

Wellby Overdraft Services Disclosure

Version effective February 1, 2025

OVERVIEW:

An **overdraft** occurs when you do not have a sufficient available balance in your account to cover a transaction at the time it is presented to us for payment, but we pay it at our discretion.

As a condition of opting-in to any Wellby Overdraft Service, you acknowledge that additional agreements may be in place that govern your relationship with Wellby, including but not limited to, the Wellby Membership Agreement and Account Disclosures, the Wellby Privacy Policy, the Wellby Electronic Funds Transfer Act Disclosure, the Wellby Funds Availability Disclosure, and the Wellby Fee Schedule (collectively, "Additional Agreements"), each of which is hereby incorporated by reference. The terms and conditions of the Additional Agreements shall continue to apply in full force. You further agree that the Arbitration provision of the Wellby Membership Agreement and Account Disclosure shall extend to any claim, dispute, or controversy ("Claim") arising out of or relating in any way to: (i) these Terms; (ii) any Wellby Overdraft Service; (iii) your qualification for Wellby Overdraft Services; (iv) your use of all Wellby Overdraft Services; (v) the amount of a given Wellby Overdraft Coverage; (vi) the benefits and services related to all Wellby Overdraft Services; or (vii) transactions made using any Wellby Overdraft Service, no matter how described, pleaded or styled. These Terms shall supplement the Additional Agreements. In the event of a conflict with these Terms, this Agreement shall control. A copy of the Wellby Membership and Account Disclosure and related disclosures were provided to you at account opening and are available to you on request or can be obtained on our website at wellbyfinancial.com.

Wellby offers our members three options within our Overdraft Services Program to help pay overdrafts when they occur and prevent the decline and return of certain transactions:

- WELLBY OVERDRAFT PROTECTION
- WELLBY OVERDRAFT STEWARD
- WELLBY OVERDRAFT STEWARD WITH DEBIT CARD COVERAGE

This notice explains our standard overdraft services for the Wellby Overdraft Steward and Overdraft Steward with Debit Card Coverage services. For additional information on our Wellby Overdraft Protection service, please see [Overdraft Services](#) for service details.

Overdraft Protection

What is it?

Overdraft Protection is an optional service that allows members to link a Wellby Primary Share Savings, Wellby Share Savings, Wellby Share Savings Plus account or a Wellby Line of Credit in good standing, as an Overdraft Protection backup account to help pay any eligible overdraft transactions that may occur on your checking account. The exact amount needed to cover the transaction will be transferred if you have a sufficient balance available. If you do not have a sufficient available balance in your eligible linked savings or line of credit account, the transaction will be declined or returned unpaid, and you will be assessed an Insufficient Funds Fee (NSF) ([Truth-In-Savings Disclosure | Wellby](#)). Under the Overdraft Protection Service, a checking account can have only one backup account to pull available funds from. However, a designated backup account can provide Overdraft Protection services to more than one eligible checking account. (A backup account may be an eligible savings account, such as a Primary Savings Account, or a Line of Credit.) The Primary Savings account will be the default backup savings account. If you wish to designate a different savings account for



Overdraft Protection transfers, you may call us at (281) 488-7070, visit a local branch, or send us a secure eMessage through online banking.

How do Overdraft Protection transfers work?

If your checking account does not have a sufficient available balance to pay a check or ACH authorization, we will automatically transfer available funds from your linked account to pay the transaction. If the checking and linked savings account do not have a sufficient available balance to cover the full amount of the check or ACH transaction, Wellby may return the transaction and assess an Insufficient Funds Fee (NSF) to your checking account as detailed in the Wellby Fee Schedule.

The available balance for a savings account is determined at the time a transaction is authorized or at the end of the business day. The available balance for a line of credit is determined at the end of the previous business day. We are not required to notify you if funds from the backup account cannot be transferred for Overdraft Protection.

We use automated systems to process transactions and then post transactions to accounts. When we process multiple transactions for your account on the same day, you agree that we may, in our discretion, determine our posting orders for the transactions and that we may credit, authorize, accept, pay, decline or return credits, debits, and holds in any order at our option.

What transactions qualify for the Overdraft Protection Service?

This protection plan links your checking account to a designated backup account. Transfers from your linked backup account are made in the exact amount of **an** over-drafted item. Transaction items include ACH and check transactions.

What is not covered under the Overdraft Protection Service?

Once your overdraft protection is exhausted where there are insufficient funds available in your linked backup account to cover the overdraft amount in your checking account, an Insufficient Funds Fee (NSF) will apply, unless you are eligible for Overdraft Steward with Debit Card Coverage and have opted into that program. We will not automatically authorize and pay overdrafts for Point-of-Sale (POS) Debit Card transactions, ATM withdrawals, over-the-counter withdrawals, and internal transfers initiated through online and telephone banking.

What are the associated fees?

There is no charge for your coverage; however, if you are not enrolled or if Wellby returns ACH or checks as unpaid, you will receive a \$25 Insufficient Funds Fee (NSF) charge.

- **Linked backup accounts: Wellby Primary Share Savings, Wellby Share Savings, Wellby Share Savings Plus Account**
 - **\$0 fee** is charged for each transfer
 - **NO monthly service fee** or startup fee
- **Linked Wellby Line of Credit**
 - **NO monthly service fee**
 - To cover an overdraft charge, funds are automatically advanced from the linked line of credit loan, which may accrue interest and other fees, as outlined in the Line of Credit

Terms and Conditions. [Advances are subject to the terms and conditions described in the Line of Credit agreement.]

- To qualify, you must have an existing line of credit in good standing.
 - Generally, advances are made as long as you are not in default of the Line of Credit agreement.
- The line of credit limit is the maximum allowed to be pulled for Overdraft Protection.
 - Wellby will not transfer more than the available account balance in the linked line of credit

How do I qualify for Overdraft Protection?

- Are a consumer, use your eligible account primarily for personal or household purposes
- Are NOT in default on any loan or other obligation to Wellby
- Are NOT subject to any legal or administrative order or levy
- Have an eligible share savings or line of credit loan account
- Have elected to opt-in to Overdraft Protection

Overdraft Steward

What is it?

Authorized Overdraft Transaction Types:

Wellby can authorize and pay overdrafts on checks and Automated Clearing House (ACH) transactions for a fee when there is not a sufficient available balance in your eligible Wellby Secure Spending or Wellby Spending Plus accounts up to a certain limit amount, for which you must meet certain criteria. This limit is determined by Wellby in its sole discretion based on the history of any Wellby qualifying accounts you have, direct deposit history and amounts, not including one-time direct deposits such as tax refunds or other similar transactions, spending activity and other risk-based factors. Accounts must be in good standing in accordance with the terms of the Wellby Membership Agreement and Account Disclosure to qualify. This service is DISCRETIONARY, and Wellby does NOT GUARANTEE payment of your overdraft transaction. If you do not have a sufficient available balance to cover the full amount of the check or ACH transaction, Wellby may return the transaction and assess an Insufficient Funds (NSF) fee to your checking account as detailed in the Wellby Fee Schedule.

Please Note: *If you are enrolled in Overdraft Protection, and you have a sufficient available balance in your linked Overdraft Protection backup account, your transaction will be approved using Overdraft Protection. Overdraft Steward plans will be activated if funds are not available from the Overdraft Protection Plan that you are actively enrolled in.*

What does Overdraft Steward cover?

- Checks and other transactions made using your checking account number
- ACH Transactions (such as phone bills, mortgages or utility bills set up using your account and routing number)



- Recurring debit payments (such as phone bills, mortgages or utility bills set up using your account and routing number)

What is not covered under Overdraft Steward?

- We will **not** authorize and pay overdrafts for ATM withdrawals, over-the-counter withdrawals and internal transfers initiated through online banking and telebanking and may not authorize and pay overdrafts for one-time Point-of-Sale (POS) Debit Card transactions. You must enroll in the Overdraft Steward Debit Card Coverage to authorize payment of overdrafts for POS Debit Card Transactions.

What are the associated fees?

- We will charge a fee of **\$25.00** each time we pay a transaction using the Overdraft Steward coverage.
- If Wellby returns ACH or check items as unpaid, you will receive a **\$25.00** Insufficient Funds fee.
- We may not assess a fee if the amount you are overdrawn after all transactions have cleared or posted for the business day is less than \$20.00.
- There is a daily maximum of ten (10) Overdraft fees that can be charged on each eligible share checking account.
- Fees may be avoided by actively monitoring your account, tracking your spending, and not using overdraft. Accessing your account at wellbyfinancial.com and using the mobile app can help you manage your account balance.

How do I qualify for Overdraft Steward?

- You must be at least 18 years of age.
- You are a consumer; use your account primarily for personal or household purposes; and your account has been opened at least 30 days.
- You are not in default on any loan or other obligation to Wellby.
- You are not subject to any legal or administrative order or levy.

Overdraft Steward with Debit Card Coverage

What is it?

Unauthorized Overdraft Transaction Types:

Wellby Overdraft Steward with Debit Card Coverage is an optional service that will cover one-time Point-of-Sale (POS) Debit Card transactions for a fee, when there is not a sufficient available balance in your Wellby Secure Spending or Wellby Spending Plus accounts up to a certain limit, for which you must meet certain criteria. This limit is determined by Wellby in its sole discretion based on the history of any Wellby qualifying accounts you have, direct deposit history and amounts, not including one-time direct deposits such as tax refunds or other similar transactions, spending activity and other risk-based factors. Your limit may be increased or decreased at any time by Wellby and will always represent the maximum limit you may draw your account negative on qualifying transactions. Accounts must be in good standing in accordance with terms of the Wellby Membership Agreement and Account Disclosure to qualify. This service is DISCRETIONARY, and Wellby does NOT GUARANTEE payment of your overdraft transaction.



Please Note: If you are enrolled in Overdraft Protection, and you have a sufficient available balance in your linked Overdraft Protection backup account, your transaction will be approved using Overdraft Protection.

- Overdraft Steward with Debit Card Coverage will be activated if funds are not available from the Overdraft Protection plan that you are actively enrolled in.
- If you opt-in to the Wellby Overdraft Steward with Debit Card Coverage, Wellby may pay the overdraft debit card transaction at its discretion based on your account history, the deposits you make, and the transaction amount.
- If you **opt-out** of Wellby Overdraft Steward with Debit Card Coverage and you do not have a sufficient available balance in your account at the time you attempt to authorize a debit card transaction, the debit card transaction may be DECLINED, and you will NOT be assessed an overdraft fee. However, in instances where a transaction is authorized for a lesser amount than is settled, the transaction will NOT be DECLINED, and you will NOT be assessed a fee. An example of this would be a gas station authorizing an initial amount of \$1.00, then later settling the full amount of your gas purchase.

What transactions are eligible for Overdraft Steward with Debit Card Coverage?

- One-time Point-of-Sale (POS) Debit Card transactions (non-recurring).

What transactions are not eligible for Overdraft Steward with Debit Card Coverage?

- We will **not** authorize and pay overdrafts for ATM withdrawals, over-the-counter withdrawals and internal transfers initiated through online banking and telebanking.

What are the associated fees?

- We will charge an overdraft fee of **\$25** each time we pay a transaction using the Overdraft Steward with Debit Card Coverage.
 - You avoid the additional expense of another fee being charged by the merchant if the charge was to return unpaid due to overdraft.
- If you are not opted-in to the Overdraft Steward with Debit Card Coverage service, we will DECLINE the Point-of-Sale (POS) Debit Card transaction, and you will NOT be charged an overdraft fee.

Note:

- Although you will not be charged an overdraft fee, if your overdraft item returns unpaid, you may be charged an Insufficient Funds Fee (NSF).
- A transaction approved based on a positive available balance will be paid even if the available balance is negative at the time of settlement.
- There is a daily maximum of 10 Overdraft fees that can be charged on each eligible share checking account.
- Fees may be avoided by actively monitoring your account, tracking your spending, and not using overdraft. Accessing your account at wellbyfinancial.com and using the mobile app can help you monitor your account balance.

How do I qualify for Overdraft Steward with Debit Card Coverage?

- You must be at least 18 years of age.



- You are a consumer; use your eligible account primarily for personal or household purposes; and your account has been opened at least 30 days with the applicable minimum.
- You are not in default on any loan or other obligation to Wellby.
- You are not subject to any legal or administrative order or levy.
- You have **elected** to **opt-in** to Overdraft Steward with Debit Card Coverage.

Overdraft Steward with Debit Card Coverage Limits:

- Overdraft limits are typically covered up to \$750.00.
- Overdraft monthly limits may be increased up to \$1500.00 if an ¹aggregate amount of at least \$1500.00 of direct deposits are credited to a share account within a monthly cycle.
- ¹Aggregate is the sum of all direct deposits clearing and posting to your account within the monthly cycle.

Updating your Overdraft Services Coverage:

Any owner (including joint owner(s) linked to the eligible share draft checking account) may change or update Overdraft Steward with Debit Card Coverage preferences by:

- Accessing your account online or via mobile banking and changing elections via the Overdraft Steward Debit Card Coverage tool located in account settings
- Completing the online form at wellbyfinancial.com/account-forms
- Visiting a Wellby branch location

Revocation of Overdraft Services:

Any owner (including joint owner(s) linked to the eligible share draft checking account), has the right to consent or opt-in to overdraft steward with debit card coverage at any time.

- Your consent is effective until Wellby terminates such services for reasons listed in the next section; or until revoked in a manner listed for updating your overdraft coverage.
- Any owner may revoke consent at any time.
- If you revoke consent of overdraft steward with debit card coverage services, Wellby will implement your revocation as soon as reasonably practicable.

We may suspend or permanently revoke the service from your checking account at our sole discretion based on any of the following criteria:

- Your membership is not in good standing.
 - For more details, please refer to your Wellby Membership Agreement and Account Disclosure that references: [Membership Eligibility; Member in Good Standing; Bylaws and Account Termination; Limitation, Suspension, and Service Restriction; Withdrawal of Services.]
- You become delinquent on any loan or obligation you have with us.
- You have an outstanding balance due on an overdraft repayment.
- You file for bankruptcy.
- You do not have a valid mailing or email address on file.
 - Your share draft checking account(s) has been deemed inactive.
- Any or all your accounts at Wellby are being reviewed for improper activity.



- Wellby has evidence that you are not managing your account in a manner that may cause a loss to Wellby.

You can review all the Overdraft plan disclosures anytime online at wellbyfinancial.com/disclosures.