Overdraft Protection Best Practices

Checking + Savings = Basic Protection. When you open your checking account, it is automatically linked to your savings account. So, if there isn't enough money in your checking account to cover a transaction, we'll automatically transfer funds - in increments of $100 (limit 6 per month) - from your savings account for just $3 per transfer. When there is $100 or less available in your savings account, we will transfer all the remaining available funds to cover the overdraft and charge the $3 transfer fee.

More Linked Accounts = More Protection. In order to increase your protection, you can also link additional accounts to your checking account. This includes a Personal Line of Credit account, a Money Market account, a second Checking or even a Home Equity Line of Credit can all be linked to your checking account as emergency back-up funds. To designate additional accounts or loans as part of your overdraft protection, call 360.695.3441 or visit any branch.

Courtesy Overdraft Protection is a service that allows iQ Credit Union to pay a check, ACH or Bill Pay item presented against your checking account even if it causes the account to be overdrawn. (Debit card POS transactions are not covered.) Not all account types are eligible.** For eligible accounts, no action is required on your part as this is a non-contractual courtesy for the Credit Union to pay overdrafts. Courtesy Overdraft can start when a check, electronic funds transfer (ACH), Bill Pay transaction or an in-branch check cashing transaction occurs for more than the available* balance on deposit in the account and/or more than approved overdraft protection services have available. In the event of an overdraft, a fee of up to $30 for each overdraft will be charged to your account. There is no limit on the total fees that can be charged for overdrawing the account, however overdraft fees will not be assessed until after the account is overdrawn more than $5. Repayment is required within 22 days of overdraft notification, or your Courtesy Overdraft limit may be reduced.

Card Overdraft Protection can cover you when a Visa debit transaction, Point-of-sale (POS) transaction, or ATM transaction occurs for more than the available* balance on deposit in the account and/or more than approved overdraft protection services have available. After other overdraft coverages are exhausted, iQ Credit Union may cover your purchase with our Card Overdraft service. Not all account types are eligible.** In the event of an overdraft, a fee of up to $30 for each overdraft (limit of five fees per day) will be charged to your account for transactions occurring after your account is already overdrawn more than $5. Repayment is required within 22 days of overdraft notification, or your Card Overdraft limit may be reduced. By opting in, you agree that your overdraft balance, including applicable overdraft fees, is due and payable immediately. For complete details, see our Membership and Account Agreement. You must complete this Opt-In Form to have this service.

Please note: any checking account owner may revoke or opt-out of our Courtesy Overdraft and Card Overdraft Protection programs at any time. Just visit any branch or call our Member Contact Center at ***360.695.3441****.*

**Available funds (available balance) is the amount of money in your account, less the amount of any holds placed on recent deposits, holds placed for other reasons, and holds for pending transactions (such as debit card purchases) that we have authorized but that have not yet posted to your account. Good standing includes making regular deposits sufficient to cover transactions, not allowing the account to be overdrawn more than thirty (30) days, having no iQ Credit Union loan past due more than thirty (30) days and there must be a valid mailing address on the account. In addition, if there is a ChexSystems record on any signer on the account, it must be at least one (1) year old.*

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Courtesy & Card Overdraft Disclosure

PO Box 1739 Vancouver, WA 98668
360.695.3441 • 800.247.4364
www.iQcu.com

Courtesy Overdraft and Card Overdraft Disclosure

This disclosure is a part of your iQ Credit Union Membership and Account Agreement and incorporates the Rate & Fee Schedule.

Courtesy Overdraft is a service that allows iQ Credit Union to pay a check, ACH or Bill Payer item presented against your checking account even if the check or item causes the account to be overdrawn. Card Overdraft is a service that once you Opt-In, allows iQ Credit Union to pay an ATM or everyday debit card item presented against your checking account, even if the card transaction causes the account to be overdrawn. Overdraft protection starts only after all other overdraft protection services on your account have been maximized. Overdraft protection is not an invitation to overdraw your account. It is to be used as a safety net for occasional errors or in an emergency. Not all account types are eligible.**

Service Qualifications

With Courtesy Overdraft and Card Overdraft, qualified members in good standing may be given the ability to overdraw their checking accounts up to a customized limit based on unique criteria specific to your checking account. As long as you maintain the account in good standing, the Credit Union may pay items up to the authorized limit. Account holders under the age of 18 are not eligible for the Courtesy Overdraft or Card Overdraft programs.

Good standing includes making regular deposits sufficient to cover transactions, not allowing the account to be overdrawn more than thirty (30) days, having no iQ Credit Union loan past due more than thirty (30) days and there must be a valid mailing address on the account. In addition, if there is a ChexSystems record on any signer on the account, it must be at least one (1) year old. If all conditions of good standing are met, the Credit Union, at its sole discretion, may pay overdrafts up to the account's customized limit. The customized limit includes our normal fee for payments made under the Courtesy Overdraft and Card Overdraft programs. A fee is assessed when we pay the item.

Courtesy Overdraft Service Availability & Fees:

No action is required on your part as this is a non-contractual courtesy for the Credit Union to pay overdrafts. As it is not a loan, no agreements need to be signed. There is no cost to the program unless Courtesy Overdraft is used. Courtesy Overdraft can start when a check, electronic funds transfer (ACH), Bill Payer transaction or an in-branch check cashing transaction occurs for more than the available balance on deposit in the account and/or more than approved overdraft protection services have available. The item can be paid at the sole discretion of the Credit Union and the usual Courtesy Overdraft fee for each item will be charged. However, Courtesy Overdraft fees do not apply until the available balance is negative over $5 (meaning no overdraft fees are assessed until/unless this occurs).

Card Overdraft Service Availability & Fees:

You must Opt-In to Card Overdraft service in order for the Credit Union to pay overdrafts. It is not a loan; however, your consent is needed to begin. There is no cost to the program unless Card Overdraft is used. Card Overdraft can start when an everyday Visa debit transaction, Point-of Sale (POS) transaction, or ATM transaction occurs for more than the available balance on deposit in the account and/or more than approved overdraft protection services have available. The item can be paid at the sole discretion of the Credit Union and the usual Card Overdraft fee for each item (up to five fees per day) will be charged after the account has become overdrawn by more than $5.

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Additional Overdraft Terms

Checks and card transactions on your account are paid based on your available balance, and not the actual balance. Your actual balance is the amount of funds in the account at a point in time based on transactions that have posted to the account at that time. Your available balance is the amount of funds in the account that are available to pay checks, ACHs, and other items presented against the account without incurring an overdraft or transferring funds from another account. An overdraft occurs when the available balance in your account is not enough to cover a transaction.

We strongly recommend you check your ATM balance before making a withdrawal to avoid a fee (Card Overdraft balances are NOT included in your available balance).

You agree your overdraft balance, including applicable overdraft fees, is due and payable immediately. If there is more than one owner on an account, all owners are jointly and severally liable for repayment of the overdraft balance. If you fail to repay your overdraft balance within twenty-two (22) days of notice from us or have excessive use of overdraft protection, we may reduce the overdraft limit available to you. Accounts may be closed for failure to repay overdraft balances and we will repor t account closures to consumer reporting agencies if not paid within 45 days. You may revoke or opt-out of our Courtesy Overdraft and Card Overdraft programs at any time. This request can be from any owner on the checking account.

Example of how available limit works: An ACH debit for $250.00 and a check for $75.00 are received and the checking account balance is $100 (there is no other overdraft protection available). The Credit Union pays both items and charges the Courtesy or Card Overdraft fee on each item (currently $30.00 per item but subject to change). The checking account balance is now negative $285.00 ($100 - $250 - $30 - $75 - $30). The Courtesy Overdraft coverage available is now $715.00 ($1000 - $285).

**Current account types not eligible: Memorial/Donation; Association/Club; Youth; Trust; Estate; Guardianship; Conservatorship; Coverdell ESA; Uniform Trans to Minor (UTTM); SSI Benefit

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