



**Courtesy Pay Disclosure**

**Courtesy Pay is a service we provide to our checking account customers to cover inadvertent overdrafts. The service is subject to the eligibility criteria and other constraints as explained below.**

- **You are NOT required to have this service on your account-**You may opt-out at any time by signing a **Courtesy Pay Privilege Opt Out Form**.
- **The payment of overdrafts is not guaranteed-**With Courtesy Pay we will generally pay your overdraft items up to \$500.00, however, whether your overdrafts will be paid is discretionary and we reserve the right not to pay. For example, we typically do not pay overdrafts if your account is not in good standing, or you are not making regular deposits, or you have too many overdrafts. We pay items based on the available balance in your account. The available balance is your ledger balance minus any holds.
- **You will be charged an overdraft fee for each insufficient item paid into overdraft-**You will be charged our normal overdraft or return item fee currently up to \$30.00 for each item that is presented. When more than one overdraft item is presented and paid, multiple overdraft fees may be charged. Both the amount of the overdraft items and all other fees, including but not limited to overdraft fees, are included in this limit.
- **Suspension of Courtesy Pay Privilege-** If you overdraw your account, you must return the account to a positive balance within 30 days, or your Courtesy Pay Privilege will be suspended. Your Courtesy Pay Privilege may be suspended if you fail to meet our eligibility criteria and if we believe you are not managing your account in a responsible manner which may harm you or the Credit Union.
- **Deposits to Overdrawn Accounts -** All deposits to overdrawn accounts are applied to the negative balance.
- **Closing of Overdrawn Accounts-**Checking accounts that remain overdrawn for 45 consecutive calendar days will be closed and charged off.
- **Excessive Use –** Courtesy Pay is not designed to be used as a permanent solution for financial needs. The Credit Union monitors accounts for excessive use, and we may remove Courtesy Pay if we believe you are not managing your account in a responsible manner which may harm you or the Credit Union.

**Overdraft Protection Options.** There are other overdraft protection options available to you which may be less costly.

<b>Product/Service</b>	<b>Description</b>	<b>Cost</b>
<i>Transfer from another account</i>	If you have other accounts with us, you can authorize us in advance to transfer the funds needed to cover overdrafts	No cost

**Eligibility Criteria** - No application is required; eligibility is at the discretion of the Credit Union. You may not be granted Courtesy Pay if:

- Your account has been open for less than 90 days, or if you were overdrawn for more than 7 consecutive days during the first 90 days that your account was open.
- Your account type is not eligible
- You are more than 20 days past due on any Credit Union loan or delinquent on any other obligation to the Credit Union
- You are subject to any legal or administrative orders, levy, or are currently a party in a bankruptcy proceeding
- You have an outstanding Overdraft Repayment Plan balance
- Your account is being reviewed for fraudulent activity
- The primary account owner is less than 18 years old
- A ChexSystems or other negative indicator has been reported to us
- Your account is classified as inactive
- You have an unresolved prior loss with the Credit Union
- We do not have a valid address for you

**Courtesy Pay Opt Out** - If you do not want to have Courtesy Pay Privilege, simply contact us and we will provide you with an opt out form to remove this benefit from your account. If you opt-out, you may still be charged our \$30.00 returned item fee. Members who receive Social Security, federal direct deposit or any other entitlement benefit must opt-out if they do not want the Credit Union to apply those funds to pay an overdraft.

**Payment Order of Items** - Items presented for payment may not be processed in the same order as they were received, and that order may affect the total fees assessed to your account. Generally, 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 smallest to largest dollar amount.

NOTE: Holds placed on your available account balance for pending debit card/electronic transactions, including gasoline, hotel/rental car deposits, etc, may reduce your available balance and cause your account to become overdrawn. **Your available balance is your actual balance minus any holds.**

**Transactions Eligible for Courtesy Pay Privilege Coverage:**

- Checks
- ACH transactions
- In-person withdrawals
- Debit Card\*
- ATM\*
- Virtual Branch bill pay

**\*ATM/Everyday Debit Card Transactions** – Courtesy Pay Privilege will only be available for ATM and everyday debit card transactions if you authorize the Credit Union to pay those transaction types. If you authorized Courtesy Pay for Debit/ATM transactions, please verify your **available** balance before initiating an ATM withdrawal. **Your available balance is your actual balance minus any holds.**

**Debit Card/ATM Courtesy Pay Privilege for Courtesy Pay is a service that you need to Opt IN for, by contacting the credit union to Consent to this service, you may revoke this service at any time by contacting the credit union to Revoke this service. Signatures are required to Consent or Revoke your Consent of Courtesy Pay for your Debit/ATM Card.**

**Financial Education** – The Credit Union believes that financial literacy and education helps consumers make informed decisions. Awareness of personal financial responsibility allows consumers to realize the benefits of responsible money management, understand the credit process and the availability of help if problems occur. [www.MyMoney.gov](http://www.MyMoney.gov) is the federal government’s website for federal financial literacy and education programs, grants and other information

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

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

**Remedy:** You and the Credit Union agree that the exclusive remedy and forum for all disputes arising out of the Courtesy Pay Privilege or your or Credit Union’s performance there under, except for matters you or Credit Union 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.

**Effective Date-** All information listed in this disclosure is effective **12/09/2016**.