



## Privilege Pay Services Disclosure and Opt Out Notice

**1. What is Privilege Pay?** On Tap Credit Union offers the Privilege Pay service to provide our members with optional, extra protection from overdraft situations, such as “bounced checks,” by allowing their share draft checking account to incur a negative balance up to a pre-established dollar amount. Transactions that can cause an overdraft under the Privilege Pay program include, but are not limited to, share drafts or checks, Automated Clearing House (ACH) such as preauthorized items, debit card withdrawals and other electronic transactions. Privilege Pay is not a loan and payment of overdraft items is not guaranteed. It is meant as a service to cover inadvertent member overdrafts.

**2. Why do we offer Privilege Pay?** The Privilege Pay service allows members to avoid the inconvenience and subsequent fees associated with returned checks. The service also saves our members from the embarrassment of having items returned to friends, family or merchants they frequent.

**3. How Does It Work?** If an item is presented to the credit union and there are not sufficient funds available in your account, the credit union may choose to pay the item for you. The available balance of your account is your deposit balance minus funds that are “on hold” such as check holds or authorized debit card transactions. The amount of the item and a Privilege Pay fee will be charged to your account, which will cause your account to have a negative available balance. We will send you a notice that describes the item that was paid, the fee and the resulting balance. You must make a deposit into your account at once for at least the amount that your account is negative. Failure to make a timely deposit may result in collection proceedings, loss of Privilege Pay service, and/or closure of your account.

**4. What is the fee for Privilege Pay?** Whenever your account overdraws, a fee will be assessed to your account. If the item is paid through Privilege Pay, you will see the fee listed as “Privilege Pay Fee” on your statement. If the item is not paid, for example, if you have exceeded the limit for Privilege Pay on your account, or if you have “opted out” of Privilege Pay, the fee will be listed as “NSF Fee” on your statement. More than one overdraft fee may be charged to your account in a given day depending on the number of items presented. Transactions generally clear your account in the order that they are presented, which may not be the order in which they occurred. This can impact the number of overdraft fees your account incurs.

**5. How do I sign up for Privilege Pay?** You do not have to sign up for Privilege Pay. Privilege Pay is available to members in good standing who have had an open share draft/checking account for at least six months. Members who close an account and reopen another account may be eligible for Privilege Pay when they open the new account based on the good standing of the previous account.

**6. Does the Credit Union guarantee payment of overdrafts?** On Tap Credit Union may choose not to offer Privilege Pay to members that have a delinquent loan, garnishment, levy or declares bankruptcy. Payment of overdraft items is not guaranteed or assured.

**7. What other overdraft protection is available?** On Tap Credit Union offers Overdraft Protection options to members that include a line of credit, automatic transfer from share savings or another specially designated account. Fees and finance charges incurred on alternative options are typically less expensive than usage of the Privilege Pay service. You are also able to monitor your account and transfer money using our free 24/7 services, PhoneTeller and On Tap Banking.

**8. What if I do not want the Privilege Pay service?** You may “opt out” of Privilege Pay with a telephone, fax, e-mail, or written request. If you do not want to participate in the Privilege Pay service, contact us at:

On Tap Credit Union  
816 Washington Avenue  
Golden, CO 80401  
(303) 279-6414 (800) 770-6414  
Fax: (303) 279-6336  
Email: [inquire@OnTapCU.org](mailto:inquire@OnTapCU.org)

**Golden Branch** 816 Washington Ave., Golden, CO 80401-1095 Fax: 303.279.6336  
**Arvada Branch** 5675 Olde Wadsworth Blvd., Arvada, CO 80002-2532 Fax: 303.423.8123  
[www.OnTapCU.org](http://www.OnTapCU.org) 303.279.6414 800.770.6414