



# Privilege Pay Disclosure

Privilege Pay is a service we add to your checking account to cover inadvertent overdrafts to a set limit, subject to the eligibility criteria as explained below. With Privilege Pay, we will as a discretionary service and not as a right or obligation guaranteed to you, strive to pay your reasonable overdrafts when your account is in good standing, meeting eligibility and we reserve the right not to pay.

Good standing includes the following criteria:

- Age of account
- Number of deposits
- Dollar amount of deposits
- Deposit patterns
- Repayment patterns
- Overdraft Activity

For example, we typically do not pay overdrafts if your account is not in good standing, or you are not making regular deposits, and/or you have too many overdrafts. When we pay overdraft items for you, you will be charged our normal \$29 non-sufficient funds/privilege pay fee for each item that is presented. All deposits to overdrawn accounts are applied to the negative balance.

## Eligibility

No application is required for our Privilege Pay. Eligibility is at the sole discretion of Xplore and is based on you managing your checking account in a responsible manner.

## Non-Eligible Account Types

- IOLTA accounts
- Renew Checking
- Minor accounts

## Suspension/Revocation

Your Privilege Pay may be suspended or permanently removed based on the following criteria:

- Your account type is not eligible.
- You are more than 30 days past due on any Xplore loan or delinquent on any other obligation to Xplore.
- You are subject to any legal or administrative orders, levy, or are currently a party in a bankruptcy proceeding.
- Your account is being reviewed for fraudulent activity or transactions.
- The primary account owner is less than 18 years old.
- A Telecheck or other negative indicator has been reported to us.
- You have an account that has been opened less than 30 days.



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- Your account is classified as inactive.
- You have an unresolved prior loss with Xplore.
- We do not have a valid address for you.

## Transactions Covered

Privilege Pay will be available for all checks written, ACH transactions, preauthorized automatic transfers and recurring debit card charges. Privilege Pay will not be available for ATM and everyday debit card transactions unless you authorize Xplore to pay these items.

NOTE: If you have consented to Privilege Pay for ATM transactions, please verify your balance before initiating an ATM cash withdrawal. All overdrafts will be subject to our \$29.00 non-sufficient funds/privilege pay fee for each withdrawal until the account returns to a positive balance.

## Opt Out

This is an expensive way of handling your account and you have the option to have this service removed at any time by writing us at Xplore, 5500 Veterans Memorial Blvd, Suite 100, Metairie, LA 70003 or contact your local branch. It is important for you to consider that by opting out of this service without some other form of overdraft plan such as an account transfer or line of credit (which is offered to qualified accounts) you are instructing us to return unpaid all items presented against insufficient funds. If you opt out, you will still be charged our \$29.00 non-sufficient funds fee. Members who receive a Social Security, federal direct deposit, or any other entitlement benefit must opt out if they do not want Xplore to apply those funds to pay an overdraft.

## Payment Order of Items

The order in which items are presented may affect the total fees assessed to your account. The first items that we pay are ATM withdrawals, debit card transactions, and any checks cashed by our employees or that you have written to us. We then pay any items that were submitted electronically, such as ACH items, preauthorized automatic transfers, telephone-initiated transfers and any other electronic transfers. Finally, we pay the remaining items based on check numbering sequence; lower sequenced check numbers are paid first.

NOTE: Please be aware that holds placed on your account for pending electronic transactions, such as hotel or rental car deposits, reduce your available balance and may cause your account to become overdrawn.

## Excessive Use



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We monitor member accounts for chronic or excessive use. If you overdraw your account more than six times in a rolling twelve month period you will be contacted to discuss alternatives and/or continued use of Privilege Pay.

## Financial Education

Xplore believes that financial literacy and education helps members make informed decisions. Heightened awareness of personal financial responsibility helps members realize the benefits of responsible money management, understanding the credit process and the availability of help if problems occur. [www.MyMoney.gov](http://www.MyMoney.gov) is the federal government's website that serves as the one-stop for federal financial literacy and education programs, grants and other information. To request a personal financial toolkit, call 1-888-MyMoney.

## Membership Agreement

Your membership agreement describes the duties, obligations, and rights of depositors, authorized signatories and Xplore with regard to your deposit accounts. That membership agreement is incorporated herein for all purposes as if it were set forth verbatim as to matters not directly addressed by this disclosure. Your membership agreement and this disclosure shall be construed so as to minimize conflicts between them.

**Remedy:** You and Xplore agree that the exclusive remedy and forum for all disputes arising out of the Privilege Pay or Xplore performance there under, except for matters you or Xplore take to small claims court, is arbitration by an independent arbitrator pursuant to the applicable rules of the American Arbitration Association, except as prohibited by law.

**Waiver:** Xplore's forbearance from, or delay in, exercising any of Xplore's rights, remedies, privileges, or right to insist on your strict performance of any provisions of your account agreement, this Privilege Pay disclosure, or any other provision related to your account, shall not be construed to be a current or future waiver of Xplore's rights, remedies or privileges.

## Effective Date

All information listed in this disclosure is effective as of November 1, 2018.