

FRESH START SHARE DRAFT ACCOUNT POLICY & PROCEDURES

The Fresh Start Share Draft Account is designed for individuals who have had a Share Draft Account previously closed by the Credit Union. This account is designed to offer a second chance. It requires the Member to maintain a \$25 balance, and is charged a monthly maintenance fee of \$5 on the last day of each month. If the account remains in good standing for one year, it may be converted to a regular Share Draft Account that does not require a monthly service charge. It is the responsibility of the Member to contact the Credit Union to review the account after one year.

If the Member requests a Debit Card for this account, lower ATM and POS daily limits will be set for the card. These limits can be adjusted when the account is switched to a regular Share Draft Account.

USE OF SHARE DRAFTS Fill out the draft completely by including the date, payee, written and numeric amount and signature. Enter the transactions in the check register. Share Drafts should not be dated with a future date (postdating). The Share Draft will be paid upon presentation if funds are available.

DRAFT SAFEKEEPING In almost all cases the duplicate Draft and the monthly statements will serve as evidence of payment. A microfilm copy of Drafts will be retained for seven years. Microfilm copies are the equivalent of a canceled Draft. There is a fee of \$3 for a cleared Draft copy.

FEES ASSOCIATED WITH ACCOUNT

- \$5 per month for Fresh Start Account
- \$10 per hour for Credit Union staff to balance checkbook
- \$15 for stop payment of Draft or ACH
- Cost of drafts ordered through LPCCU vendor—price varies based on check style and number of boxes (80 per box)

- \$2 for a Certified Draft
- \$1 per page statement copies
- \$30 per returned Share Draft

OVERDRAFT PROTECTION Members may set up a savings (or other) account to back their Share Draft Account and prevent overdrafts. In these situations, when a Share Draft Account doesn't have adequate funds to post a transaction, a transfer is made from the designated account to prevent the overdraft. There is a form that must be signed to set up this back up account.

- Each computer-initiated transfer is \$3.
- Transfers will be made in the exact amount plus a \$3 charge—up to six overall automatic transfers per month, as allowed by regulations. If a manual transfer must be made after the sixth, a fee of \$5 per item will be charged. If no funds are available, the Draft or ACH will be returned NSF (non-sufficient funds), and the account will be charged \$30 per item. The Member will be mailed a notice of the charge and the item(s) returned.
- Share Draft accounts may be automatically closed if the Member appears on the overdraft report more than three times in a month.

STATEMENTS Monthly statements are mailed to Members showing any activity on their Share Draft Accounts. Statements are from the first of the month to the last day of the month. It is the Member's responsibility to notify the Credit Union of any error on the statement within 60 days of receipt. Please contact the Credit Union at (859) 252-5151 with any address or phone number changes.