



## COURTESY PAY DISCLOSURE

Armco Credit Union's Courtesy Pay Program is a non-contractual courtesy and is discretionary. It is not an obligation, and the Credit Union may refuse to provide the courtesy on any checking account. The member does not have a contractual right to Courtesy Pay and payment is not guaranteed by the Courtesy Pay Program.

Courtesy Pay may provide certain members in "good standing," as determined by the Credit Union, the ability to overdraw their checking account up to \$500. The maximum may be higher or lower upon the sole discretion of the Credit Union. The member must be at least 18 years of age to qualify for Courtesy Pay.

Insufficient balances may result from, but are not limited to: 1) Check payments, ACH debits, VISA Check Card transactions, and other withdrawal requests; 2) Payments authorized by the member; 3) Unpaid return of items deposited by the member; 4) Imposition of Credit Union service charges; and 5) Deposit of items, which, according to the Credit Union's Funds Availability Policy, are treated as "not available" or finally paid.

**Our Partial Courtesy Pay Program** will cover insufficient balances from checks and other transactions made using your checking account number (ACH debits), along with automatic bill payments.

**Our Full Courtesy Pay Program** will cover insufficient balances from checks and other transactions made using your checking account number (ACH debits), automatic bill payments, along with ATM withdrawals and transfers, and one-time (everyday) debit card transactions. You will need to authorize us by "Opting Into" this program. This will permit us to pay overdrafts on ATM and everyday debit card transactions for you.

The Credit Union is not obligated to pay any item presented for payment if the account does not contain sufficient collected funds. Members are to maintain their accounts in good standing, defined as: 1) Bringing the account to a positive balance at least once every 30 days or less; 2) Not causing the Credit Union a loss; 3) Not having any delinquent obligations; 4) Not receiving legal orders, garnishments, executions or levies including bankruptcy notice; and 5) Not engaging in suspicious or abusive activity.

The Credit Union may, at its sole discretion, pay their reasonable overdrafts as a non-contractual courtesy. Generally, the Credit Union will not pay an overdraft in total excess of \$500. These limits exclude our Non-Sufficient Funds and/or Courtesy Pay charges. When multiple withdrawals are processed in the same posting, items will be posted in the order of lowest to highest amount. Payments in excess of \$500 will be made at the sole discretion of the Credit Union but are not guaranteed.

**Limitations:** Courtesy Pay will become available after 30 days from the date of account opening. This feature is available only with checking accounts. The Credit Union may limit the number of accounts per member or household. Additionally, the Credit Union reserves the right not to approve any overdrafts against any account until we can verify the account is being maintained in good standing.

**Account Fees:** Whether or not the Credit Union pays or returns a Non-Sufficient Fund item, a per-item fee will be charged to the member's account as a Non-Sufficient Fund or Courtesy Pay charge, as set forth in the Credit Union fee schedule. There is no limit on the total fees we can charge you for overdrawing your account.

**Opt Out:** You may elect to Opt out of either our Full or Partial Courtesy Pay Program at any time. You can do this by writing us at Armco Credit Union, PO Box 1589, Butler, PA 16003-1589, by calling us at (724) 284-2020 and selecting Option 8, or visiting our website at [www.armcocu.com](http://www.armcocu.com).

## **Understanding Your Account Balance for Overdrafts**

Your checking account has two kinds of balances: the “actual” balance and the “available” balance. You can review both balances when you review your account online, at an ATM, by phone or at a branch. We use your available balance when determining whether a transaction will cause your account to overdraw and for charging overdraft fees.

The information below explains how your checking account balance works-including the differences between your actual balance and your available balance.

### **Your Actual Balance**

Your actual balance is the amount of money that is actually in your account at any given time. Your actual balance reflects transactions that have “posted” to your account but it does not include transactions that have been authorized and are pending. While it may seem that the actual balance is the most up-to-date display of the funds that you can spend from your account, this is not always the case. Your account may have purchases, holds, fees, other charges, or deposits made on your account that have not yet posted and, therefore, will not appear in your actual balance.

### **Your Available Balance**

Your available balance is the amount of money in your account that is available to you without incurring any overdraft fee. Your available balance takes into account holds that have been placed on deposits and pending transactions (such as pending debit card transactions) that we have authorized but that have not yet posted to your account.

### **Example of Overdraft Fee for Insufficient Available Balance**

If your actual balance and available balance are both \$100.00 and you swipe your debit card at a restaurant for \$35.00, a hold is placed on your account and your available balance will be reduced to \$65.00. Your actual balance is still \$100.00 because the transaction has not yet posted to your account. If a check that you had previously written for \$75.00 clears through your account before the restaurant charge is sent to us for processing, you will incur an overdraft fee. This is because your available balance was \$65.00 when the \$75.00 check was paid. In this case, we may pay the \$75.00 check and charge you an overdraft fee. The overdraft fee will also be deducted from your account, further reducing your balance.

## **Transaction Posting Order for Credits and Debits**

### **How Transactions Are Posted to Your Account**

There are two main types of transactions in your account- credits or deposits of money into your account and debits or payments out of your account. It is important to understand how each transaction is handled so that you know how much money you have available for use in your checking account.

The information below describes how we handle credits and debits to your account and the resulting impact on your available balance. The information is a general description of how certain types of transactions are posted. We may receive multiple deposit and withdrawal transactions on your account in many different forms throughout each day. This means you may be charged more than one overdraft fee if we pay multiple transactions when your account is overdrawn.

#### **Credits**

Most deposits are added to your account when we receive them. For some checks you deposit, only \$225.00 will be made available at the time of deposit and the remainder will be available two (2) business days later. Additionally, there may be extended holds on checks over \$5,525. These are determined on a case by case basis. Thus, your available balance may not reflect the most recent deposits to your account. For additional information on when your deposited funds will be available for withdrawal, see our Funds Availability Policy.

#### **Debits**

You can make several types of debit transactions from your account. Keep in mind that there are many ways transactions are presented for payment by merchants and other financial institutions and we are not necessarily in control of when transactions are received and posted to your account.

## **Explanation of Debit Card Authorization Holds**

When you use your debit card to conduct a Signature or "Credit" transaction (i.e., you do not enter your pin), the merchant sends us the amount, usually the purchase total, for authorization. This amount is placed on hold and removed from your available balance immediately. The hold is released after approximately 48 hours or when the transaction clears, whichever comes first. The hold helps determine the available balance on your account.

Debit card authorization holds only apply to debit card transactions when you sign your name or do not enter a pin number. For example, a debit card purchase made at a restaurant or with an online merchant would be treated as a Signature/Credit transaction and would be subject to an authorization hold.

Debit card purchases and ATM withdrawals made using a PIN subtract the funds immediately from your account.

Your available balance reflects any authorization holds or deposit holds and is used by us to determine available funds when transactions attempt to clear your account. The balance we use as transactions clear is called your available balance and includes all items that have cleared your account up to that point and reflects any items on hold. If your available balance is not sufficient to cover a transaction, we may pay the item and charge you an overdraft fee. An overdraft fee may be charged even though your actual balance indicates a positive amount.