



COURTESY PAY PRACTICES

City & County Credit Union (“we, us or our”) offers Courtesy Pay to assist in paying items that may overdraw your account. An overdraft occurs when you do not have enough money in your checking account to cover a transaction. If your account qualifies for Courtesy Pay, we will consider, without obligation on our part, paying items for which your account has insufficient or unavailable funds, instead of automatically returning those items unpaid. This document explains how Courtesy Pay operates.

Accounts Eligible for Courtesy Pay

Courtesy Pay is only available for checking accounts. Courtesy Pay is a discretionary service available for up to \$1000. Please note that per item overdraft fees count towards your Courtesy Pay limit.

Each member may have the opportunity to participate in Courtesy Pay provided the primary account owner is at least 18 years of age and the account is in good standing with City & County Credit Union. Participation in Courtesy Pay is not mandatory. You may opt out of the service any time by notifying one of our service representatives. Please know that you will still be charged an NSF fee from us and may additionally be assessed fees from the other party.

We retain full discretion to decline to pay any item under the Courtesy Pay program. This means we can refuse to pay any overdraft for any reason. Even if we decide to pay an overdraft item such payment does not create any duty to pay future overdrafts.

Transactions that May Qualify for Courtesy Pay

The following list of transactions may qualify for Courtesy Pay:

- Clearing a check drawn on a City & County Credit Union account
- ACH (Automatic Clearing House)
- Recurring debit items (such as gym membership fees)
- Automatic bill payments

We will not authorize and pay overdrafts for the following **unless** you Opt-In (See Opt-In Requirement):

- ATM transactions
- One-time debit card transactions (such as merchant purchases)

If we do not pay an overdraft, your transaction will be declined and we may assess NSF fees on your account in accordance with your account agreement and the fee schedule in effect at the time of the overdraft.

Opt-In Requirement

Courtesy Pay applies to a variety of transactions, including checks and other transactions made using your checking account, automatic bill payments, ATM transactions and one-time debit card transactions; however, we will not include ATM and one-time debit card transactions within Courtesy Pay without first receiving your Opt-In (affirmative consent) to do so. Without your Opt-In (affirmative consent), ATM and one-time debit card transactions will not be paid under Courtesy Pay.

You may revoke your Opt-In (affirmative consent) to have ATM and one-time debit card transactions considered for payment under Courtesy Pay without removing other items from the service. Simply inform us of your preference.



COURTESY PAY PRACTICES

Your Courtesy Pay selection may not be instantaneous but will be processed within two business days. This means that we may not be able to add Courtesy Pay to your account to cover items on the same day your Opt-In selection has been made. Further, all transactions that have been approved using Courtesy Pay limits up to the time of revocation will still be assessed a fee for paying such items.

Fees

For each overdraft we pay, we will charge the standard per item overdraft fee set forth in our schedule of fees (currently \$35). We have no obligation to notify you before we pay or return any item.

When processing checks drawn on your account and electronic transactions, our policy is to pay the smallest dollar items first. Fees associated with items being presented on accounts with insufficient funds are charged at the end of the day. *If your account falls negative at any point during the business day due to an overdraft item or a returned item, you will be charged an overdraft fee of \$35 per item, regardless if you make a deposit that same day.*

Repayment of Negative Balance

The amount of any overdraft(s), including our fees, is due and payable immediately. A Negative Balance fee will be assessed each day your account is negative after the first four (4) days. If your account has not been restored to a positive balance within 28 days, we may close your account and report the event to a consumer reporting agency.

Alternative Overdraft Protection Options

Primary checking accounts at the credit union may have overdraft protection from the membership share account, or other specifically requested savings accounts. This means we will generally transfer \$300 to cover incoming transactions that may draw your account negative. Depending on the transaction and available balance, less than \$300 may be transferred. The number of transfers from savings accounts is restricted per Federal Regulation D.

In addition to this option, you may qualify for a Line of Credit. The Line of Credit is a revolving loan with a competitive interest rate. There is not a per use fee for this option. Please contact us for more information regarding this option.

By selecting alternative options, you may save money on the total fees you pay us for overdraft protection services. You should not rely on Courtesy Pay, savings account transfers, or lines of credit as a means to cover routine expenses. If at any time you need help with your financial obligations, please contact one of our service representatives at 800-223-2801.

Also, we have partnered with LSS Financial Counseling Service, a non-profit education resource. As a member of the credit union, you have access to up to six complimentary counseling sessions per year to help you with your finances. Whether you want to get your finances in order, pay down debt, or reach your financial goals, LSS is ready to guide you through your next steps. Call LSS at 800-528-2926.