
OVERDRAFT PROTECTION PLAN

What is an overdraft?

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts in two different ways:

1. We offer the Overdraft Protection Plan that automatically links your Main Share Savings account when you open a checking account, which may be less expensive than our standard overdraft practices, for which you may choose to opt-out of below.
2. We have standard overdraft practices called Overdraft Privilege that you can opt-in to once you qualify and meet our 'Good Standing' requirements. For more information, ask us about our Overdraft Privilege Program.

How does it work?

At account opening, we automatically link your Main Share Savings account to your checking account in order to cover your overdrafts. If you do not want your accounts linked, you may opt-out below.

You can also notify us to specify which account you would like "linked" to your checking account or request an account to be linked when it is opened. That way, if you cause an overdraft, we will transfer money from that linked account to pay the overdraft.

What fees will I be charged?

- A transfer fee of \$5.00 each time we transfer funds from your Main Share Savings or other specified linked account.
- If you have no money available in your linked account or have opted-out of protection below, you will be charged:
 - An Insufficient Funds fee of \$25.00 each time we reject an item due to no money available in your linked account;
 - An NSF fee of \$25.00 each time we reject an item, if you have opted-out of the Overdraft Protection Plan below; or
 - An overdraft fee of \$25.00 each time we pay an item, if you have authorized us to pay overdrafts using our Standard Overdraft Protection Plan called Overdraft Privilege.

Also note:

- There is no limit on the total fees we can charge you for overdrawing your account.
- We may increase fees at any time. See our Rates and Fees Schedule for the most current fees.

You may also request to link a different account to cover overdrafts from your checking account. This may include but is not limited to the following eligible accounts:

- Overdraft Protection Line of Credit
- Club Savings
- Money Market

When opening any new account, please inquire if the account is eligible to be designated as a linked account under this Plan.

What additional terms and conditions may apply?

If you link a line of credit account:

- For all transactions except Debit Card transactions, amounts will be added to a line of credit in increments of \$100.00. For example, if your transaction causes an overdraft of \$5.00, \$100.00 will be charged to your line of credit. For Debit Card transactions, amounts will be added to your line of credit in the exact amount overdrawn.
- Fees will be added to the balance and interest will accrue on the entire balance at the rate disclosed in your line of credit agreement.

If you link a savings account:

- The number of transfers may be limited. See your Membership Agreement or Truth-in-Savings disclosures for more information.

No, don't link my accounts

_____ I do hereby request that DCCU does not process automatic overdraft transfers to my checking account from my linked account(s). I have been advised that in the event of an overdraft, my transaction(s) will be returned as NSF/Insufficient Funds and that I will incur a \$25.00 fee for each occurrence.

X _____
Signature

Date

Right To Revoke

You have the right to revoke or change your overdraft elections at any time by contacting us at the above addresses/phone number(s).

IMPORTANT TERMS REGARDING OVERDRAFTS

The following terms apply when overdrafts occur on your accounts, regardless of which overdraft service or protection program you may have. These programs can be suspended at any time and are not guaranteed. This document is incorporated into your Membership and Account Agreement as if fully set forth therein. If the terms of this document are in conflict with terms described in your Membership and Account Agreement, the terms of this document will control. By choosing to have your accounts remain linked, and by using your checking account, you agree to the following:

Understanding Your Obligations Regarding Overdrafts

- We use available balance to determine whether you incur overdrafts and associated fees.
 - We pay items in the order they are received, even if such process causes an overdraft. We may honor any item or instruction even if it creates an overdraft or negative balance in your account or if it violates any minimum balance requirement or other requirements of the account, in which case you agree to pay all fees, penalties or other charges imposed on you as well as costs incurred by us.
 - Online postings and transactions are not made, and balance information is not updated, in real time or instantaneously.
 - Any item or transaction may be presented multiple times when it has been returned unpaid for any reason, and we have no control over this. Each presentment will be charged a separate overdraft or NSF fee even if it is on the same item.
 - Preauthorization holds for debit card transactions placed on sufficient available funds do not guarantee that an overdraft or NSF item will not occur. Transactions may occur after the preauthorization hold that reduces the balance before the final debit card transaction posts to the account (e.g., a previously written check may clear). In such case, you will be charged an overdraft or NSF fee.
 - Having the ability to overdraw, even if you have overdraft protection, does not relieve you of your duty to make sure you have enough money in your account to cover your transactions.
 - Excessive or repeated overdrafts can lead to suspension or termination of your checking account and/or the eligibility for these programs. Suspension of programs can happen at any time and are not guaranteed.
 - It is your responsibility to monitor and balance your accounts. You are responsible for any overdrafts caused by you or any joint owner on your account. You must repay any overdraft amounts and bring your accounts current within 10 calendar days.
 - We do not have to notify you if your account does not have enough money to cover drafts, fees or other posted items.
 - If you receive a direct deposit of Social Security or other federal benefit funds and do not wish us to apply those funds to repay an overdraft, you must select "I do not want you to authorize or pay any overdraft on my account" on the Standard Overdraft Practices - Overdraft Privilege Form and submit it to us in person, or by mail to DCCU, PO Box 1365, Waynesboro, VA 22980, visit Online Banking at www.mydccu.com, or call us at 1-800-245-8085.
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Understanding your "available balance" versus "actual balance"

Your checking account has two kinds of balances: an "actual balance", and an "available balance". Both balances will change with any given check, debit card, or other transaction as you use your checking account.

What is "actual balance"?

Your "actual balance" is the actual amount of money in your account at any given moment in time. It may be referred to on your statement as "current balance" or simply "balance". It reflects items that have been fully processed and actually posted to your account but not transactions that are still processing or "pending". Some people say these transactions "have cleared my account".

What is "available balance"?

Your "available balance" is usually a different number than your "actual balance". Your "available balance" is the portion of your actual balance that is available for immediate withdrawal or to pay other debit items; it takes into account standard funds availability holds under our Funds Availability Policy, as well as any pending debits and credits we have received but not yet posted to your account (for example, preauthorized debit card transactions, pending checks, transfers, withdrawals, or other holds on your account). Items still in process or on hold may be referred to as "pending" on your online banking. The available balance changes throughout the day as transactions occur.

Available balance is the amount of money you have in your account that is available for you to use without incurring an overdraft fee. This is the number you should use when determining whether any of your items or transactions will cause you to overdraw your account.

The following examples show how your balances work and how an overdraft can occur:

- Assume you have an actual balance of \$100 and an available balance of \$100. (This means that all transactions have cleared and you have no pending transactions because you haven't used your account). Now, if you swipe your debit card at a restaurant for \$35, a hold will be placed on your account as the transaction is processed, and your available balance will be reduced to \$65.00. Your actual balance, however, remains \$100 until that transaction is actually posted to your account.

Now assume that a week prior to the transaction at the restaurant, you had written a check to your friend for \$75. She cashes it while your available balance is \$65.00. This will cause an overdraft on your account because the check is for more than the available balance, even though the \$35 restaurant transaction has not yet posted to your account. The total transactions were \$35 (restaurant) + \$75 (check) = \$110, when your balance was only \$100. Once both transactions are posted to your account, your actual balance will be negative \$10 and your available balance will be \$0.00. You will need to deposit more money into your account to avoid further overdrafts and fees.

- Assume you just deposited a large check (over \$5,000) into your checking account this morning. Under federal regulations, we can delay availability of those funds for a certain number of days. If we do so, we will notify you at the time you make the deposit. Until the deposited funds have cleared and the hold has been lifted, you will not have those funds as part of your available balance. So, if your available balance at the time you deposit a \$6,000 check is \$100, your available balance will still be \$100 until the hold is lifted. If you had written a check for \$4,000 last week and that check is posted before the hold on the \$6,000 deposit is lifted, an overdraft will occur.

Reliability of Your Available Balance

You can view both your actual balance and available balance online. The available balance and actual balance listed may not be completely accurate at any given time you view it because it may not yet reflect any pending items, e.g., you may have written checks that have not been cashed or deposited yet or you may have preauthorized recurring payments that haven't processed yet.

You should keep all outstanding items in mind when determining your balance for overdraft purposes. It is your responsibility to know what transactions you may still have outstanding.

Will a debit card transaction hold always be the exact same amount as the actual transaction?

No. Some merchants, particularly gas stations, hotels, car rental agencies, and sometimes restaurants will preauthorize an amount greater than your actual transaction. For example, gas stations may preauthorize up to \$75.00 because they don't know how much gas you will buy at the time you swipe your card. This hold should only last a few hours before it is released and the actual transaction amount is known. This actual amount is often referred to as the "final settlement request" by the merchant to the bank.

A hotel may preauthorize an amount equal to one night's stay, and can hold that amount for up to 72 hours at the time you make reservations. When you check in, it can also place another authorization to cover any incidental expenses you may incur during your stay. Once you check out and the hotel processes the transaction, the actual amount that you incur (final settlement) will be posted.

Car rental agencies can also preauthorize an amount greater than the rental to cover any incidental expenses you may incur and will process the actual amount (final settlement) once you return the vehicle and the rental contract is completed.