



## **COURTESY PAY OVERDRAFT SERVICE**

### **COURTESY PAY**

Courtesy Pay is a non-contractual, discretionary overdraft service available to individually and jointly owned personal checking accounts in good standing with RiverLand Federal Credit Union (RFCU). If you are eligible for Courtesy Pay, we may approve overdrafts on your account within your current available Courtesy Pay limit.

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. Overdrafts can occur due to several events:

- Payment of checks, electronic funds transfers, or other withdrawals you request,
- Payments authorized by you,
- Return of unpaid items deposited by you,
- RFCU service charges and fees,
- Deposit of items, which according to RFCU's current Funds Availability Policy, are not yet available or finally paid.

RFCU uses your available balance to determine if you have sufficient funds in the account to pay an item. It is RFCU's option to pay or return an item. We are not obligated to pay any non-sufficient funds (NSF) item presented for payment on your account. Previous payment of items does not change our right to pay or return an item in the future.

Courtesy Pay should not be viewed as an encouragement to overdraw your account. We encourage you to manage your account responsibly to avoid fees.

### **UNDERSTANDING YOUR ACCOUNT BALANCE**

Your account has two kinds of balances: the actual balance and the available balance. Your actual balance reflects the full amount of all deposits to your account as well as payment transactions that have been posted to your account. It does not reflect checks you have written and are still outstanding or transactions that have been authorized but are still pending. Your available balance is the amount of money in your account that is available for you to use. Your available balance is your actual balance less: (1) holds placed on deposits; (2) holds on debit card or other transactions that have been authorized but are not yet posted; and (3) any other holds such as holds related to pledges of account funds and minimum balance requirements or to comply with court orders, legal orders, levies, or garnishments. We use your available balance to determine whether there are sufficient funds in your account to pay items, including checks and drafts, as well as ACH, debit card,

and other electronic transactions. Pending transactions and holds placed on your account may reduce your available balance and may cause your account to become overdrawn regardless of your actual balance. In such cases, subsequent posting of the pending transactions may further overdraw your account and be subject to additional fees. You should assume that any item which would overdraw your account based on your available balance may create an overdraft.

## **ENROLLMENT**

Checking accounts that are eligible for Courtesy Pay are automatically enrolled for certain types of transactions:

- Checks,
- Automated Clearing House (ACH) withdrawals,
- Automatic bill payments,
- Recurring debit card transactions,
- Any other electronic debits.

## ***OPT-IN REQUIREMENT***

Due to Federal regulations, you must opt-in to Courtesy Pay to cover your ATM and everyday debit transactions for each checking account. You may opt-in by calling, by visiting us online, by mailing or faxing a completed Courtesy Pay Opt-In form, or by visiting any RFCU branch. If you do not opt-in, your debit card transactions may be declined if you do not have sufficient funds in the checking account at the time you use the debit card.

## ***OPT-OUT OPTION***

You may opt-out of Courtesy Pay at any time. You have the choice to opt-out of Courtesy Pay for your ATM and everyday debit transactions only or to opt-out of Courtesy Pay for all types of transactions on your checking account. You may opt-out of Courtesy Pay by calling, online, by mail, or by visiting any RFCU branch. If you opt-out, your debit card transactions may be declined and other transactions may be returned NSF if you do not have sufficient funds in your checking account.

## **ELIGIBILITY**

Your account must be in good standing to be eligible for Courtesy Pay. Accounts not eligible for Courtesy Pay include, but are not limited to accounts:

- For minors,
- Blocked for fraud,
- With bad addresses,
- With inconsistent deposit activity,
- With excessive NSF's,
- With consistent overdrawn account history,
- With delinquent loans or credit cards,
- With charged-off shares or loans,

- Subject to legal or administrative orders,
- When the owner or joint owner has declared bankruptcy,
- When the owner is deceased.

## **FEES**

Courtesy Pay fees will be assessed in accordance with RFCU's current Membership and Account Agreement and RFCU's current Fee Schedule. Each transaction paid by Courtesy Pay will be assessed a fee and there is no limit to the number of fees that may be assessed each day. The order in which items are paid may affect the total number of fees assessed. For more information about how transactions are posted to your account, see RFCU's current Membership and Account Agreement. There is no cost to have Courtesy Pay on your account, unless an item is paid.

## **LIMITS**

A daily comprehensive evaluation of your account will determine your Courtesy Pay limit. Your limit can vary based on the following:

- Age of the account,
- Overdraft instances,
- Account history,
- Account status, including legal or administrative orders,
- Deposit activity,
- Status of your loans with RFCU.

Fees assessed will count toward your Courtesy Pay limit. The available balance in your account provided at an ATM or through Online Banking, the RiverLand Mobile App, or TONEY the Touch-Tone Teller does not include your Courtesy Pay limit.

## **SUSPENSION**

We reserve the right to suspend or revoke Courtesy Pay on your account without prior notice. We may suspend Courtesy Pay if the account is no longer eligible based on the Eligibility requirements stated above. If you manage the account in a manner that may harm you or RFCU, we may suspend Courtesy Pay.

## **REPAYMENT**

When we pay an item through Courtesy Pay, you agree to promptly repay the amount required to bring your account back to a positive balance within 30 days. If you are not able to promptly repay the overdrawn amount, we may transfer funds from your other RFCU accounts to restore the account to a positive balance, this may include your other accounts or any account on which you are a joint owner. We may also be able to close the overdrawn account and establish a loan with repayment terms to suit your needs, if you qualify based on our current underwriting standards.

If the account has not been restored to a positive balance within 45 days, the account may be charged-off and reported to various consumer-reporting agencies and/or turned over to a third-party collection agency. Accounts sent for collection may incur additional fees.

### **ALTERNATIVES**

You should always manage your account responsibly, but when overdrafts occur, Courtesy Pay can cover those items. Courtesy Pay can be an expensive option to pay your NSF items and we offer other, less expensive, alternatives.

### **OVERDRAFT PROTECTION**

Overdraft Protection can automatically transfer funds from your savings account or line of credit to your checking account to cover your NSF items. An Overdraft Transfer fee, as disclosed in our current Fee Schedule, will be assessed per transfer.

### **ALERTS**

We offer eAlerts through online banking that can send you an email for a variety of transactions or other triggers. For example, you can set up an eAlert to notify you when your balance drops below a certain amount. There is no fee to use eAlerts on your account; however, all standard Internet service and mobile data charges may apply, check with your service provider for details.

### **MONITOR ACCOUNT**

The most effective way to avoid overdraft charges is to monitor your account. Every time you use your checking account, write the amount in your register, and then balance your register to your account statement on a regular basis.

You can also monitor your account through Online Banking, the RiverLand Mobile App, or TONEY our Touch-Tone Teller. These are all free services provided by RFCU that allow you to check your balance and transfer funds. These services are subject to the terms and conditions of our Electronic Services Consent Agreement.