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## Courtesy Pay Policy

### COURTESY PAY

Have you ever...

- Forgotten to account for a payment, withdrawal or other purchase from your checking account?
- Had your spouse make payments you didn't know about or had to guess at what transactions they'd made?
- Had a transaction denied at checkout?
- Experienced the embarrassment and expense of returned payments?

Unanticipated expenses and unforeseen problems can leave you with too little cash in your checking account. Having a payment returned due to insufficient funds can be a costly, inconvenient and embarrassing experience.

*At COPFCU, we do not encourage overdrafts. As always, we encourage you to manage your finances responsibly. However, we want to save you from the additional fees and possible damage to your credit history that might result if a payment is returned.*

That's why we provide Courtesy Pay for our members.

**What is Courtesy Pay?** Courtesy Pay is an overdraft service that requires no action on your part. You don't have to sign anything. Your Courtesy Pay limit will be automatically assigned.

**How does Courtesy Pay work?** We are not obligated to pay any item presented for payment if your account does not have sufficient funds; however, as long as you maintain your account in "good standing," we may approve your overdraft items within your current available Courtesy Pay limit as a non-contractual courtesy.

**For Courtesy Pay consideration, your account is in "good standing" if you:**

- (1) make sufficient deposits to bring your account to a positive end-of-day balance at least once every 30 calendar days (including the payment of all credit union fees and charges);
- (2) avoid excessive overdrafts suggesting the use of Courtesy Pay as a continuing line of credit;
- (3) are not currently dormant;
- (4) are not currently delinquent on any loan or credit card with us;
- (5) and there are no legal orders, levies or liens against your account.

As a courtesy to members, if an item is paid that brings your checking account to a balance of \$-.01 to \$-4.99, no Courtesy Pay fee will be charged. For items paid that bring your account to a balance of \$-5.00 or less, please note that the amount of the overdraft plus the credit union's paid item Courtesy Pay fee for each paid item will be deducted from the Courtesy Pay limit. If the item is returned, the returned item NSF fee will be deducted from your account. No interest will be charged on the overdraft balance. Refer to COPFCU's Fee Schedule for current fees.

**How do I know when I use the overdraft Limit?** You will receive an overdraft notice via email, through online banking or in the mail each time items are paid. The notice will show the check number (if applicable), amount and the paid item Courtesy Pay fee. You will need to subtract the total fees when balancing your checkbook.

**What is my Courtesy Pay limit? If I have 2 checking accounts, can I get Courtesy Pay on both?**

Locate your account type below and make note of the corresponding limit. Courtesy Pay is limited to one checking account even if you have multiple checking accounts with COPFCU.

Secure + Interest Checking - \$500  
Secure Checking - \$500  
HSA Checking – Not available

50+ Interest Checking - \$500  
Simply Checking - \$500

**What if I go beyond my Courtesy Pay Limit?** Overdrafts above and beyond your established Courtesy Pay limit may result in checks or other items being returned unpaid to the payee. The returned item NSF Fee will be charged per item and assessed to your account. An insufficient funds notice will be sent via email, through online banking or in the mail to notify you of items paid and/or returned.

**How quickly must I repay my Courtesy Pay?** You should make every attempt to bring your account to a positive end-of-day balance as soon as possible, and must do so within 30 calendar days. If you are not able to do so, you will receive a letter from COPFCU informing you that your Courtesy Pay limit has been suspended and additional items will be returned.

**What does my Courtesy Pay cost?** There is no additional cost associated with Courtesy Pay unless you use it. You will be charged our paid item Courtesy Pay Fee for each overdrawn item created by check, debit card, or other electronic means paid under the limit and resulting in an account balance of \$-5.00 or less. For example, 3 paid items in one day will result in 3 paid item Courtesy Pay fees (assuming the first paid item results in balance of \$-5.00 or less). To help you manage your account, the total fees you have paid for items (both paid and returned) during the current month and for the year-to-date will be reflected on your monthly checking account statement.

**What are some of the ways I can access my Courtesy Pay limit? Will my limit be reflected in the balance I receive?**

The chart below shows the different ways you can access your Courtesy Pay limit and indicates whether this limit will be reflected in the balance provided.

Access Point	Is my \$500 ODP limit available?	Does the balance given reflect my ODP limit?
Teller	No	No
Check	Yes	N/A
Debit Card Purchase	Yes, if you elect this.	N/A
ATM Withdrawal	No	No
ACH Auto Debit	Yes	N/A
Bank-by-Phone	No	No
Online/Mobile Banking	No	No

**How soon can I use my Courtesy Pay?** If you are a new account-holder age 18+ with one of the eligible checking accounts, you may be able to use the Courtesy Pay service 30-60 days after the account is opened (the exact timing depends on the date your account was opened), as long as your account does not have a negative balance on the 1<sup>st</sup> of the month following account-opening and you are in "good standing" as defined herein.

**What are some other ways I can cover overdrafts at COPFCU?** The best way to avoid overdrafts and fees is to keep track of your account balance by reconciling your checking account regularly (subtracting all outstanding items from your current available balance) and managing your finances responsibly. However, if a mistake occurs, COPFCU offers additional ways to cover overdrafts in addition to Courtesy Pay.

Ways to Cover Overdrafts at COPFCU	Associated Fees
Good account management	\$0
Transfers made by you in Online Banking, Mobile Banking or Bank-by-Phone systems	\$0
Automated system transfer from Savings, Money Market, etc., to cover an overdraft	See Fee Schedule
Courtesy Pay	See Fee Schedule

**What if I don't want to have Courtesy Pay on my checking account?** If you would like to have this service removed from your account, please call us.

### COURTESY PAY POLICY

An insufficient balance can result from several events, such as (1) the payment of checks, electronic funds transfers or other withdrawal requests; (2) payments authorized by you; (3) the return of unpaid items deposited by you; (4) credit union service fees; or (5) the deposit of items which, according to the credit union's Funds Availability Policy, are treated as not yet available or finally paid. We are not obligated to pay any item presented for payment if your account does not contain sufficient funds.

As long as you maintain your account in "good standing," we may approve your overdraft items within your current available Courtesy Pay limit as a non-contractual courtesy. For Courtesy Pay consideration, your account is in "good standing" if you (1) make sufficient deposits to bring your account to a positive end-of-day balance at least once every 30 calendar days (including the payment of all credit union fees and charges); (2) avoid excessive overdrafts suggesting the use of Courtesy Pay as a continuing line of credit; (3) are not currently dormant; (4) are not currently delinquent on any loan or credit card with us; and (5) there are no legal orders, levies or liens against your account.

In the normal course of business, we generally pay electronic transactions first and then checks in the order in which they are presented. We reserve the right to change the order of payment without notice to you if we suspect fraud or possible illegal activity affecting your account. Also, please be aware that the order of item payment may create

multiple overdraft items during a single banking day for which you will be charged our paid item Courtesy Pay fee for each overdraft item. Refer to COPFCU's Fee Schedule for current fees.

You may opt out of the Courtesy Pay privilege at any time, but you are responsible for any overdrawn balances at the time of opting out. Normally, we will not approve an overdraft for you in excess of the predetermined amount assigned to your account type. So as not to exceed your limit, please note that the amount of the overdraft plus the credit union's paid item Courtesy Pay fee for each paid item will be deducted from your Courtesy Pay limit.

We may refuse to pay an overdraft item at any time even though we may have previously paid overdrafts for you. For example, we typically do not pay overdraft items if your account is not in good standing as defined above, or if based upon our review of your account management, we determine that you have too many overdrafts or are using Courtesy Pay as a regular line of credit. You will be charged a returned item NSF fee for each item.

You will be notified by email, through online banking or by mail of any non-sufficient 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 overdraft including our paid item Courtesy Pay fee and/or returned item NSF fee that you owe us shall be due and payable upon demand, but if no demand is made, no later than 30 calendar days after the creation of the overdraft. If there is an overdraft on an account with more than one owner on the signature card, each owner and agent, if applicable, shall be jointly and severally liable for all overdrafts inclusive of fees.

Courtesy Pay should not be viewed as an encouragement to overdraw your account. To avoid fees, we encourage you to keep track of your account balance by entering all items in your check register, reconciling your checkbook regularly, and managing your finances responsibly. Your account information is available to you 24 hours a day, 7 days a week by using any of our free services such as Online Banking, Mobile Banking and Bank-by-Phone. If you would like to have this service removed from your account, please call (513)381-2677 or (800)810-0221.

Please note that your Courtesy Pay limit may be available for covering overdrafts created at the Teller window or through a POS transaction but will not be available for covering overdrafts provided at the ATM, through Online Banking, or our Bank-by-Phone system. The limit will not be included in the balance provided during an inquiry.

**LIMITATIONS:** Courtesy Pay is a non-contractual courtesy that is available to individually/jointly owned accounts in good standing for personal or household use. Cincinnati Police Federal Credit Union reserves the right to limit participation to one account per household and to suspend, revoke, or discontinue this service without prior notice.