

# How soon can I use my Courtesy Pay?

If you are a new account holder, you may be able to use the overdraft privilege service 60 days after the account is opened, assuming you demonstrate responsible account management by making deposits to maintain your account with a positive balance, and there are no legal orders, levies or liens against your account.

# What are some other ways I can cover overdrafts at Muskegon FCU?

The best way to avoid overdrafts and fees is to keep track of your account balance by entering all checks, debit card purchases and ATM withdrawals in your check register, reconcile your checkbook regularly and manage your finances responsibly. However, if a mistake occurs, Muskegon Federal Credit Union offers additional ways to cover overdrafts in addition to Courtesy Pay.

WAYS TO COVER OVERDRAFTS AT MUSKEGON FCU	EXAMPLE OF ASSOCIATED FEES¹
Good account management	\$0
Link to savings account	\$0 transfer fee
Overdraft line of credit	15% APR²
Cash advance on credit card	\$0 cash advance fee + 7.9% APR² for Platinum with ScoreCard + 8.9% APR² for Platinum
Courtesy Pay	Paid item fee of \$30 for each item

¹These costs are provided only as examples. Please ask us about our specific products and fees.  
²Annual Percentage Rate.

# What if I do not want to have Courtesy Pay on my share draft account?

If you would like to have this service removed from your account, please come to the Credit Union to sign and it will be removed.

# Courtesy Pay Overdraft 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 charges; 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 overdraft privilege 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) a positive balance must be maintained for 24 hours; (2) avoid excessive overdrafts suggesting the use of Courtesy Pay as a continuing line of credit; and (3) have no legal orders, levies or liens against your account.

In the normal course of business, we generally pay electronic transactions first and then checks beginning with the lowest dollar amount, per the credit union’s policy. 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 fee of \$30 for each overdraft item paid.

You may opt out of the 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 fee of \$30 per item will be deducted from the overdraft 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 are using Courtesy Pay excessively or seem to be using Courtesy Pay as a regular line of credit. You will be charged a returned item fee of \$30 for each item returned.

The amount of any overdraft including our paid item fee of \$30 and/or a returned item fee of \$30 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, reconcile your checkbook regularly, and manage your finances responsibly. If you would like to have this service removed from your account, please call (231) 722-7285.

Please note that your Courtesy Pay limit may be available for each item paid under the limit created by checks and other transactions made using your checking and other transactions made using your checking account number, such as an automatic payment (ACH) transaction or recurring debit card payment. Also, at your request, we may authorize and pay ATM transfers or withdrawals and one-time debit card transactions using your limit. 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. Muskegon FCU reserves the right to limit participation to one account per household and to suspend, revoke or discontinue this service without prior notice.



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# Courtesy Pay

Overdraft Privilege for your Checking Account

Muskegon Federal Credit Union

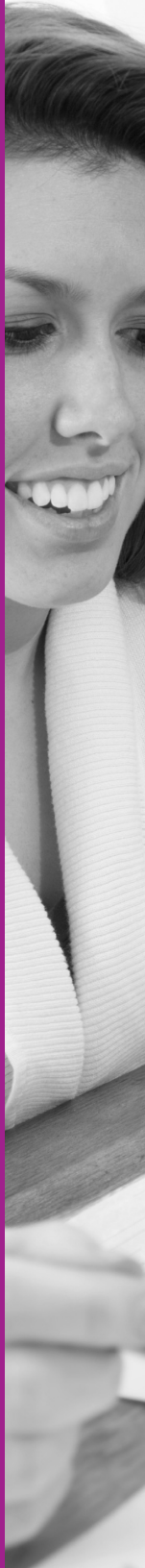
“Where you’re more than a member, you’re family”



“Where you’re more than a member, you’re family”

**A**t times, unanticipated expenses or unforeseen problems can leave you with too little cash in your share draft account. Having a check returned due to insufficient funds can be a costly, inconvenient and potentially embarrassing experience.

At Muskegon Federal Credit Union, we do not encourage overdrafts. As always, we encourage you to manage your finances responsibly. However, we want to save you from the additional merchant fees and possible damage to your credit history that might result if a check is returned. That's why we provide Courtesy Pay, a special overdraft service for Muskegon Federal Credit Union's members.



## What is Courtesy Pay?

Courtesy Pay is a discretionary overdraft service requiring no action on your part that provides you a safety net up to an automatically assigned overdraft limit.

Your Courtesy Pay limit may be available for checks and other transactions made using your checking account number and recurring debit card payments. Also, at your request, we may authorize and pay ATM transfers or withdrawals and one-time debit card transactions using your limit.

## How does Courtesy Pay work?\*

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 overdraft privilege 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; and (3) there are no legal orders, levies or liens against your account.

Please note that the amount of the overdraft plus our paid item fee of \$30 for each item will be deducted from your overdraft limit. If the item is returned, the returned item fee of \$30 will be deducted from your account. No interest will be charged on the overdraft balance.

\*Please refer to the member overdraft policy for additional details.

## What is my Courtesy Pay limit? I have two share draft accounts. Can I get Courtesy Pay on both?

Your Courtesy Pay limit is \$500. If you have multiple accounts for your household, you may have a limit on all eligible accounts.

## 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 or not this limit will be reflected in the balance provided.

ACCESS POINTS	IS MY OVERDRAFT PRIVILEGE AVAILABLE?	DOES THE BALANCE PROVIDED REFLECT MY OVERDRAFT PRIVILEGE LIMIT?
Teller	No	No
Writing a Check	Yes	-NA-
Debit Card (recurring)	Yes	-NA-
Debit Card (one-time)	No**	-NA-
ATM Withdrawal	No**	No
Bill Pay	Yes	-NA-
ACH- Auto Debit	Yes	-NA-
It's Me 247 Online Banking	No	No
Voice Response	No	No

\*\*Courtesy Pay service will be made available for ATM or one-time debit card transactions upon your request. Call (231) 722-7285 or visit one of our branches to arrange for your ATM and debit card coverage.

## 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 to the payee. The returned item fee of \$30 will be charged per item and assessed to your account.

## 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. A positive balance must be maintained for 24 hours. If you are not able to do so, you will receive a letter from Muskegon Federal Credit Union 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 this privilege unless you use it. You will be charged our paid item fee of \$30 for each overdrawn item created by a traditional paper-based check, an automatic payment (ACH) transaction or a recurring debit card payment. Also, if you have requested us to do so, we may authorize and cover ATM transfers or withdrawals and one-time debit card transactions.

For example, three paid items in one day will result in \$90 in paid item fees. 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 statement.