



## Courtesy Pay FAQ's

### **What is Courtesy Pay?**

Courtesy Pay is a credit union service that pays checks, ach automatic payments and debit card transactions when a checking account is overdrawn. It helps members avoid bounced checks and NSF items.

### **How does Courtesy Pay work?**

All members will be enrolled with Courtesy Pay, the credit union will cover checks, ach automatic payments, and debit card transactions if an account is overdrawn, up to a specified limit.

### **What does Courtesy Pay cost?**

There is no charge to the member for having the Courtesy Pay service, *unless* it is utilized.

### **Am I required to use the Courtesy Pay service?**

No. It is every individual member's choice to use or not use the service.

### **What do I need to do to sign up for the Courtesy Pay service?**

Nothing. You are automatically enrolled in the service. You can choose to "opt-out", completing a form either at the credit union or online on our website at [www.segfcu.com](http://www.segfcu.com).

### **Am I charged a fee if I utilize the Courtesy Pay service?**

Yes. The credit union will pay ACH withdrawals, checks and everyday debit card purchases. For every *item* that SEG pays on your behalf you are charged \$22.00.

### **If I have signed up for automatic transfers will that still work?**

Yes. If you have signed up for automatic transfers on your account from your savings (share) to cover over drafting that will happen prior to the Courtesy Pay service activating. There is no fee for an automatic transfer.

### **Is there a maximum dollar amount that SEG will allow?**

Yes. This discretionary service will generally be limited to \$500 overdraft balance on most checking accounts. Students over the age of 18 are limited to \$300 overdraft balance on their checking accounts. Any and all fees and charges, including but not limited to non-sufficient funds/overdraft fees will be included in the courtesy pay limit. SEG reserves the right to require you to pay your negative balance, including all fees, on demand.

### **How long can I be overdrawn on my account?**

You may have a negative balance for 30 days on your account. Failure to bring it back to a positive status will cause it to close.



**What are the qualifications for the Courtesy Pay service?**

Your checking account has been open at least 30 days, without excessive NSF's.

You must be at least 18 years of age.

No delinquency of 30 days or more on any loans.

Not subject to any legal or administrative order or levy.

Make sufficient deposits to bring your account positive at least every 30 days.

**If I am overdrawn on my account will I be charged interest and can I make payments?**

Courtesy Pay is a service provided by the credit union and not a loan. SEG will not charge interest on the overdrawn amount. We will not set up a payment plan as it will need to be paid in full within 30 days.

**Is there a limit on the number of items that the Courtesy Pay service will cover?**

No. SEG will cover an unlimited number of items as long as the total dollar amount limit is not reached.

**Can SEG terminate the program?**

Yes. SEG may revoke a member's access to the Courtesy Pay service at any time. The service is not an obligation of the credit union and the credit union may refuse to provide the courtesy on any account at any time.

**What happens if I overdraw my account and can't pay it back within 30 days?**

SEG always wants to help our members succeed. We will work with our members on an individual basis when circumstances arise for them.

**I currently have an Overdraft Protection loan; do I have to pay it back immediately?**

All Overdraft Protection loans will be frozen and the balance will not be allowed to increase. We will honor the terms and conditions of the loan, requiring members to pay the loan off as soon as the funds are available in the share draft account. Once the loan is paid in full the credit union will close it.

**Will I be notified if I access my Courtesy Pay privileges?**

If you have signed up for Internet Teller online access to your account, you can monitor your account at your convenience. We would encourage you to sign up for this service because this is the most



### What You Need To Know About Overdrafts and Courtesy Pay Privileges

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdraft by offering the following:

- We have standard overdraft practices that come with your account, such as a link to your savings account, which will transfer money if it is available to cover items from your share draft (checking) account.

Starting May 2014 we do not authorize and pay overdrafts for the following types of transactions unless you have chosen to use our Courtesy Pay privileges.

- ATM/Debit transactions from your share draft (checking) account
- Checks and other transactions made using your share draft (checking) account number
- Automatic bill payments

We pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction. If we do not authorize and pay an overdraft, your transaction will be declined.

#### What fees will I be charged if SEG Federal Credit Union pays my overdraft?

Under our standard overdraft practices:

- We will charge you a fee up to \$22 each time we pay an overdraft.
- There is no limit on the total fees we can charge you for overdrawing your account.

#### What if I want SEG Federal Credit Union to authorize and pay overdrafts using Courtesy Pay privileges?

You will automatically be enrolled in this program starting May 2014. If you choose to opt-out of this program, simply fill out the bottom portion of this letter and return it to the credit union.

---

- YES, I want SEG FCU to pay overdrafts in my share draft (checking) account.
- NO, I do not want SEG FCU to authorize and pay overdrafts on my share draft (checking) account.

Member Name \_\_\_\_\_ Account Number \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_