



## **ELKO FEDERAL CREDIT UNION**

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# **COURTESY PAY SERVICE POLICY**

Elko Federal Credit Union offers an overdraft service referred to as Courtesy Pay. If your account qualifies for the Courtesy Pay service, **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 the Courtesy Pay service operates.

### **Transactions that May Qualify for Courtesy Pay Service!**

An overdraft occurs when you do not have enough money in your account to cover a transaction. Although there are many reasons why your account might become overdrawn, most overdrafts result from the following:

- a) You write a check, swipe your debit card or initiate an electronic funds transfer in an amount that exceeds the amount of funds available in your account;
- b) You deposit a check or other items into your account and the item is returned unpaid, which causes a negative balance in your account once your balance is reduced by the amount of the returned check;
- c) You have inadequate funds in your account when we assess a fee or service charge; or
- d) You initiate a transaction before funds deposited into your account are “available” or “finally paid” according to our Funds Availability Policy. For example, if you deposit a check into your account, the proceeds of that check may not be available to you for up to two days after you deposit the check. If you do not have sufficient funds in your account-independent of the check-to cover the transaction, you will incur an overdraft.

The Courtesy Pay services applies to a variety of transactions, including checks and other transactions made using your checking account number, automatic bill payments, ATM transactions and everyday debit card transactions; however, we will not include ATM and everyday debit card transactions within our Courtesy Pay service without first receiving your affirmative consent to do so (Opt-In/Opt-out). Absent your affirmative consent, ATM and everyday debit card transactions generally will not be paid under the Courtesy Pay service.

Participation in the Courtesy Pay service is not mandatory. You may opt-out of the service any time by notifying one of our Member Service Representatives. Furthermore, you may revoke your affirmative consent to have ATM and everyday debit card transactions considered for payment under the Courtesy Pay service without removing other items from the service. Simply inform us of your preference.

**As noted above, we retain full discretion to decline to pay any item under the Courtesy Pay service program. This means we can refuse to pay any overdraft for any reason. Even if we decide to pay an overdraft item, absent an agreement to the contrary, such payment does not create any duty to pay future overdrafts. If we do not authorize and pay an overdraft, your transaction will be decline 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.**

**Fees:**

For each overdraft we pay, we will charge the standard per item overdraft fee set fourth in our fee schedule (currently \$25). We have no obligation to notify you before we pay or return any item. The amounts of any overdraft, including our fees, are due and payable immediately or on demand.

**Accounts Eligible for Courtesy Pay Service:**

The Courtesy Pay Service is a discretionary service and is generally limited to a \$700 overdraft (negative) balance for eligible personal checking accounts. Please note that overdraft fees count toward your Courtesy Pay limit. We may in our sole discretion limit the number of accounts eligible for the Courtesy Pay service to one account per household. Further, the Courtesy Pay service is usually extended only to accounts in good standing. An account in good standing exhibits, but is not limited to, the following characteristics:

- a) The account has been open for at least thirty (30) days;
- b) The account has deposits totaling at least \$700 or more within each thirty (30) day period;
- c) The account demonstrates consistent deposit activity;
- d) The account owner is current on all loan obligations with us; and
- e) The account is not subject to any legal or administrative order or levy, such as bankruptcy or tax lien.

Accounts ineligible for the Courtesy Pay service are Student accounts, Business accounts and Organization accounts. We do offer other types of checking account protection services please see one of our Member Service Representatives for more information.

**Overdraft should not be used to pay ordinary or routine expenses and you should not rely on overdrafts as a means to cover these expenses.** If at any time you feel you need help with your financial obligations, please contact one of our Member Services Representatives at the Elko Federal Credit Union.

Revised: October 7, 2011

Elko Federal Credit Union

Approved By:

DATE: