

# Share Draft Checking Agreement



I/We hereby authorize PALCO Federal Credit Union to establish a Share Draft Checking Account for me/us. The Credit Union is authorized to pay share drafts signed by me (or by any of us) and to charge all such payments against the shares in this account.

It is further agreed that:

- Only the share draft blanks and other methods approved by the Credit Union may be used to make withdrawals from this account.
- The Credit Union is under no obligation to pay a share draft that exceeds the fully paid and collected share balance in this Account. The Credit Union may, however, pay such share draft and transfer shares to this Account in the amount of the resulting overdraft, plus a service charge as determined by the Board of Directors from time to time, from Primary shares.
- The Credit Union reserves the right to pay or return any transaction(s), which takes the account into overdraft at its discretion. (see fee schedule). Transactions that may be paid into overdraft include share drafts, debit card purchases (excluding ATM withdrawals) and ACH electronic debits. If you initiate a transaction that overdraws your account, you agree to make immediate payment of any overdrafts together with any service charges to the Credit Union. If you would like to opt out of the service of having NSF items paid into overdraft please contact the Credit Union.
- The Credit Union may pay a share draft on whatever day it is presented for payment, notwithstanding the date (or any limitations on the time of payment) appearing on the share draft.
- When paid, share drafts become the property of the Credit Union and will not be returned either with the periodic statement of this Account or otherwise.
- Except for negligence, the Credit Union is not liable for any action it takes regarding the payment or nonpayment of a share draft.
- Any objection respecting any item shown on a periodic statement of the Account is waived unless made in writing to the Credit Union before the end of 60 days after the statement is mailed.
- This Account is subject to the Credit Union's right to require advance notice of withdrawal, as provided in its bylaws.
- This Account is also subject to such other terms, conditions and service charges as the Credit Union may establish from time to time.
- If this Agreement is signed by more than one person, the persons signing below shall be the joint owners of the Account which, in that event, shall be subject to the additional terms and conditions printed below the signature area.

Account Number: _____	Social Security #: _____
Name: _____	Date of Birth: _____
Signature: _____	Date: _____

## Joint Share Account Agreement

The Credit Union is hereby authorized to recognize any of the signatures subscribed above in the payment of funds or the transaction of any business for this account. The joint owners of this account hereby agree with each other and with the Credit Union that all sums now paid in on shares, or heretofore or hereafter paid in on shares by any or all of said joint owners to their credit as such joint owners with all accumulations thereon, are and shall be owned by them jointly with right of survivorship and be subject to the withdrawal or receipt of any of them and payment to any of them or the survivor(s) shall be valid and discharge the Credit Union from any liability for such payment.

The right or authority of the Credit Union under this agreement shall not be changed or terminated by said owners, or any of them except by written notice to the Credit Union, which shall not affect transactions heretofore made.

Joint owner 1	Joint owner 2
Name: _____	Name: _____
Social Security #: _____	Social Security #: _____
Relationship: _____ DOB: _____	Relationship: _____ DOB: _____
Signature: _____	Signature: _____

**Please list Joint Owner address on a separate paper if different than the primary owner's address.**

Completed by CU:

Share Draft Account Number:	0 7 7 0 6
	OR 0 7 7 0 7 _____ - _____
Date opened:	Initials:
<input style="width: 100px; height: 20px;" type="text"/>	<input style="width: 100px; height: 20px;" type="text"/>

# Share Draft Checking Disclosure

*Yours to Keep*

## SHARE DRAFT PROGRAM

- NO MINIMUM BALANCE will be required in our Share Draft program.
- Share draft accounts are offered to all members in good standing in this credit union (excluding members who: are not current on loans; have share balances under the minimum; have abused other services; or have caused the credit union a loss that is not being or has not been repaid).
- A separate sub-account will be maintained for share draft transactions, aside from the regular share account.
- Share Draft account statements will be sent monthly.
- Specialty Gray check styles are currently available at no charge. Prices for other styles are included in this packet. Share draft styles charges are subject to change without notice. Share drafts that have a charge will be withdrawn from your share draft account through an ACH withdrawal from the share draft printer, CPS Printers. The amount deducted will be noted in your box of share drafts and will also show on the monthly statement from which the amount was taken.
- Drafts are in carbonless duplicate: the original is not returned to the member. The duplicate is for your record, however copies of the canceled draft can be obtained to provide proof of payment (see fee schedule for costs).
- There is NO CHARGE FOR TELEPHONE TRANSFERS when the transfer is made before the draft is presented for payment. Transfers may be made 24 hours a day, seven days a week using PAL (PALCO's Audio Line) or PALCO@Home.

## OVERDRAFT POLICY

The Credit Union is under no obligation to pay a share draft that exceeds the fully paid and collected share balance in this share draft account. The Credit Union may, however, pay such share draft by transferring other shares to this account in the amount of the resulting overdraft plus any applicable service charge. These transfers may be made from the Primary share.

**LIMITATIONS: Federal regulations limit transfers for share/savings accounts and money market accounts, if applicable. During any statement period, you may not make more than six (6) withdrawals or transfers to another Credit Union account of yours or to a third party by means of a pre-authorized or automatic transfer.** This includes transfers by phone, fax, wire and cable, audio response, mobile applications, overdraft transfers to checking and Online Banking. A pre-authorized transfer includes any arrangement with us to pay a third party from your account upon oral or written orders including orders received through the automated clearinghouse (ACH). If you exceed the transfer limitations set forth above in any statement period, the transfer may not be completed.

All members will be required to sign "Share Draft Agreement with Overdraft Transfer from Other Shares" authorizing transfer withdrawal(s) from other share or loan account(s) if there are insufficient funds in the share draft account. No more than six transfers per month will be permitted as per Regulation D limitations. There is currently no fee for an overdraft transfer, but limited to SIX (6) PER MONTH.

The Credit Union reserves the right to pay or return any transaction(s), which takes the account into overdraft at its discretion. (see fee schedule). Transactions that may be paid into overdraft include share drafts, debit card purchases (excluding ATM withdrawals) and ACH electronic debits. If you initiate a transaction that overdraws your account, you agree to make immediate payment of any overdrafts together with any service charges to the Credit Union. If you would like to opt out of the service of having NSF items paid into overdraft please contact the Credit Union.

If no funds are available in the Primary share account, the insufficient draft will be returned non-sufficient funds (NSF) and the member's share draft account will be charged a fee (see fee schedule for costs). If the insufficient draft is reinitiated/resubmitted by the payee and is returned again as unpaid the credit union may impose a fee on the same transaction. The Credit Union is under no obligation to pay a share draft on which the date is more than six months old.

There will be no grace period for payroll deduction deposits. The member will be charged for each NSF prior to payroll posting. Please do not write checks before your payroll is posted. If there's a payroll deduction, direct deposit, or office staff problem not caused by an outside party, overdraft charges will be graciously refunded to the member's share draft account.

A share draft account will be closed by the Credit Union after forty-five (45) calendar days of insufficient funds. The Credit Union reserves the right to close any share draft account where the member repeatedly has insufficient funds before the forty-five (45) day period has expired.

The rate schedule, terms and conditions of the share draft program may be altered in whole, or in part without prior notice to members by action of the Board of Directors.

## FEE SCHEDULE

Reconciling of any share draft account by the Credit Union for a member	\$10.00 per hour
No Minimum Balance	N/C
Phone Transfers (before presented for payment)	N/C
Overdraft Transfer Charge (ODT)-6 per month, see limitations above	N/C
Insufficient Funds (NSF)/Overdraft Privilege/Bill Pay	\$25.00 per item
Stop Payment Requests (per draft or consecutive range of drafts)	\$25.00
Photostat copy of canceled share draft - mailed	\$1.00
Photostat copy of canceled share draft - rushed	\$2.00
(All fees and charges are subject to change without notice as determined by the PALCO board of directors.)	

Overdrafts are costly to the Credit Union and will be costly to share draft abusers. These costs/expenses are charged to member users to enable your credit union to offer this service with NO MINIMUM BALANCE & DIVIDENDS PAID.

**ALL CREDIT UNION ACCOUNTS ARE INSURED UP TO \$250,000.00 BY NCUA.**