



Avoid Overdrafts and Overdraft Fees

What is an Overdraft?

[A] When your account lacks sufficient money to cover a cleared check or transaction, an overdraft occurs on your account.

What happens when a typical overdraft occurs?

[A] When an overdraft occurs on a checking account the credit union may either:

- return the check to the merchant or payee as “unpaid due to insufficient funds”
- automatically transfer funds from a savings account, provided you previously designated an account for transfers and funds are available.
- take your checking account balance below zero, assess the standard non-sufficient funds (NSF) charge, and honor the check or transaction amount, provided you are enrolled in Overdraft Privilege.

What happens if my transaction is “unpaid due to insufficient funds”?

[A] In this case, the checking account holder is charged a Non-Sufficient Fund (NSF) fee and the check is returned to the payee. If this payee is a merchant, they often add a “Returned Check Fee” that may range from \$25 to \$50. In many cases, the merchant will then make a second attempt to cash the bounced check and the cycle of fees and charges is repeated.

What is Overdraft Privilege?

[A] Overdraft Privilege is a service that’s consistent with the credit union’s philosophy and mission to meet members’ financial needs and resolve short-term financial problems. It protects members from the embarrassment and cost of bouncing a check or multiple checks by simply taking your checking account balance below zero, assessing a standard non-sufficient funds (NSF) charge*, and honoring the check or transaction amount. Please note that in order for a draft to be paid, the member must be in good standing with the credit union. For further explanation, see a Dupaco representative.

*Please see dupaco.com for current NSF charges.

Do I have to sign up for Overdraft Privilege?

[A] There is no sign-up required for Dupaco to authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions that use your share draft checking account number
- Automatic bill payments
- However, as per regulation, members must sign-up for Dupaco to authorize and pay overdrafts for the following types of transactions:
- ATM transactions
- Debit (MoneyCard) transactions

In both cases, restrictions do apply and eligible accounts must remain in good standing.

Is there a fee for Overdraft Privilege?

[A] Overdraft Privilege is available on all eligible personal share draft accounts, and unless the service is used, it costs nothing. Restrictions do apply and eligible accounts must remain in good standing. Please note that this service is not mandatory and a member may decline either option at any time by notifying Dupaco.

How much protection is offered with Overdraft Privilege?

[A] Overdraft Privilege pays overdrafts on eligible member share draft accounts up to \$700.

What is an “eligible account”?

[A] An eligible account in good standing is defined as the following:

- The account has been open for at least thirty (30) days and has deposits totaling at least \$300 or more within each thirty (30) day period
- The account demonstrates consistent deposit activity
- The account owner is current on all loan obligations
- The account is not overdrawn for more than 30 consecutive calendar days
- The account is free of any restrictive hold codes

Are new checking accounts eligible?

[A] **Not immediately.** There is an aggregate deposit requirement of \$300 during the initial 30-day period following the opening of the account.

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Is interest charged on Overdraft Privilege advances?

[A] No. Because the amount of the overdraft advance is provided at no interest, Overdraft Privilege provides members with an excellent alternative to expensive payday loans.

If an account is overdrawn, is there a fee charged each day the account is negative?

[A] Dupaco's NSF fee schedule* is not determined on a per-day basis. The NSF fee is per item, therefore if the account is overdrawn, a NSF fee is charged when a new check or transaction clears the account. Some banks charge a fee for every day an account is overdrawn. For Dupaco members, as long as no additional checks or transactions clear, a member's account may remain overdrawn for as long as 30 days with no additional fees or interest charged.

*Please see dupaco.com for current NSF charges.

Does Dupaco control the order in which checks and debit transactions clear the account?

[A] No. Dupaco posts checks and debit transactions in the order the credit union receives them. Therefore, maintaining an accurate record of outstanding checks written and debit transactions you have made on your checking account will give you the "real" balance of your account at any time.

Are there alternatives to Overdraft Privilege?

[A] Yes. With a quick call or e-mail to Dupaco, you can request that an automatic transfer be made from your savings account to your checking, should your checking account balance reach zero. And should the need arise, Dupaco representatives are available to sit down and review a member's complete financial picture and help them determine better ways to budget, reconcile their checkbook, and manage money.

Overdraft Privilege Summary	
Overdraft Payment Fee	See dupaco.com for current NSF charges.
Transactions Subject to Overdraft Payment Fee	Checks and transactions made using a checking account number, automatic bill payments, ATM and debit card transactions.
Repay Overdraft	Up to 30 days for repayment
Circumstances When Overdraft Would Not be Paid	Account opened less than thirty days, or deposits less than \$300 within a thirty day period, or inconsistent deposit activity, or legal or administrative order or levy filed; or account owner is not current on loan obligations.
Sign-up Requirements	As per regulation, sign-up is only required for Dupaco to authorize and pay overdrafts for ATM and debit card transactions.

DUPACO COMMUNITY CREDIT UNION offers the OVERDRAFT PRIVILEGE SERVICE (ODP). If your account qualifies for ODP, we will consider, without obligation on our part, paying items for which your account has insufficient or unavailable funds, instead of automatically returning those items unpaid.

Examples of Transactions that may qualify for ODP: a) You write a check, swipe your debit card or initiate an electronic funds transfer in an amount that exceeds the amount of funds available in your account; b) You deposit a check or other item into your account and the item is returned unpaid, which causes a negative balance in your account once your balance is reduced by the amount of the returned check; c) You have inadequate funds in your account when we assess a fee or service charge; or d) You initiate a transaction before funds deposited into your account are "available" or "finally paid" according to our Funds Availability Policy. For example, if you deposit a check into your account, the proceeds of that check may not be available to you for up to seven days after you deposit the check. If you do not have sufficient funds in your account—independent of the check—to cover the transaction, you will incur an overdraft.

The ODP Service applies to a variety of transactions, including checks and other transactions made using your checking account number, automatic bill payments, ATM transactions and everyday debit card transactions; however, we will not include ATM and everyday debit card transactions within our ODP Service without first receiving your affirmative consent to do so. Absent your affirmative consent, ATM and everyday debit card transactions generally will not be paid under ODP.

Participation in ODP is not mandatory. You may opt-out of the service any time by notifying one of our service representatives. Furthermore, you may revoke your affirmative consent to have ATM and everyday debit card transactions considered for payment under ODP without removing other items from the service. Simply inform us of your preference.

As noted above, we retain full discretion to decline to pay any item under the ODP Program. This means we can refuse to pay any overdraft for any reason. Even if we decide to pay an overdraft item, absent an agreement to the contrary, such payment does not create any duty to pay future overdrafts. If we do not authorize and pay an overdraft, your transaction will be declined and we may assess NSF fees on your account in accordance with your account agreement and the fee schedule in effect at the time of the overdraft.

Fees: For each overdraft we pay, we will charge the standard per item overdraft fee set forth in our fee schedule (please visit dupaco.com for current fees). We will notify you by mail if we pay or return any insufficient or unavailable funds items on your account; however, we have no obligation to notify you before we pay or return any item. The amount of any overdraft, including our fee, is due and payable immediately or on demand.

Accounts Eligible for ODP: ODP is a discretionary service and is generally limited to a \$700 overdraft (negative) balance for eligible personal checking accounts. Actual overdraft limit determined at time of sign up. Please note that per item and overdraft fees count toward your ODP Limit. We may in our sole discretion limit the number of accounts eligible for ODP to one account per household or per taxpayer identification number. Further, ODP is usually extended only to accounts in good standing. An account in good standing exhibits, but is not limited to, the following characteristics: a) The account has been open for at least thirty (30) days; b) The account has deposits totaling at least \$300 or more within each thirty (30) day period; c) The account demonstrates consistent deposit activity; d) The account owner is current on all loan obligations with us; and e) The account is not subject to any legal or administrative order or levy, such as bankruptcy or tax lien.

We offer other overdraft protection services in addition to ODP. This includes overdraft protection linked to another account of yours with us, such as a share savings account. If you apply and are approved for these optional services, you may save money on the total fees you pay us for overdraft protection services. Overdrafts should not be used to pay ordinary or routine expenses and you should not rely on overdrafts as a means to cover these expenses. If at any time you feel you need help with your financial obligations, please contact one of our service representatives at 800-383-7600, ext. 202.



For more information on avoiding non-sufficient funds fees or overdraft policies, contact Dupaco at 800-373-7600.