



Overdraft Protection for Everyday Debit Card Transactions Frequently Asked Questions (FAQs)

Q. What rules apply to debit card overdraft protection?

A. In 2010, federal regulations were changed to require that you must expressly consent (“opt-in”) before financial institutions may pay an ATM or one-time debit card transaction that will cause an overdraft and charge you a fee. Regulation E does not allow us to charge a fee for paying your everyday debit transactions when you do not have enough money in your checking account unless you have asked us to provide overdraft protection for these types of transactions and agreed to certain fees associated with that protection. Since August 15, 2010, we will not authorize and pay overdrafts for everyday debit card transactions unless you consent to this type of coverage and agree to the overdraft fees.

Q. Where can I look for more information on Regulation E?

A. <http://www.federalreserve.gov/newsevents/press/bcreg/bcreg20091112a2.pdf>

Q. What is Courtesy Pay standard overdraft protection?

A. Our Courtesy Pay standard overdraft protection is a service we automatically provide to many of our members for checks and automatic payments from checking account. It is not a loan. If you qualify, you’re automatically enrolled in the Courtesy Pay program for checks and automatic payments. To be eligible for our Courtesy Pay program, you need to have an eligible account type and maintain your account in good standing. Maintaining your account in good standing includes, among other requirements, the following:

- You are not in default on any loan obligation to us
- You bring your account to a positive balance at least once every thirty (30) days
- Your account is not the subject of any legal or administrative order or levy

As long as these conditions are met, your Courtesy Pay protection remains activated. Courtesy Pay is a way for us to provide a higher level of service to our members by helping protect them from an inadvertent overdraft. You may opt out of this program at any time simply by completing a Courtesy Pay Opt Out form.

With Courtesy Pay standard overdraft protection, you’ll be charged a fee each time we pay an overdraft (see fee schedule). We currently have a limit of six (6) Courtesy Pay fees per day. When overdrafts on your checking account are honored by Golden 1, you must bring your account back to a positive balance as soon as possible, either through a direct deposit, transfer of funds or a deposit at one of our full-service ATMs or at any Golden 1 branch.

With Courtesy Pay, overdrafts are covered at our discretion. This means that 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.

You have the choice of deciding if you would like the same coverage on your Everyday Debit Card Transactions. You must provide your consent to take advantage of Courtesy Pay for Everyday Debit Card Transactions. Overdrafts resulting from ATM withdrawals currently are not protected by Courtesy Pay.

Q. What is an overdraft?

A. An overdraft occurs when the available balance in your checking account is insufficient to cover a transaction, but we pay it anyway.

Q. How is my available balance determined and why is it important?

A. The available balance in your account plays a significant role in the operation of your account and in determining whether a transaction will result in an overdraft. Your available balance is the balance in your account that we use to determine if you have sufficient funds to cover a transaction. Your available balance is the most current record we have about the funds that are available for withdrawal from your account. In determining the available balance in your account, we will consider all transactions that have posted to your account, any holds that may be in place on deposits you have made, and pending transactions (such as pending debit card purchases) that we have authorized but have not yet posted to your account. It's important that you know that transactions are generally not processed in the order in which they occurred. The order in which transactions are received and processed by us can affect your available balance and the fees that you incur for overdrafts.

Q. What are authorization holds for debit card transactions?

A. When you make a purchase with your debit card, the merchant may seek our prior authorization for the transaction. We generally place a temporary hold against some or all of the funds in the account linked to your debit card if and when an authorization request is obtained. We refer to this temporary hold as an "authorization hold," and the amount of the authorization hold will be subtracted from your available balance (generally in real time as they are received by us throughout each day).

The amount of an authorization hold may differ from the actual transaction amount. 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. For additional information on authorization holds, please see the section entitled Authorization Holds for Debit Card Transactions in our Disclosure of Account Information.

Q. What other types of overdraft protection does Golden 1 offer?

A. Golden 1 offers two other types of optional overdraft protection and each of these types of coverage requires your consent. If you have either, or both, of these types of overdraft protection in place, we will always try to cover your overdrafts using these methods before we use Courtesy Pay.

The first option is to link your checking account to your savings account so that funds are automatically transferred from your savings account to cover overdrafts in your checking account. You can set this type of overdraft protection up with your regular savings account or a money market savings account. As a Golden 1 member, you are required to have a savings account with Golden 1. To the extent funds are available in your linked savings account, they are automatically transferred to your checking account in increments of \$200 to cover overdrafts in your checking account. Only six (6) transfers are allowed per month.

The second option is to apply for a Personal Line of Credit which can be used for many purposes including overdraft protection. If you qualify for a Personal Line of Credit, funds are automatically transferred from your Personal Line of Credit to your checking account in increments of \$200 to cover overdrafts in your checking account. In addition, interest is charged on outstanding Line of Credit balances.

Q. What will happen if I decide I want Courtesy Pay coverage on my Everyday Debit Card Transactions and opt in to the service?

A. If you use your debit card to make a purchase when there is not enough money in your Golden 1 checking account to cover the cost of the purchase, we will generally cover the transaction provided it does not exceed the available limit provided by Courtesy Pay (up to \$500 including fees). You will incur a \$29.50 fee for this service each time we pay an overdraft (subject to a limit of six (6) per day), but you will avoid the embarrassment and inconvenience of having your transaction denied.

Q. What will happen if I decide I do not want Courtesy Pay coverage on my Everyday Debit Card Transactions and do not opt in?

A. If you use your debit card to make a purchase when there is not enough money in your Golden 1 checking account to cover the cost of the purchase, we will generally decline the transaction.

Q. What types of transactions are covered with Courtesy Pay?

A. Courtesy Pay currently covers checks that you write and automatic payments that you authorize. You have the option of adding Courtesy Pay coverage to your Everyday Debit Card Transactions. Your everyday debit card overdrafts will generally be covered if you consent and if you meet the eligibility requirements.

Q. Are overdrafts resulting from ATM withdrawals covered by Courtesy Pay?

A. No. If you do not have sufficient funds to withdraw from your checking account, the ATM transaction will be denied.

Q. How much does Courtesy Pay cost?

A. There is no fee to add Courtesy Pay for Everyday Debit Card Transactions and no fee if you never use the service. You will be charged a fee of \$29.50 each time we pay an overdraft (subject to a maximum of six (6) Courtesy Pay fees per day). The maximum amount of overdraft coverage provided is \$500 including the amount of the transactions and assessed fees.

Q. If I have more than one checking account at Golden 1, and I want Courtesy Pay coverage for all of my debit card transactions on these accounts, do I need to opt in for coverage on each of the accounts or will one opt in notification handle all of my accounts?

A. Debit card transactions for more than one checking account may be covered by Courtesy Pay, but you must submit separate opt in agreements for each of your Golden 1 checking accounts.

Q. How do I sign up for Courtesy Pay coverage on my Everyday Debit Card Transactions?

A. You may opt in to Courtesy Pay for Everyday Debit Transactions in one of the following ways:

- Opt in using our online opt in form on our website, <https://www.golden1.com/DebitOverdraft>
- Download, print and mail in the opt in form or fax it to us at (916) 732-2910
- Visit any Golden 1 branch
- Contact us by phone at **1-877-GOLDEN 1 (1-877-465-3361)**

- Q. What if I do not want Courtesy Pay coverage on my Everyday Debit Card Transactions?**
- A.** If you are not interested in this service, no action is required. If we do not receive a request from you for this coverage, it will not be provided to you.
- Q. What if I opt in for Courtesy Pay on my Everyday Debit Card Transactions and then change my mind at a later date?**
- A.** Even after you initially give your consent to this service, you may opt out at a later time by contacting Golden 1.
- Q. Who is responsible for ensuring that funds are available in my account to cover transactions?**
- A.** Please remember that the responsibility for ensuring that the funds in your account will cover a transaction is yours. You should keep a running balance of the amount of funds in your account to ensure that there are sufficient funds in your account. We provide various tools that will help you manage your account, such as Online and Mobile Banking applications. Please remember that the balance displayed using these tools may be either your available balance or your ledger balance. It is important that you understand the difference between these two balances. Your available balance is the most current record we have about the funds that are available for withdrawal from your account (but does not include certain pending transactions as described in greater detail previously under "How Is My Available Balance Determined and Why Is It Important").

Your ledger balance, on the other hand, is simply the current posted balance in your account. It includes only deposits and withdrawals posted to your account. Your ledger balance does not include any pending transactions and may include deposits that are not yet available for withdrawal. The amount displayed on your monthly statements from us is your ledger balance.

For a variety of reasons, neither your available balance nor your ledger balance may represent the funds in your account that will be available to cover a particular transaction at the time you enter into it (such as delivering a check to a merchant) depending on a number of factors, including, without limitation, how and when the transaction is presented to us.

The responsibility for ensuring that a transaction will not overdraw your account is yours.