IGNITE CREDIT UNION
IMPORTANT TERMS REGARDING OVERDRAFTS

Overdrafts, returned items and overdraft protection options are governed by our Overdraft Governance Documents, including these Important Terms Regarding Overdrafts. These Important Terms Regarding Overdrafts are hereby incorporated into the Membership and Account Agreement as if fully set forth therein. In the event of any conflict between these Important Terms Regarding Overdrafts and any provision of the Membership and Account Agreement, these Terms shall control.

THESE IMPORTANT TERMS REGARDING OVERDRAFTS EXPLAIN YOUR LIABILITY FOR OVERDRAFTS. PLEASE REVIEW THIS INFORMATION CAREFULLY. IF YOU DO NOT UNDERSTAND ANY PROVISION OF THESE IMPORTANT TERMS, OR IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT US AT 888.860.6928 OR VISIT ANY BRANCH.

A. GENERAL.

1. What Does it Mean to Overdraw Your Account? "Overdrawing" your account means that there are not sufficient available funds (as described in Section B below) in your account to pay for a transaction, resulting in a negative or "overdrawn" balance. Some transactions that can result in an overdraft in your account include, but are not limited to:

- the payment of checks, electronic fund transfers, telephone-initiated transactions, preauthorized payments under our Bill Payment Service, debit card transactions, or other withdrawal requests authorized by you;
- the return (unpaid) of items deposited by you;
- the assessment of service charges by us; or
- the deposit of items that are treated as not yet "available" according to our Funds Availability Policy.

2. What Happens if the Credit Union Refuses to Pay the Item? If you overdraw your account, we may return the item unpaid, commonly known as a return for "nonsufficient funds" or "NSF". It is important to understand that the Credit Union has no control over how many times an intended payee will resubmit an item to us for payment. When we return an item unpaid, we will assess you an NSF Fee each time the item is presented to us for payment. There is no limit on the number of NSF Fees we may assess against your account. NSF items are described in more detail in Section D.

3. What Happens if the Credit Union Pays the Item? If you overdraw your account and we pay the item, we may do so in one of two ways:

- through standard overdraft practices that come with your account, which we call "Courtesy Pay"; or
- through an overdraft protection plan, which we call "Overdraft Transfer"

You can elect to decline either of these services at any time, which may result in your transactions being declined for nonsufficient funds if the available balance in your account is insufficient to pay for your transaction.

The Credit Union also offers an overdraft line of credit for qualifying members. These Important Terms describe only our Courtesy Pay and Overdraft Transfers. If you have questions regarding applying for an overdraft line of credit, please contact the Credit Union for additional information.

4. Your Obligation to Keep Records of Your Transactions. While we provide Courtesy Pay and the

Overdraft Transfer for your convenience and as a way to help you avoid overdrafts, NSF transactions, and associated fees, you are responsible for keeping track of the funds in your account that are available for you to use before you write a check, preauthorize a payment under our bill payment service, authorize an ACH transaction, make a cash withdrawal at an ATM, or use your debit card for a transaction. Among other things, you should keep a running balance that reflects all of your transactions.

It is imperative that you keep track of the transactions you may have authorized (such as outstanding checks or automatic bill payments), as your available balance (discussed in more detail below) may not reflect these transactions until they are paid from your account.

B. YOUR AVAILABLE BALANCE.

1. Actual Balance Versus Available 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 a Credit Union-owned ATM, by phone, or at a branch. It is important to understand how these two balances work so that you know how much money is **available to you** in your account at any given time. This section explains actual and available balances and how they work.

2. Your "Actual Balance". Your "actual" balance is the amount of money that is actually in your account at any given time, but not all funds included in the actual balance are considered "available" for transactions on your account. The actual balance is also sometimes referred to as your "ledger balance" or your "current balance". Your actual balance reflects transactions that have posted to your account, but it does not reflect transactions that have been authorized and are pending or deposits that may be on hold. While the term "actual" may sound as though the number you see is an up-to-date indication of what is in your account that you can spend, that is not always the case because any purchases, holds, fees, other charges, or deposits made on your account that have not yet posted will not appear in your actual balance. For example:

- assume you have a $50 actual balance, but you just wrote a check for $40, then your actual balance is $50 but it does not reflect the pending check transaction. Though your actual balance is $50, you have already spent $40.

3. Your "Available Balance". Your available balance is the amount of money in your account that is available to you to use without incurring a fee. The available balance takes into account factors such as holds placed on deposits and pending transactions, like pending debit card purchases, that the Credit Union has *authorized*, but that have not yet *posted or settled* to your account. For example:

- assume you have an actual balance of $50. If you were to use your debit card at a restaurant to buy lunch for $20, then that merchant could ask us to pre-authorize the payment in that amount (or even a different amount). If the merchant requests preauthorization in the amount of $20, we will place a "hold" on your account for $20 (referred to as an "authorization hold"). Your actual balance will still be $50 because this transaction has not yet posted, but your available balance will be $30 because of the restaurant's $20 preauthorization request. When the merchant submits its bill for payment (which could be days later and for a different amount than the amount of the authorization hold), we will release the authorization hold, post the transaction to your account, and your actual balance will be reduced by the amount of the posted transaction.

4. Your Available Balance and Non-Debit Card Transactions. For electronic funds transfers (ACH), checks, bill payments, and any other non-debit card transactions, we use your *available balance* at the time a transaction *posts* to determine whether your account is overdrawn and whether a fee will be assessed. For information on your available balance works with respect to debit card transactions, please see Section C.

C. AUTHORIZATION HOLDS FOR DEBIT CARD TRANSACTIONS.

1. What is an Authorization Hold? When you use your debit card to pay for goods or services, the merchant may seek preauthorization from us for the transaction. When we preauthorize the transaction, we commit to make the requested funds available when the transaction finally posts and as such, we generally place a temporary hold against some or all of the funds in the account linked to your debit card, based on the amount of the preauthorization request from the merchant. We refer to this temporary hold as an "authorization hold," and the amount of the authorization hold will be subtracted from your available balance as authorization requests are received by us throughout each day.

2. How Does an Authorization Hold Affect Your Available Balance? Until the transaction finally settles or we otherwise remove the hold (for example, we may remove the hold because it exceeds the time permitted or we determine that it is unlikely to be processed), the funds subject to the hold will not be available to you for other purposes. At some point after you sign for the transaction, it is processed by the merchant and submitted to us for payment. This can happen hours or sometimes days after you signed for it, depending on the merchant and its processing company. We have no control over when a merchant may present an item for payment. Merchant payment requests are received in real time throughout the day and are posted to your account as they are received.

3. The Amount of an Authorization Hold May Differ From the Amount of the Actual Transaction. The amount of an authorization hold may differ from the actual transaction amount because the actual transaction amount may not yet be known to the merchant when the authorization request is submitted. For example, this can happen in connection with transactions where your debit card is authorized before your actual transaction amount is known, such as at a restaurant (where you may choose to add a tip to the transaction amount) or a gas station. For these types of transactions, there may be no authorization hold, or the amount of the authorization hold may be different from the transaction amount. In some other cases we may not receive an authorization request from the merchant, and there will be no authorization hold reflected in your available balance. We cannot control how much a merchant asks us to authorize, or when a merchant submits a transaction for payment.

4. Length of an Authorization Hold. We are permitted to place an authorization hold on your account for up to three (3) business days (or for up to thirty (30) business days for certain types of debit card transactions) from the time of the authorization or until the transaction is paid from your account. However, if the transaction is not submitted for payment, we will release the authorization hold, which will increase your available balance until the transaction is submitted for payment by the merchant and finally posted to your account. If this happens, we must honor the prior authorization and will pay the transaction from your account.

In certain instances, when the amount of the authorization hold is either more or less than the amount of the actual transaction, we may maintain the authorization hold even after the purchase amount is actually paid from your account, which will decrease your available balance. However, in these instances, we will not maintain an authorization hold for longer than three (3) business days (or for up thirty (30) business days for certain transactions).

5. Your Available Balance and Debit Card Transactions. Everyday debit card transactions are processed against your account at two different times: first, when the transaction is authorized, and again when the transaction actually settles to your account, usually days later. This delay between the time a particular transaction is authorized and when it actually settles to your account is solely within the control of the merchant and its processor. The Credit Union has no control with respect to the time period that elapses between the time a merchant seeks authorization and finally submits the transaction for settlement.

For debit card transactions, we use your ***available balance*** at the time a transaction is ***authorized*** and again when the transaction ***settles*** to your account to determine if each specific transaction will overdraw your account and whether a fee will be assessed. It is important to remember that your available balance may not reflect all of your transactions.

When the Credit Union authorizes an everyday debit transaction, the amount of the transaction is subject

to a preauthorization hold. This means that the amount of the transaction is subtracted from your actual balance. It is important to understand that even if you have sufficient available funds in your account at the time the transaction is authorized, it is possible that the settlement of the transaction may result in an overdraft to your account, and the incurring of a fee. The two most common scenarios are as follows:

- **Example 1: Purchase transactions where the final amount is initially unknown**. The most common examples of a purchase transaction where the final amount is initially unknown are gas station purchases, restaurant charges, hotel and car reservations. In such cases the transaction will be communicated to the Credit Union for authorization in one amount, but when the transaction actually settles your Account it does so for a greater amount. For example, if you use your debit card to pay at the pump for a gasoline purchase, you typically must utilize your debit card before operating the pump. The Credit Union may receive an authorization request in the amount of $15.00. At the time of the authorization request, the available balance in your account is $30.00, so the Credit Union approves the authorization request, and the available balance in your account is reduced to $15.00. You proceed with the transaction, and purchase gasoline totaling $40.00. When that transaction actually settles to your Account in the amount of $40.00 as opposed to the $15.00 that was authorized, the available balance in your Account is not sufficient to cover the settlement of the preauthorized transaction. Accordingly, the Credit Union's payment of the preauthorized transaction results in an overdraft, and you will incur a fee (assuming you have opted into the Credit Union's payment of overdrafts for everyday debit transactions).

- **Example 2: Purchase transactions where intervening items paid between authorization and settlement result in the overdrafting of your Account**. Assume the same gas station scenario as described in Example 1, except that you purchase gasoline totaling just $15.00, so the authorized amount of the transaction is the same as the settlement amount of the transaction. However, between the day the transaction was authorized and the day the transaction settles to your account, a check you wrote in the amount of $35.00 is presented for payment. The available balance in your account at the time of presentment is $15.00, but the Credit Union pays the item in accordance its Courtesy Pay service, resulting in an overdraft. When the $15.00 gas station transaction actually settles to your account, the available balance in your account is not sufficient to cover the settlement of the preauthorized transaction, even though the settlement amount of the transaction is the same as the preauthorized amount of the transaction. Accordingly, the Credit Union's payment of the preauthorized transaction results in an additional overdraft, and you will incur a fee (assuming you have opted into the Credit Union's payment of overdrafts for everyday debit transactions).

For debit card transactions involving merchant authorization holds, we look at the available balance at the time a transaction is authorized and again at settlement to determine whether the transaction will result in an overdraft and a fee. If your available balance is insufficient to pay the preauthorization amount requested by a merchant, and you have not opted into Courtesy Pay for payment of everyday debit transactions, we will decline the request. If your available balance is sufficient to cover a merchant's authorization request, the authorization request will be approved, and an authorization hold will be placed on your account in the amount of the merchant's authorization request.

If your available balance is insufficient to cover a merchant's authorization request, and you have opted in to Courtesy Pay for everyday debit transactions, we may choose to approve the authorization request. In the instance where your available balance was insufficient to cover a merchant's authorization request at the time of authorization without causing the account to have a negative balance, and we choose to authorize the transaction using Courtesy Pay, we will charge a Courtesy Pay Fee on that transaction

when it posts, regardless of the available balance in the account at the time of posting.

Note that transactions authorized with a merchant as recurring debit card transactions may be covered by Courtesy Pay regardless of whether you have opted into Courtesy Pay for the payment of everyday debit card transactions.

D. PAYMENT OF OVERDRAFTS.

1. The Credit Union Has No Obligation to Pay Your Overdrafts. We are not obligated to pay any item presented for payment if your account does not contain sufficient available funds. If we pay a transaction that overdraws your account, we are not obligated to continue paying such transactions in the future. We may pay all, some, or none of your overdrafts, without notice to you. You are liable to us to repay any overdrafts on your account whether you created them or not. If you do not pay us, and we take collection action against you, you agree to pay for any costs of collection. We may close, without notice, any account with excessive overdraft activity, and report the account to a consumer reporting agency.

2. Fees Associated with Overdrawing Your Account – Courtesy Pay Fees. We assess a fee each time an item is presented for payment that we either pay, resulting in an overdraft, or which we decline pay because payment of the item would result in an overdraft had we paid it. If we pay an item in accordance with Courtesy Pay, we will charge you a Courtesy Pay Fee. There is no limit on the total fees we can charge you for overdrafting your account.

3. Fees Associated with Overdrawing Your Account – Overdraft Transfer. There are fees associated with using our Overdraft Transfer from a deposit account. These fees may be less expensive than Courtesy Pay Fees or NSF Fees. If we pay an item in accordance with our Overdraft Transfer, we will charge you an Overdraft Transfer Fee. If you have elected **both** the Overdraft Transfer **and** Courtesy Pay Fee, there are circumstances wherein you will be charged **both** an Overdraft Transfer Fee **and** a Courtesy Pay Fee. These circumstances are discussed in greater detail in Section F. There is no limit to the total fees we can charge you for overdrafting your account.

4. Fees Associated with Overdrawing Your Account – NSF Fees. If we do not pay an item, we will return the item and charge you a NSF Fee **each time an item is presented for payment** and we return it unpaid due to an insufficient available balance. We have no control over the number of times an intended payee may resubmit the same item to us for payment. There is no limit on the total fees we can charge you for overdrafting your account.

5. Fee Schedule. Please refer to the Fee Schedule for a current listing of all fees associated with overdrawing your account.

6. YOU ACKNOWLEDGE THAT YOU MAY STILL OVERDRAW YOUR ACCOUNT EVEN THOUGH THE AVAILABLE BALANCE APPEARS TO SHOW THERE ARE SUFFICIENT AVAILABLE FUNDS TO COVER A TRANSACTION THAT YOU WANT TO MAKE. This is because your available balance may not reflect all of the outstanding checks, automatic bill payments that you have authorized, or other outstanding transactions that have not yet been paid from your account. For example, you may have written a check that is still outstanding because it has not been submitted for payment by the payee. That check will not be reflected in your available balance until it is presented to us and paid from your account.

In addition, your available balance may not reflect all of your debit card transactions. We have no control over when a merchant submits an item for payment. For example, if a merchant obtains our prior authorization but does not submit an everyday debit card transaction for payment within three (3) business days of authorization (or for up to thirty (30) business days for certain types of debit card transactions including, but not limited to, car rental transactions and international transactions), we are required to release the authorization hold on the transaction. Your available balance will not reflect this transaction once the hold has been released. Please refer to the section entitled “Authorization Holds

for Debit Card Transactions" for information about how authorization holds affect your available balance.

Finally, your available balance may not reflect the most recent deposits to your account. Please refer to the Funds Availability Disclosure for information regarding the availability of your deposits for withdrawal.

E. HOW TRANSACTIONS ARE POSTED TO YOUR ACCOUNT.

There are basically two types of transactions in your account: credits or deposits of money into your account, and debits or payments out of your account. It is important to understand how each is applied to your account so that you know how much money is available to you at any given time. This section explains generally how and when we post transactions to your account.

When processing items drawn on your account, our policy is to pay them as we receive them. We commonly receive items to be processed against your account(s) multiple times per day in what are referred to as presentment files. Each presentment file received commonly contains a large amount of a specific type of item (checks, ACH transactions, or ATM/POS transactions). It is common for each of these presentment files to contain multiple items to be processed against your particular account. When multiple items are received at the same time, the items will be paid as follows:

- Checks are paid in the order received;
- ACH items in each presentment file post credits first in the order presented, then debits in the order presented (we typically receive up to four ACH presentment files per day)
- ATM/POS items are paid in the order they are presented.
- Transactions performed in person, such as withdrawals or checks cashed at one of our locations or a shared branch, are generally paid at the time they are performed.

The order in which items are paid is important if your account does not contain sufficient available funds to pay all of the items that are presented. If an item is presented for payment and your available balance is insufficient to pay it, we may, at our discretion, automatically transfer available funds from your designated account pursuant to the Overdraft Transfer, pay the item pursuant to Courtesy Pay, or return the item (NSF).

Please understand that the above information is only a general description of how certain types of transactions are posted. These practices may change, and the Credit Union specifically reserves the right to pay items in any order, as permitted by law.

F. OPTIONAL OVERDRAFT PROTECTION PLAN – OVERDRAFT TRANSFER.

1. Overdraft Transfer. We offer an optional overdraft protection plan that we refer to as our "Overdraft Transfer" where funds from a linked savings account are used for overdraft protection. We will look first to this service for overdraft protection before applying our discretionary Courtesy Pay when your account is overdrawn. The Overdraft Transfer may save you money on the total fees you pay us for overdraft protection.

With this service, you authorize us to make transfers of available funds automatically from your regular savings account, plus the Overdraft Protection fees, to cover overdrafts in your checking account. Each transfer counts as one of the six (6) limited transactions you are allowed each month from your regular savings. The Overdraft Transfer is an optional feature that can be added to your eligible checking accounts upon your request. To request or terminate the Overdraft Transfer: (1) call us at 888-860-6928; (2) visit any branch and speak with a Representative; or (3) mail a request to Ignite Credit Union, 115 Riverside Drive, Battle Creek, MI 49015.

Overdrafts paid pursuant to the Overdraft Transfer are subject to a per-item Overdraft Protection Fee as

set forth in the Fee Schedule.

If you decline or terminate the Overdraft Transfer and are not eligible for Courtesy Pay, and there are insufficient available funds in your checking account to pay an item, your item will not be paid unless it was a previously authorized everyday debit card transaction. The items will be returned, and an NSF fee will be charged, **each time an item is presented for payment and returned unpaid due to an insufficient available balance**. It is important to remember that we have no control over how many times an intended payee may present the same item for payment. Multiple presentments of the same item will result in multiple fees. Transfers will appear on your periodic statements for each applicable account.

2. Limits on Overdraft Transfer. We will not transfer more than the available account balance in designated linked account if the amount of the overdraft and related fee(s) exceed the available amount. If the available balance in a designated linked account is not enough to pay the full amount of the transaction(s) you have initiated on any day plus the Overdraft Protection Fee(s), we will transfer up to the available balance to pay one or more transactions, plus the applicable fee for each item. Any transactions that are not paid by the transfer will either be paid through our Courtesy Pay or returned, and Overdraft Transfer Fees, Courtesy Pay Fees, and/or NSF Fees, as applicable, will be assessed.

The following example illustrates how this works if you have elected **both** Overdraft Transfer and Courtesy Pay:

> Assume your actual and available balances in your checking account are both $50, and your available balance in your savings account is $10. You write a check for $80. When the check is presented for payment, because you don't have $80 available in your checking account or regular savings account, the item cannot be fully paid using the Overdraft Transfer from the regular savings account. However, if you have also elected Courtesy Pay, we may elect to transfer the $10 in your linked savings account and pay the remaining portion of the item using Courtesy Pay. In such case, you will be assessed **both** an Overdraft Transfer Fee **and** a Courtesy Pay Fee.
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> However, because Courtesy Pay is a discretionary service, we may instead elect to decline to pay the transaction. If we decline to pay the transaction, we will not transfer any funds from your linked savings account, we will decline the transaction, and we will assess you an NSF Fee **each time** the item is presented for payment. It is important to remember that we have no control over how many times an intended payee may present the same item for payment. Multiple presentments of the same item will result in multiple fees.

3. We May Return Items Unpaid. We are not obligated to pay any item presented for payment if your account does not contain sufficient available funds. If we do not authorize and pay an overdraft, then we decline or return the transaction or item unpaid and charge a related NSF Fee as stated in our Fee Schedule. You are responsible for ensuring that your account includes sufficient available funds to pay the transactions you initiate or authorize when they are processed for payment from your account, and you also acknowledge that the timing of when merchants or payees submit transactions to us for payment may vary.

If your account does not have sufficient available funds when a transaction or item is presented to us for payment and, as a result, returned unpaid, the merchant or payee of your transaction or item may choose to resubmit the same transaction, and may do so multiple times. In the event a transaction or item is resubmitted for payment at a time when your account lacks sufficient available funds to pay it and we decline it, we will charge a related NSF Fee **each time** that same transaction is returned unpaid.

4. Termination of Overdraft Transfer. We may terminate the Overdraft Transfer at any time with or without notice to you. Any owner of the checking account or any owner of a linked regular savings account used for overdraft protection may decline the Overdraft Transfer. To terminate the Overdraft Transfer: (1) call us at 888-860-6928; (2) visit any branch and speak with a Representative; or (3) mail

notice of your decision to decline the Overdraft Transfer to Ignite Credit Union, 115 Riverside Drive, Battle Creek, MI 49015. Your election to decline will be effective after we have received notice and have had a reasonable time to act on it.

G. Courtesy Pay

1. Courtesy Pay. In accordance with our commitment to provide valued service and benefits, we may, if you qualify, at our discretion, pay overdrafts that would cause your eligible checking account to have a negative balance up to the amount of your limit, which is determined by us in our sole and absolute discretion. Courtesy Pay is different than the Overdraft Transfer. Courtesy Pay is a backup to the Overdraft Transfer and will only be activated if funds are not available from the Overdraft Transfer.

2. What Overdraft Transactions are Covered? Courtesy Pay is available for the payment of checks, preauthorized payments under our Bill Payment Service, ACH drafts, and recurring debit transactions. Courtesy Pay is also available for everyday debit card transactions, if you opt-in, as described in the next section below.

3. Optional Overdraft Transactions. The following types of transactions require you to "opt in" (in other words, you must provide us with your affirmative consent) if you would like to include them in Courtesy Pay. Choosing not to opt in may result in these transactions being declined:

- ATM transactions
- Everyday Debit Card transactions

We do not require you to authorize Courtesy Pay for your ATM and everyday debit card transactions as a condition of us providing Courtesy Pay to you for your checks, ACH transactions or other transactions. If you want the Credit Union to authorize and pay overdrafts for ATM and everyday debit card transactions through Courtesy Pay, you must provide us with your consent by: (1) calling us at 888-860-6928; (2) visiting any branch and speaking with a Representative; or (3) mailing notice of your decision to opt in to Overdraft Privilege for ATM and everyday debit card transactions to Ignite Credit Union, 115 Riverside Drive, Battle Creek, MI 49015.

4. Eligibility for Courtesy Pay. Courtesy Pay is not a credit product. It is a feature that is automatically included with eligible checking accounts (unless you decline Courtesy Pay entirely as described below or information, we get from a consumer reporting agency does not meet Credit Union standards). Eligibility is at the sole discretion of the Credit Union and is based on you managing your checking account in a responsible manner. Courtesy Pay may be available for checking accounts for which the primary checking account owner is 18 years of age or older. We reserve the right to limit Courtesy Pay to one (1) account per household or member. We may suspend or permanently revoke Courtesy Pay from your checking account, in our sole and absolute discretion, based on any one or more of the following criteria:

- You are not making regular deposits into your checking account;
- You do not bring your checking account to a positive balance for at least one full business day within a thirty (30) day period.
- Your membership is not in good standing.
- You are more than thirty (30) days past due or are in default in any other respect on any loan or other obligation to us.
- You have an outstanding balance due on a Courtesy Pay repayment plan.
- Your primary savings account does not have a positive balance.

- Your checking account is subject to any legal or administrative orders or levies.
- You have insufficient credit or negative credit history.
- You are a party to a bankruptcy proceeding.
- Any or all of your account(s) with us are being reviewed for improper activity or transactions.
- Your checking account is classified as inactive.
- You use the Service to pay items written to check cashing agencies.
- You have an unresolved prior loss with us; or
- We believe you are not managing your checking account in a responsible manner which may harm you or us.

5. Courtesy Pay is a Discretionary Privilege. Any payment made by us under Courtesy Pay will be made on a case-by-case basis, in our sole and absolute discretion. Courtesy Pay does not constitute an actual or implied agreement between you and the Credit Union, nor does it constitute an actual or implied obligation of the Credit Union. Courtesy Pay is a privilege that the Credit Union provides from time to time, and which may be withdrawn or withheld by the Credit Union at any time, without prior notice, reason or cause.

6. Notification. If you qualify for Courtesy Pay, we will notify you Courtesy Pay Privilege has been added to your account. However, we may refuse to pay an overdraft at any time, even though we may have previously paid overdrafts. We have no obligation to notify you before we pay or return any item. It is important to remember that Courtesy Pay is a purely discretionary benefit offered by the Credit Union. If at any time we determine that your account is no longer eligible for Courtesy Pay for any reason, we can discontinue it immediately without notice to you.

7. How Courtesy Pay is Administered. If you are eligible for the Service, we will generally pay your overdraft items up to a maximum amount established by the Credit Union in its sole and absolute discretion, including fees. We are not required to notify you of any nonsufficient funds checks, ACH items, or other transactions that may have been paid or returned. We may refuse to pay any overdrafts without first notifying you even though your account is in good standing and even if we have paid previous overdrafts.

8. When is the overdraft payment due? The total of the overdraft (negative) balance in your checking account, including any and all fees and charges, is due and payable upon demand, and you are required to immediately deposit sufficient funds to cover the overdraft paid by us and pay the related fees.

9. Courtesy Pay Fees. A Courtesy Pay Fee will be charged to your checking account, in accordance with our Fee Schedule, for each overdraft that is authorized and paid through the Service. This means that more than one Courtesy Pay Fee may be assessed against your checking account per day depending upon the number of overdrafts authorized and paid through Courtesy Pay. You understand that your Courtesy Pay Limit will be reduced by the amount of each overdraft paid by us through Courtesy Pay and the amount of the related Courtesy Pay Fee imposed until such amounts are repaid by you as set forth herein at which time we may replenish your Courtesy Pay Limit by the amount of the repayment. If we choose not to pay the item/transaction under Courtesy Pay, you are subject to a Non-Sufficient Funds (NSF) Fee in accordance with our Fee Schedule for each such item each time it is presented for payment and returned unpaid due to an insufficient available balance. Your periodic statement will itemize Courtesy Pay Fees and NSF Fees for each cycle, as well as the year-to-date total of fees.

10. Transfers to Cover Overdrafts. You understand and agree that we have the right to transfer available funds to your checking account from any of your other account(s) with us (excluding IRAs and certificate accounts), including account(s) upon which you are a joint owner, in an amount equal to the overdraft and related fees.

11. Right of Setoff. In addition to any other rights that we may have, you agree that any deposits, future deposits, or other credits to any account in which you may now or in the future may have an interest are subject to our right of setoff for any liabilities, obligations or other amounts owed to us by you (e.g. overdrafts and any related fees and charges) and such is applicable irrespective of any contribution to the account or source of funds in the account. Moreover, unless you decline Courtesy Pay (see below), you consent and expressly agree that the application of setoff of funds in any account includes the setoff of government benefits (such as Social Security and other public benefit funds) deposited to the account from which the overdraft or related fees are paid to the maximum extent permitted by applicable state and federal law. Each person who causes an overdraft, which is paid by us, agrees to be individually and jointly obligated to repay the unpaid negative balance in accordance with the terms and conditions of Courtesy Pay.

12. Default. You will be in default under the terms of Courtesy Pay if you fail to live up to any of the terms and conditions set forth herein or you are in default on any loan obligation with us and/or a negative balance exists in any other deposit account with us on which you are an owner. If you are in default, in addition to any other rights we may have, we may temporarily suspend Courtesy Pay, terminate Courtesy Pay, or close your checking account and demand immediate payment of the entire unpaid negative balance. You also agree to pay any collection costs, attorneys' fees and court costs that we may incur as a result of your default.

13. Termination; Suspension. We may terminate or suspend Courtesy Pay at any time without prior notice. In no event will any termination relieve you of your obligation to repay any negative account balance, overdraft fees, collection costs and attorneys' fees, if any. We can delay enforcing any of our rights without losing them.

14. Your Right to Decline Courtesy Pay. Any owner of the checking account may decline the service. If you prefer not to have the Service, visit us in a branch, contact us at 888-860-6928, or write to us at Ignite Credit Union, 115 Riverside Drive, Battle Creek, MI 49015, and include your name, member number and a statement that you are declining the Credit Union's Courtesy Pay and we will remove the Service from your checking account. If you decline the Service, you will still be charged an NSF Fee for each item returned each time an item is presented for payment and returned unpaid due to an insufficient available balance.

15. Optional Overdraft Protection Plans. As discussed in more detail above, we also offer the optional Overdraft Transfer which links your checking account to a savings account, as well as other overdraft sources and may be less expensive than Courtesy Pay. To learn more, please ask us about these plans.

THE BEST WAY TO KNOW HOW MUCH MONEY YOU HAVE AND AVOID PAYING OVERDRAFT FEES IS TO RECORD AND TRACK ALL OF YOUR TRANSACTIONS CLOSELY.

PLEASE REVIEW THESE IMPORTANT TERMS CAREFULLY. IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT US AT 888-860-6928 OR VISIT ANY BRANCH.