

8. Credit Union Contact. For any questions or to exercise your opt-out right for checks and ACH or opt-in right for debit card transactions for the Privilege Pay service you may call the Credit Union at (509) 326-1954 or toll free at (800) 858-3750 to request an opt-out/opt-in form, or go online at stcu.org/overdraftprotection. Written opt-out/opt-in requests must be mailed to:

Spokane Teachers Credit Union
PO Box 1954
Spokane, WA 99210-1954

STCU Privilege Pay

In today's busy world, you can find a lot of things to worry about. Overdrawing your checking account doesn't have to be one of them. That's because Spokane Teachers Credit Union provides you with "Privilege Pay," so that even if you accidentally overdraw your account, we've got you covered up to \$1,000!

- Avoid expensive NSF fees.
- Protect your credit rating.
- Get peace of mind and financial breathing room.

What can Privilege Pay do for me?

Plenty! Anyone who has inadvertently had a check return knows how quickly a small mistake can turn into big consequences. First, there are substantial returned check fees charged by the merchant or creditor who receives your check. Then come the collection fees and embarrassing phone calls. Finally, the whole mess could adversely affect your credit rating, potentially costing you hundreds of dollars in higher interest payments in the years ahead. Yikes!

Thanks to Spokane Teachers' Privilege Pay, you can avoid these problems.

How does it work?

As a member in good standing, you've developed a positive relationship with Spokane Teachers. In view of your good reputation, Spokane Teachers will cover checks and Automated Clearing House (ACH) payments that overdraw your personal checking and money market accounts up to \$1,000 including fees. In addition if you choose to opt-in Spokane Teachers will cover debit card purchases against your checking account that overdraw your personal checking account.

For each check or other item that Spokane Teachers pays, we charge a \$25 transaction fee. And with STCU's Privilege Pay, the merchant will never know you were overdrawn!

Spokane Teachers will notify you any time your Privilege Pay is activated. If you have questions about your account, you can call us or visit www.stcu.org and use STCU's online banking to view your account history.

Sounds easy. What's the catch?

There is no catch, just the personal responsibility that we would expect from any member of the Credit Union. Once your Privilege Pay has been activated to cover an overdraft, it is your responsibility to correct any balance deficiency as quickly as possible. Spokane Teachers expects you to make a deposit covering your overdraft and fees within 30 days. After that time, our normal collection process begins.

We trust you'll agree that it's important to promptly meet your financial obligations to preserve your good standing with the Credit Union and to prevent any collection activity.

Which accounts are eligible?

All checking and money market accounts offered by Spokane Teachers are eligible provided the account owners meet the eligibility requirements listed below.

What types of transactions are eligible for Privilege Pay?

Privilege Pay may be extended for checks presented at any STCU branch, checks clearing through the Federal Reserve System and payments clearing through the Automated Clearing House (ACH) system. Privilege Pay can also be extended on debit card purchases provided you notify us to do so ("opt-in"). Privilege Pay cannot be used to cover overdrafts that might result from an automatic transfer between accounts at Spokane Teachers, or to make an automated teller machine (ATM) withdrawal.

Who's eligible?

Members ages 18 and older with checking or money market accounts are eligible for Privilege Pay with the following exceptions:

- Anyone who has caused a financial loss (charge off) to the Credit Union;
- Anyone with a past due loan payment at STCU;
- Or anyone who is currently enrolled in a debt management program.

What if I already have overdraft protection?

Your current overdraft protection arrangements will remain in place exactly as they are now. Privilege Pay will only be activate if there are insufficient funds available from your other accounts.

Privilege Pay — Checks and ACH

How do I sign up?

You don't need to sign up for Privilege Pay on your checks and Automated Clearing House (ACH) transactions. Spokane Teachers provides this service to our valued members. If when you open your account you decide you would rather not have Privilege Pay on your checks and ACH items, please let us know by filling out the "option to waive" section of the Checks and ACH Privilege Pay document provided at any branch or online at stcu.org/overdraftprotection.

If you have previously opted out of, or been ineligible for, Privilege Pay on checks and ACH transactions but would like to opt back into this service, please let us know by choosing the "option to reinstate" section of the Checks and ACH Privilege Pay document provided at any branch or online at stcu.org/overdraftprotection.

Privilege Pay — Debit Card

Your right to request overdraft coverage

We will not pay your overdrafts for debit card purchases you make at a store, online, or by telephone unless you tell us you want Privilege Pay for these transactions.

Having overdraft coverage does not guarantee that we will pay your overdrafts. If we decide to pay an overdraft, you will be charged a \$25 fee.

If you choose to opt-in to Privilege Pay for debit card purchases, please let us know by filling out the Privilege Pay Service Notice and Request document provided at any branch or online at stcu.org/overdraftprotection.

Important disclosures

Spokane Teachers Credit Union offers a discretionary overdraft payment service known as Privilege Pay under the following terms and conditions.

1. Discretionary Service. The Credit Union offers Privilege Pay Service to all eligible consumer checking and money market account owners. However, if you would like the Credit Union to provide Privilege Pay service for debit card purchase transactions you must specifically notify us to do so ("opt-in"). The Privilege Pay service will be provided for eligible accounts and will continue as long as the account is maintained in good standing with the Credit Union. Accounts for minors (under age 18) are not eligible and the following additional exceptions apply: anyone who has caused a financial loss to the Credit Union, anyone with a past due loan payment at STCU, and anyone who has enrolled in a debt management program. Under the Privilege Pay service, we are not obligated to pay any check or item presented for payment if your account does not contain sufficient funds. The Credit Union may, as a discretionary service and not as a right of yours or our obligation to you, pay overdrafts up to an approved overdraft limit under the terms of this service and subject to

your Membership and Account agreement. This overdraft service is not a line of credit, is not guaranteed, and is independent of any other payment arrangement we may offer. Generally, we will not pay an overdraft for you in excess of any limit we have established for your account type. Also, we may refuse to pay an overdraft for you at any time, even if we have previously paid overdrafts for you. We will notify you by mail (or email, if you have requested) of any insufficient funds, checks or items paid or unpaid and returned that you may have. However, we have no obligation to notify you before we pay or return any item.

2. Overdraft Transactions Covered. If on any day you do not have Available funds in your account, the following transactions, which may result in an insufficient or negative balance ("overdrafts"), may be covered under our service: checks, debit card purchases if you have provided the required opt-in, online or other electronic funds transfers, ACH debits and other payments or withdrawals authorized by you, account service charges, pre-authorized drafts, and any other items that may be posted to your account. We reserve the right to pay any checks or items in the order they are presented or received and in accordance with our normal operating procedures for such checks items or transactions.

3. Overdraft Limit/Available Balance. Under our service, we may Pay overdrafts up to a limit of \$1000.00 ("overdraft balance") for accounts eligible for this service. The Credit Union's fees and charges and each paid check or item will be included in this limit. This overdraft balance will not be included or reflected in your actual or "available balance" of your account provided by a teller, at ATM or POS facilities, through online services or on your periodic statements.

4. Overdraft Fees. The fee for each paid overdraft is \$25.00 per Check or item. If we do not pay the overdraft, there is a NSF/Returned Item fee of \$25.00 per check or item. The maximum amount of paid overdraft fees charged per day is \$200.00. There is no maximum limit on the amount of NSF/Returned Item Fees. These fees may be amended as set forth in our rate and fee schedule.

5. Member Repayment Responsibility. You agree your overdraft Balance, including applicable overdraft fees, is due and payable upon demand. 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 30 days of notice from us, we may immediately suspend the overdraft service. Accounts may be closed for failure to repay overdraft balances and we will report account closures to consumer reporting agencies.

6. Member Opt-Out Right on Checks and ACH. The Credit Union offers the Privilege Pay service as a service and convenience to members for incidental overdrafts. We do not encourage you to repeatedly overdraw your account. We encourage you to manage your finances responsibly. You may opt-out of the Checks and ACH Privilege Pay service at any time by notifying the Credit Union verbally or in writing. The Credit Union may require that any verbal opt-out be confirmed in writing. You understand that by opting out of this service, the Credit Union may refuse to pay any check or item that is presented against an insufficient balance on your account and you will be responsible for any NSF/Returned Item fees. You are still responsible to pay an overdraft, even if you have opted out of the service.

7. Member Opt-In Right on Debit Transactions. You must opt-in to Privilege Pay for debit card purchase transactions. We will not pay your overdrafts for debit card purchases unless you tell us that you want this additional coverage in writing. You understand that by not opting in to this service the Credit Union will refuse to pay any debit card transaction presented against an insufficient balance on your account. The Credit Union encourages you to manage your finances responsibly.