

Member Privilege® for Debit Card Transactions

Debit and ATM cards are a convenience and it's hard to imagine living without them. Using a debit card makes it easier than ever to make purchases and payments, but it also makes it easier to overdraw a checking account and incur fees associated with overdraft protection services. As a result, Federal lawmakers have created new rules governing overdraft protection programs for debit cards that are effective July 1, 2010.

Agriculture Federal Credit Union's overdraft protection for debit cards is designed with your protection and convenience in mind. The vast majority of our members do not overdraw their accounts and incur fees; however, life doesn't always go according to plan, and overdrafts do occur. Without this overdraft protection, your debit card transactions may be declined if you attempt to make a transaction without sufficient funds.

Member Privilege® for debit card transactions applies only when a member has authorized AgFed to pay overdrafts by opting in to receive the service.

We have standard overdraft practices that come with your account. We also offer an overdraft loan (*LifeLine of Credit*), which if approved may be linked to your Share Draft Checking Account and may be less expensive than our standard overdraft practices. You may apply at any time. Under the current standard overdraft practices, we will charge you a fee of \$33 each time we pay an overdraft. There is no limit on the total fees we can charge you for overdrawing your account.

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.

As long as you maintain your account in "good standing," we may approve your overdraft items. For overdraft privilege consideration, your account is in "good standing" if you (1) make sufficient deposits to bring your account to a positive end-of-day balance at least once every 30 calendar days (including the payment of all credit union fees and charges); (2) avoid excessive overdrafts; (3) there are no legal orders, levies or liens against your account; and (4) your accounts are not restricted due to charge-offs, bankruptcies, delinquent loans or fraud.

You may opt out of the privilege at any time, but you are responsible for any overdrawn balances at the time of opting out. Normally, we will not approve an overdraft for you in excess of the predetermined amount assigned to your account type. So as not to exceed your limit, please note that the amount of the overdraft plus the Credit Union's Member Privilege® fee of \$33.00 per debit card transaction will be deducted from the overdraft limit.

AgFed reserves the right to revoke Member Privilege at any time without prior notifications and to deny the payment of any transaction. Please note that Member Privilege is secondary for those members with a LifeLine of Credit and/or established share transfers to cover debit card transactions.

If you want AgFed to authorize and pay overdrafts on everyday point-of-sale transactions, you must complete an opt in form, send an email request to members@agriculturefcu.org, or call (800) 368-3552. You have the right to revoke your consent by opting out at any time.