

## Courtesy Pay Privilege

### What is Courtesy Pay Privilege?

Courtesy Pay Privilege is an overdraft protection service that is available to our members with eligible checking accounts. This non-contractual overdraft protection service will automatically cover checks and automatic withdrawals when there are non-sufficient funds.

### What is an eligible checking account?

- The account must be in good standing (please see Courtesy Pay Privilege Policy)
- The account must be open for 60 days
- Primary owner must be at least 18 years of age
- Fiduciary and business accounts are not eligible

### What types of transactions will Courtesy Pay Privilege cover?

Checks and automatic bill payments

### What types of transactions will Courtesy Pay Privilege NOT cover?

ATM and everyday debit card transactions are NOT covered by Courtesy Pay Privilege. If you would like ATM and everyday debit card transactions covered, you must OPT-IN.

### How does Courtesy Pay Privilege work?

If we receive an item that causes the balance in an eligible checking account to go below zero, as a courtesy we may pay the item(s) up to \$300 as long as an account is maintained in "good standing".

### Is there a fee for Courtesy Pay Privilege?

There is no additional cost to have Courtesy Pay Privilege service available on your account. If you use the service, you will be charged \$35 for each overdrawn item that we pay.

### What are the benefits of Courtesy Pay Privilege?

Courtesy Pay Privilege may save you the embarrassment of having your debit card declined or the additional expense of a returned check or automatic bill payment from a merchant or retailer.

### What is the Courtesy Pay Privilege limit?

The Courtesy Pay Privilege limit on eligible checking accounts is \$300.

### How soon can Courtesy Pay Privilege be used?

New account holders with an eligible checking account may be able to use the Courtesy Pay Privilege on the first day of the month following the date the account has been open for 60 days, provided the account is not negative and is in "good standing". For example, an account is opened on June 6<sup>th</sup>, account will be reviewed on September 1<sup>st</sup>.

### Is a notice generated when Courtesy Pay Privilege is used?

A notice is mailed when Courtesy Pay Privilege is activated on an account and reminder letters are sent until there is a positive balance in the account. Notices may be sent via email or online banking depending on the accountholders preference.

### How long can an account be negative?

Checking accounts should be brought positive as soon as possible. To keep an account in good standing, accounts must be brought positive within 30 days. Any deposits made to an account with a negative balance, will be first applied to any overdrawn balance and the associated fees.

### What happens if an account remains negative for 30 days?

Courtesy Pay Privilege will be suspended or revoked and you risk losing checking account privileges.

### Are there other overdraft options available?

Yes, all accounts have automatic overdraft transfer. When there are available funds in the savings, we will automatically transfer the available funds. For more information, please speak with a representative.

### What if I don't want to have Courtesy Pay Privilege on my checking account?

If you would like this service removed, please speak with a representative.

## **Courtesy Pay Privilege Policy**

(Discretionary Overdraft Service)

It is the policy of our Credit Union to comply with applicable laws and regulations, and to conduct business in accordance with applicable safety and soundness standards.

Courtesy Pay Privilege Service\* is a discretionary courtesy or service and not a right of yours nor an obligation on our part to consider paying your reasonable overdrafts. It is available if your eligible account has been open for at least sixty (60) days and thereafter you maintain your account in good standing, which includes at least: (A) Continuing to make deposits consistent with your past practices; (B) You are not in default on any loan obligation to Members Source Credit Union; (C) You bring your account to a positive balance (not overdrawn) at least once every thirty (30) days; and (D) Your account is not the subject of any legal or administrative order or levy. Of course, any and all credit union fees and charges, including without limitation our non-sufficient funds/overdraft fees (as set forth in our fee schedules) will be included in this limit.

**We are not obligated to pay any item presented for payment if your account does not contain sufficient collected funds.** It is our standard practice, within our Courtesy Pay Privilege Policy, to authorize and pay overdrafts for checks, automatic bill payments and other debit transactions made using your account number, unless you opt out for overdraft coverage on these types of transactions. We do not authorize and pay overdrafts for ATM withdrawals or everyday debit card purchases, unless you consent (opt-in) to overdraft coverage for these types of transactions. (Refer to opt-in form for details)

A non-sufficient funds balance may result from: A) The payment of checks, electronic funds transfers, or other withdrawal requests; B) Payments authorized by you; C) The return, unpaid, of items deposited by you; D) The imposition of credit union service charges; or E) The deposit of items which according to the credit union's Funds Availability Policy, are treated as not yet "available" or finally paid.

**We may refuse to pay an overdraft for you at any time, even though your account is in good standing and even though we may have previously paid overdrafts for you.** You will be notified by mail of any non-sufficient funds items paid or returned that you may have; however, we have no obligation to notify you before we pay or return any item. The amount of any overdrafts plus our \$35.00 Overdraft Charge(s) (which is a per item fee) shall be due and payable upon demand. If there is an overdraft paid by us on an account with more than one (1) owner on the signature card, each owner, and agent if applicable, drawing/presenting the item creating the overdraft, shall be jointly and severally liable for such overdrafts plus our Overdraft Charge(s). As a general rule, when multiple items are received simultaneously for payment, the items will be cleared in the order they occurred which can affect the total amount of overdraft fees incurred. We reserve the right to change the clearing order at any time without notice.

**Limitations:** We may limit the number of accounts eligible for the Courtesy Pay Privilege\* to one account per household.

\*The Courtesy Pay Privilege service does not constitute an actual or implied agreement between you and the credit union. Nor does it constitute an actual or implied obligation of or by the credit union. This service represents a purely discretionary courtesy or privilege that the credit union may provide to you from time to time and which may be withdrawn or withheld by the credit union at any time without prior notice or reason or cause. Members wishing to be removed or opt out from the Courtesy Pay Privilege program should contact a credit union representative.