

CHECKING ACCOUNT AGREEMENT – LPS Employees FCU

Effective: Jan. 1, 2019

Agreement--It is agreed that the LPS Employees Federal Credit Union (LPSCU) is authorized to pay checks signed by the account owner, or any named joint owner, from funds in the designated account.

Eligibility--The member must be in good standing with the LPSCU and have the ability to responsibly manage a checking account. A credit report may be reviewed to verify the applicant's credit history. Any adverse history may be cause to deny opening the account.

Minimum balance--There is no initial deposit or minimum balance required for your account. *If a checking account has a negative balance, all future deposits may be applied to the checking account first and there will also be no check cashing privileges.*

Non-Sufficient Funds--In the event we receive a non-sufficient fund (NSF) item on your account, we will transfer funds from your primary share account (PSA). There is a limit of 6 overdraft transfers from your PSA to your checking account per month. If you do not have ample funds in your PSA then our **Negative Checking Account Balance Policy** (see back side) will go into effect. If there are no other funds available according to our Negative Checking Account Policy, then our **Courtesy Pay Policy** (see back side) will go into effect.

Free Checks--Only check styles offered and ordered by the LPSCU will be at no charge, with a maximum of two boxes of checks per order. Other checks and methods used to withdraw funds must be approved by the LPSCU and will be at your own expense. There are no limits on the number of checks you may write. *Accounts with a negative balance or with 6 or more NSF fees in a month are not eligible for free checks.*

Stop Payments--We cannot Stop Pay a debit card transaction. If you suspect fraud, contact LPSCU. *Requests for Stop Payments on checks must be submitted in person at the credit union and will result in a \$10.00 fee.*

Lost or Stolen Checks or Suspected Fraud--You must notify the LPSCU immediately upon discovering lost or stolen checks. In case of suspected fraud, the LPSCU will handle each case according to the facts involved. You are required to assist the investigation including notifying authorities as necessary.

Closing an Account--An account may be closed if the check writing privilege, Courtesy Pay policy, or Stop Payment service has been abused as determined by the LPSCU or if an account has had a negative balance for 45 consecutive days. *LPSCU will notify you 30 days prior to closing the account; if applicable, the 1st NSF notice commences this 30 day time period.*

Stale Items--Checks presented for payment more than 6 months past the date of the check may be refused.

Statements--Statements showing all checking account activity will be mailed monthly. You then have 30 days to dispute a transaction or the information will be considered correct.

Copies of Checks--Original copies of paid checks will not be returned. Copies of checks, if available, may be provided upon request. In some cases, the cancelled checks may be available from the retailer or payee.

I/(We) agree to the terms stated above:

LPS ACCT #: _____

Account Owner Name (Please write legibly - As you want it to appear on checks)	Account Owner Signature	Date
Address	Phone #	Driver's License #
Joint Owner (Please write legibly - As you want it to appear on checks)	Joint Owner Signature	Date
Beneficiary(s) If applicable		

Preferred CK Style: single / duplicates Color: Green Blue Yellow Starting CK #: _____

NEGATIVE CHECKING ACCOUNT BALANCE POLICY:

If a checking account balance is negative and a member's primary share account does not have ample funds to transfer, the LPS Employees FCU has the authority to transfer funds from a member's other share account(s) where the member is listed as a primary owner—*funds from different account(s) where members are listed as a joint owner can be used to make any account current in certain instances.* These transfer will be immediate if the negative balance is more than \$250.00 and if a checking account has any negative balance after 45 days a transfer will occur at that time to cover the exact amount negative. The LPS Employees FCU will attempt to contact members with negative checking account balances after 30 days of being negative either in writing or via a phone call. **Any checking account with a negative balance after 45 days will need to be made positive by the member bringing in a deposit or by the member taking out a loan (if eligible) to cover the negative balance, if neither one of these options are possible then the checking account will be charged off and closed.**

***COURTESY PAY POLICY:**

(Courtesy Pay is a privilege, must be repaid quickly, and ONLY applies to items that come through your account—you CANNOT ask to take your account negative unless we are paying an item.)

If the account balance after posting the Non-Sufficient Fund item is:

1. Less than \$50.00 overdrawn – we will pay the item with no fee
2. More than \$50.00, but less than \$250.00 overdrawn – we will pay the item with a \$20.00 fee per item, which could result in an account being overdrawn by more than \$250.00.
3. More than \$250.00 overdrawn – each item will be returned unpaid, with a \$20.00 fee per item, which could result in an account being overdrawn by more than \$250.00.
4. **When paying a check for the purpose of getting cash we will NOT take your account past \$230.00 overdrawn—the \$20.00 fee would bring the max overdrawn amount allowed to \$250.00.**

Items will be processed in the order the credit union receives them which might not be the same order they occurred—this will affect how fees are incurred. In addition to check transactions, fees may also be incurred for; preauthorized debits, telephone-initiated transfers, or other electronic (ACH) transfers. You will be notified of each insufficient fund item in writing within 3 business days. If the credit union determines that the Courtesy Pay policy is being abused, we will inform you of such and the policy will be revoked. ***Without Courtesy Pay, all NSF items will be returned unpaid—regardless of a pending deposit, no fees will be charged.***

***The Courtesy Pay Privilege will be revoked if a member has declared bankruptcy, has defaulted on another loan at the credit union, or is currently over 90 delinquent on a loan with the credit union.**