payments scheduled through Online Access Bill Pay; automatic payments through the ACH system; and, POS transactions. A fee may be charged for overdraft transfers from savings. Interest will accrue on the overdraft loan balance.

### **PLATINUM OVERDRAFT<sup>1</sup>**

We may consider paying certain transactions through our standard overdraft service known as Platinum Overdraft. This means that we may, at our sole discretion, authorize and pay certain types of transactions when there are insufficient available funds in your checking account:

If you affirmatively consent ("opt in"), checks and other transactions made using your checking account number, Online Bill Payments, ACHs, and recurring debit card transactions may be considered for payment through the Platinum Overdraft service.

You must also opt in for one-time debit card transactions to be considered for payment through the Platinum Overdraft service. Without your affirmative consent, we may not authorize and pay a one-time debit card transaction that will result in insufficient available funds in your account. If you do not opt in these transactions may be declined. If you do opt in and a one-time debit card transaction is presented and paid against insufficient available funds, an overdraft fee will be charged.

The Platinum Overdraft service may not be available for all types of accounts or all accountholders. Platinum Overdraft is a discretionary service. If we authorize and pay insufficient funds transactions, we do not agree to pay them in the future and may discontinue doing so at any time without notice.

**You may "opt out" of the Platinum Overdraft service at any time if you do not want us to consider paying your insufficient funds transactions.**

**We will not consider paying insufficient funds transactions through Platinum Overdraft unless you have provided us with affirmative consent to do so.**

**Minimizing Fees.** You may avoid or minimize fees by transferring funds to your checking account via mobile and online banking, at any of our branches or ATMs, or by contacting our Member Service Center before you initiate the transaction that would exceed your current available balance.

### **POSTING TRANSACTIONS TO YOUR ACCOUNT**

We may receive multiple credit and debit transactions for your account in many different forms throughout the day. And, depending in part on how a transaction takes place, it may be posted to your account individually or as part of a batch.

**Credits.** Most deposits are added to your account when we receive them. However, there are cases where funds may not be available to you or may not show in your available balance at the time of the deposit. For instance, when you deposit a check, we may place a hold of two or more business days and some or all of the funds will not be available at the time of the deposit. Refer to the Funds Availability Policy Disclosure for details about the availability of funds from deposits.

**Debits.** There are several types of debit (withdrawal) transactions. There are many ways debit transactions are presented for payment by merchants, and we are not necessarily in control of when transactions are received.

**Checks.** We receive data files from the Federal Reserve of checks you wrote that were cashed. The checks drawn on your account are compiled and paid each business day. We process the checks from low to high dollar value.

**ACH Payments.** We receive data files from the Federal Reserve of ACH transactions. These include, for example, automatic bill payments for which you have signed up and direct deposits you have authorized. ACH transactions are generally posted throughout each business day in the order received, with credits being posted before debits.

**Debit Card Transactions.** When you use your debit card at a merchant, the transaction is processed differently depending on whether or not you enter your PIN. When you enter your PIN, the purchase is a Point-of-Sale (POS) transaction. This is similar to an ATM withdrawal and the money is usually deducted from your account at the time of the transaction. However, depending on the merchant, a PIN-based transaction may not be immediately presented for payment and posting may be delayed.

When you are asked for your signature, tap-to-pay, make an internet purchase, or the transaction is otherwise processed through the Visa network, the merchant may seek prior authorization for the transaction, we may place an "authorization hold," and the transaction can post hours or even days later. (For certain transactions, the merchant may not request a signature but may still place an authorization hold.) See the section titled "Authorization Holds/Pending Transactions."

<sup>1</sup> Overdraft Protection from Savings, Overdraft Loan and Platinum Overdraft not available on Right Start Checking accounts.

# Overdraft Options

for your EECU Checking Account<sup>1</sup>

The best way to know how much money you have available and avoid paying overdraft fees is to record and track all of your transactions closely.

But mistakes happen ... and that's why we offer several overdraft options that can protect your checking account if you don't have enough funds available to cover an item presented for payment.

## Overdraft Protection Transfers from Savings<sup>2</sup>

You can protect yourself by setting up overdraft protection from your savings account.

Then, if there is not enough available balance in your checking account to pay a transaction, EECU will automatically transfer money from your savings account.

There is no fee for this type of transfer.

## Overdraft Protection Line-of-Credit<sup>2</sup>

As another layer of protection, you can apply for and establish an Overdraft Protection Line-of-Credit. It's there when you need it — and there's no cost if you don't use it.

There is no fee for the transfer, but interest will accrue on the loan balance.

## Platinum Overdraft<sup>3</sup>

If your overdraft protection options have been exhausted we may, at our discretion, pay overdrafts through Platinum Overdraft. This means that we may approve and pay a transaction when there are insufficient available funds in your checking account - instead of returning or declining the transaction for non-sufficient funds.

When we do this, you may be charged a fee, which is the same as the insufficient funds fee. However, you may avoid a returned item fee from the merchant if your item is paid by Platinum Overdraft. We will expect that you immediately make a deposit to restore your account to a positive balance.

**For more information, terms, and conditions refer to the Membership and Account Agreement, Schedule of Fees, and/or credit agreement.**

<sup>1</sup> Overdraft Protection from Savings, Overdraft Loan and Platinum Overdraft not available on Right Start Checking accounts.

<sup>2</sup> Savings Account or Overdraft Loan must have funds available to cover the transaction(s). Overdraft Loan subject to approval.

<sup>3</sup> If you affirmatively consent ("opt in"), Platinum Overdraft may, at our discretion, pay checks and other transactions made using your checking account number, Online Bill Payments, ACHs, and recurring debit card transactions. You must also opt in for one-time debit card transactions (POS) to be considered for payment by Platinum Overdraft. There is a daily limit of four overdraft fees. If the overdraft amount is less than \$14, we will not charge an overdraft fee. See Schedule of Fees.

# We're Here to Help!

If you do not understand this  
information or if you have questions,  
please contact us at:



(559) 437-7700 or (800) 538-3328

Monday - Friday 7 a.m. - 7 p.m.

Saturday 9 a.m. - 1 p.m.

**Federally Insured by NCUA**