

What You Need to Know about Overdrafts and Overdraft Fees

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts in two different ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to a savings account, which may be less expensive than our standard practices. To learn more, ask us about these plans.

This notice explains our standard overdraft practices.

➤ **What are the standard overdraft practices that come with my account?**

We do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number
- Automatic bill payments

We will not authorize and pay overdrafts for the following types of transactions unless you ask us to (see below):

- ATM transactions
- Everyday debit card transactions

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.

➤ **What fees will I be charged if Turbine Credit Union pays my overdraft?**

Under our standard overdraft practices:

- We will charge you a fee up to \$29.00 each time we pay an overdraft.
- There is no limit on the total fees we can charge you for overdrawing your account.

➤ **What if I want Turbine Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions?**

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions; call (864) 254-2883, visit www.turbinecu.com or complete the form below and present it at our office, fax to (864) 254-2455 or mail it to Turbine Credit Union, PO Box 25669, Greenville, SC 29616.

___ I want Turbine Federal Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Printed Name: _____

Account Number(s): _____

Daytime Phone Number: _____ Date: _____

TRUTH-IN-SAVINGS ACT DISCLOSURE

Share and Checking Accounts

1. **Rate Information.** The dividend rate and Annual Percentage Yield ("APY") on your accounts are set forth in the Truth-in-Savings Act Rate and Fee Schedule ("Schedule") provided with this Booklet. The dividend rate and APY may change each dividend period as determined by the Credit Union's Board of Directors.
2. **Compounding and Crediting.** Dividends will be compounded and will be credited as set forth in the Schedule. The Dividend Period ("period") for each of your accounts is set forth in the Schedule. The dividend period begins on the first calendar day of the period and ends on the last calendar day of the period. If your account is closed or you make a withdrawal during a dividend period before dividends are credited, you may not receive accrued but un-credited dividends.
3. **Balance Information.** Any minimum deposit to open an account and the minimum average daily balance you must maintain to avoid service fees and to earn the annual percentage yield stated for your account is set forth in the Schedule. Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in your account for the Period. The average daily balance is calculated by adding the balance in your account for each day of the Period and dividing that figure by the number of days in the Period. If you fail to maintain the minimum balance required to earn the dividend rate and annual percentage yield for any account as set forth in the Schedule, then you will not earn the dividend rate and annual percentage yield for the period in which you do not meet this requirement.
4. **Accrual of Dividends.** Dividends will begin to accrue on the business day we receive provisional credit for the deposit of noncash items (e.g. checks) to your account. Dividends will begin to accrue on cash deposits on the business day you make the deposit to your account.
5. **Transaction Limitations for All Share Savings Accounts.** Limitations are set forth in the first Section of this Booklet entitled "Membership, Accounts and Account Services Agreement."
Additional Limitations for IRA Savings Accounts: You are solely responsible for complying with any requirements including transaction limitations and penalties for early withdrawal under the Internal Revenue Code or other applicable Federal or State law governing any IRA or other Credit Union accounts. Deposits are not limited. Transfers to a Credit Union IRA Certificate are allowed subject to applicable law; and the minimum balance requirements and other restrictions applicable to the Certificate Account.
6. **Excessive Transaction Fees.** Free Share Savings account transactions are limited to six (6) per month. Additional transactions during a month will cause a fee, as set forth in the Schedule, to be imposed.

TERM SHARE CERTIFICATE ACCOUNTS

(Share Certificate and IRA Certificate Accounts)

- 1. Rate Information.** The dividend rate and annual percentage yield on your account are stated in the Schedule and/or your Term Share Certificate. The annual percentage yield reflects the dividends to be paid on your account based on the dividend rate and the frequency of compounding for an annual period. For Fixed Rate Share Certificate and Fixed Rate IRA Certificate Accounts the dividend rate and annual percentage yield are fixed and will be in effect for the term of the account. For Variable Rate Share Certificate and Variable Rate IRA Certificate Accounts the dividend rate and annual percentage yield are variable and may change each dividend period based on the determination of the Credit Union's board of directors. The annual percentage yield assumes that dividends will remain on deposit until maturity. Any withdrawals will reduce your earnings.
- 2. Compounding and Crediting.** Dividends will be compounded and credited as set forth in the Schedule. The Dividend Period ("period") for each account is set forth in the Schedule. The period begins on the first calendar day of the period and ends on the last calendar day of the period.
- 3. Minimum Balance Requirements.** The minimum opening deposit required to open any Term Share Certificate Account is set forth in the Schedule. You must maintain an average daily balance equal to or greater than the minimum opening deposit to earn the annual percentage yield and avoid any service charges set forth in the Schedule.
- 4. Balance Computation Information.** Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in your account for the Period. The average daily balance is calculated by adding the balance in your account for each day of the Period and dividing that figure by the number of days in the Period.
- 5. Accrual of Dividends.** Dividends will begin to accrue on the business day we receive provisional credit for the deposit of noncash items (e.g. checks) to your account. Dividends will begin to accrue on cash deposits on the business day you make the deposit to your account. Once dividends are credited to a certificate account, it becomes principal. If you close your Certificate account before any dividend is credited, you will not receive accrued but uncredited or unpaid dividends.
- 6. Transaction Limitations.** In addition to any other applicable limitations described in this Booklet, after a Term Account is opened, you may not make deposits into the account before maturity. After an IRA Certificate Account is opened, you may make additional deposits into the account before maturity; however, your deposits may not exceed the maximum allowed pursuant to applicable law or as set forth in the Schedule in any single calendar year. You may not make withdrawals of dividends from your account before maturity unless at account opening you arrange for dividend payments, if allowed by the Credit Union.

Additional Deposits: Additional deposits are permitted for Add-On Certificates only. You may make additional deposits to an Add-On Certificate at any time. There is a \$25.00 minimum amount requirement for additional deposits.
- 7. Maturity Date.** Your account will mature on the date stated in your Certificate or any Renewal Notice the Credit Unions provides to you.
- 8. Early Withdrawal Penalties – All Certificate Accounts.** You have agreed to leave the principal of this account on deposit for the full term stated in your Certificate. If all or part of the principal is withdrawn before the maturity date, the Credit Union may charge you a penalty. Withdrawal of

the principal amount of your Certificate may be made only with the consent of the Credit Union. Unless stated otherwise, owners of accounts with a stated term **of one year or less shall forfeit an amount equal to up to 90 days dividends on the amount withdrawn**, or the length of the term, whichever is less, when any withdrawal is allowed. Unless stated otherwise, owners of accounts with a stated term of **more than one year shall forfeit an amount equal to up to 180 days dividends on the amount withdrawn**, or the length of the term, whichever is less, when any withdrawal is allowed. The penalty may be calculated at the rate paid on the deposit at the time of the withdrawal. The penalty will, if necessary, be taken from the principal amount of the deposit. The Credit Union may grant a premature withdrawal request without penalty or with a reduced penalty in the event of the owner's death or legal incompetence; or if your account is an IRA account and the account is revoked within seven (7) days after the IRA Disclosure Statement is received; or when the account is an IRA account and the owner qualifies pursuant to applicable law.

9. **Renewal Policy.** Unless you instruct the Credit Union otherwise, your certificate account will automatically renew at maturity. You will have a grace period of ten (10) business days after the maturity date to withdraw the funds in the account without being charged an early withdrawal penalty. However, the Credit Union reserves the right to give the owner written notice that the account will not be renewed. In the latter case, upon maturity, the account will be converted to a regular share account and receive earnings at the rate then paid on regular share deposits. The rate of earnings for any renewal terms shall be at the rate the Credit Union is then offering on the same accounts in this class. If you instruct us not to renew your account, then no dividends will be paid after the stated maturity date.
10. **Partial Withdrawal.** No partial withdrawal will be permitted at any time that would result in a principal balance of less than the required minimum opening deposit.

COMMON FEATURES OF ALL ACCOUNTS

1. **Nature of Dividends.** The Credit Union pays dividends from current income and available earnings, after required transfers to reserves at the end of the dividend period, thus dividends are not guaranteed. The Dividend Rate and Annual Percentage Yield set forth in the Schedule are prospective rates and yields the Credit Union anticipates paying for the applicable dividend period.
2. **National Credit Union Share Insurance Fund.** Member accounts in this Credit Union are federally insured by the National Credit Union Share Insurance Fund.
3. **Limitations on Maximum Shares Held by One Member.** The Credit Union's Board of Directors may limit the maximum amount of shares one member may hold by resolution, which they may set or change from time to time.
4. **Transfer and Assignment.** *OWNERSHIP OF AN ACCOUNT IS NOT TRANSFERABLE WITHOUT THE WRITTEN CONSENT OF THE CREDIT UNION.* The Credit Union may, before giving its consent, use any of the funds in this Account to repay any debt due it from any named Account owner. Your Accounts may be pledged to secure your existing or future obligations owed to this Credit Union.
5. **Fees and Charges.** The fees and charges set forth in the Schedule may be assessed against your account(s).

6. **Par Value Requirements.** The Par Value of a membership share, which must be fully paid to become a member or maintain membership or to receive and maintain any accounts or services with us is set forth in the Schedule. The sum of your membership share shall be paid into and retained in your share savings or other appropriate account.

7. **Transaction Limitation on All Accounts.** No member may withdraw any amount on deposit below the amount of their primary or contingent liability to the Credit Union if they are delinquent as borrower, co-maker, or guarantor, without the Credit Union's written permission. Further, if your account(s) are pledged to us to secure any loan obligation, then you must pay, or, with our permission, renew the loan before any principal or dividends may be withdrawn or transferred. If we allow you to renew a loan secured by such a pledge, you may be required to renew any pledged account or leave the funds on deposit with us until the loan is paid or we specifically release the funds.