

## Courtesy Pay

### Frequently Asked Questions

#### **1. Can you tell me more about the Courtesy Pay program and how this program is of value to me as a member?**

It happens to the best of us; you make an honest mistake in your checkbook, have an unplanned expense or a deposit doesn't arrive on time. For whatever reason, your checking balance isn't exactly what you expected it to be. With Courtesy Pay you don't have to worry in these situations. Courtesy Pay is designed to provide all Summit members a valuable benefit by covering checks when other funds are not available to do so. Which means - if you should happen to write a check for more than the total amount of funds available in your checking account, savings account, and overdraft line of credit, The Summit's Courtesy Pay service will pay the check rather than return it unpaid (up to a cumulative negative balance of \$300). Therefore, the merchant will not know that sufficient funds were not available at the time your check was presented, saving you a merchant's return item fee (which could exceed \$35 per item), or The Summit's insufficient funds fee. With this program, you'll save money and have peace of mind from embarrassing checkbook errors. It could also save your credit rating.

#### **2. Do I have to apply for Courtesy Pay? How will I know if I have this feature on my checking account?**

You don't have to do anything in order to receive Courtesy Pay. As long as your Summit is in good standing which includes having an account with us for at least 90 days and the primary member on the account is at least 18 years of age, you are automatically enrolled in Courtesy Pay and can take advantage of this benefit.

#### **3. Is there a cost for me for this service?**

The Courtesy Pay feature doesn't cost you anything unless you use it. There is no regular monthly fee added to your account just because you have Courtesy Pay benefit on your account. The only time you will ever incur a cost for the Courtesy Pay feature is when you use it. Then the cost for this feature is only \$29.00 for EACH item presented and paid. For example, if two Insufficient Funds items are presented to the Credit Union for your account, you'll have to repay the Credit Union for the amount of the two overdrafts, PLUS \$58.00 in Courtesy Pay fees.

#### **4. I don't want to authorize Courtesy Pay if there will be any fees. I don't want to be responsible for fees.**

Courtesy Pay is provided as a service to help you avoid additional fees by the merchant or payee. When you overdraw your account, a fee is assessed one of two ways: (1) either as an Insufficient Funds fee of \$29.00 when we return the item unpaid to the merchant or payee, or (2) as a Courtesy Pay fee of \$29.00 when we pay the item. *By paying the item, you may avoid additional fees that the merchant would charge you for a returned check.*

We certainly can change your account status so that no Insufficient Funds items will be paid with Courtesy Pay. However, please understand that any future Insufficient Funds items presented for payment against your account may be **returned unpaid and our standard Insufficient Funds return fee will be charged**. In addition, you may be charged more fees by the merchant/payee.

To opt out of the Courtesy Pay program, please visit the “Forms” section of our website at [www.summitfcu.org](http://www.summitfcu.org) and complete the Courtesy Pay Cancellation Request form.

### 5. How will I know when I’ve used Courtesy Pay?

A notice will be sent to you indicating the Courtesy Pay feature has been accessed.

### 6. What if I already have overdraft protection?

At The Summit Federal Credit Union, there are three ways to avoid overdrafts:

1. A line of credit, or
2. Automatic transfer from your Share One, or
3. At the Credit Union’s discretion, the **Courtesy Pay** feature.

You may take advantage of all three options if you choose. The Credit Union will always look to pay any overdraft by using your line of credit or automatic transfer from your Share One first before paying your overdraft utilizing Courtesy Pay and imposing the Courtesy Pay fee for each overdraft we pay. If you would like to establish a line of credit, please call our Member Service Center at (585) 453-7000 or (800) 836-7328 or visit one of our convenient branch locations.

### 7. Is Courtesy Pay a loan?

Courtesy Pay is not a loan. **It is a non-contractual courtesy** that we extend to our members who maintain their checking accounts in good standing. This feature is discretionary on the part of the Credit Union. Please keep in mind that the Courtesy Pay privilege is not guaranteed. This service can be removed at any time the Credit Union determines the account is no longer in good standing. How you manage your checking account is a key determining factor about how your overdraft item will be paid.

### 8. Besides a check written to another party, what other types of transactions will access my Courtesy Pay limit?

Check presented for cash at the teller line	YES
ACH transaction	YES
Online Access transfer	No
An automatic loan payment	No
ATM transaction	No
Quik Tran Teller-by-Phone transaction	No

### 9. If I cash my Summit Federal Credit Union check at the teller line, will Courtesy

### **Pay funds be applied if needed?**

Yes, and the Courtesy Pay fee of \$29.00 will be applied on that transaction.

### **10. When do I have to repay the negative balance?**

Normally, any overdraft amount, plus the per-item Courtesy Pay fee(s) is due and payable in 10 days or less. Any deposits you make will **first** be applied to recovering any overdrawn balance. Keep in mind we can demand repayment at any time we feel it is necessary.

### **11. How is the ten-day repayment period calculated? What does it mean to “bring the account current?”**

The 10 day period begins with the date of the first overdraft. “Bringing the account current” means that you pay all outstanding debts owed to the Credit Union on that account. The Courtesy Pay service will be discontinued if the account is not brought current within 10 days. If you need to make payment arrangements, please call (585) 453-7000 or (800) 836-7328 and ask for the Collection Department.

### **12. What if I have more than one checking account? Will I receive Courtesy Pay on just one or all accounts?**

We will apply the Courtesy Pay privilege to all qualified checking accounts in good standing.

### **13. Does Courtesy Pay encourage members to write bad checks?**

Not at all. The Summit is simply acknowledging that honest mistakes occur even among the best record keepers. With the Courtesy Pay program, we believe we are providing a valuable service. A fee will be assessed whether we pay or return an item that is presented against an account with insufficient funds to cover the item. Courtesy Pay allows us to pay the item and help you avoid additional fees. But in all cases, we encourage you to maintain your account in good standing, by:

- Making deposits sufficient to cover transactions
- Bringing the account to a positive balance
- Not permitting administrative orders, judgments, or liens to be placed on the account

Courtesy Pay is just an added layer of protection of safety provided to our members.

### **14. Where can I go for additional help with my financial situation?**

Remember that The Summit is here for you and if you are experiencing financial stress, we can help. We’ve partnered with BALANCE<sup>SM</sup>, a financial education and counseling service, which can assist you with money management, credit and housing issues. The financial guidance through BALANCE is a FREE benefit of your Summit membership. You can work with a BALANCE counselor to eliminate financial stress through the creation of your own customized budget and action plan.

Summit members also have access to InBalance, an online checking account management education course. This self-study course will guide you through developing all of the tools necessary to maintain your checking account. Simply log onto [www.getinbalance.org/education.html](http://www.getinbalance.org/education.html) or call 888-456-2227 for access to this free, professional and confidential service.

*If you'd like to speak with someone in our Collection Department, please call us at (585) 453-7000 or (800) 836-7328.*