



## Courtesy Pay Account Disclosure

An overdraft occurs when you do not have enough funds in your account to cover a transaction. To give you an added level of protection against a check being returned or a transaction being denied for non-sufficient funds, we offer Courtesy Pay, a special overdraft protection service for our members. It is important for you to use your checking account responsibly and to never intentionally overdraw your account. However, we realize that financial shortfalls happen from time to time and we have several options available for you.

As a member benefit, we offer these useful services to cover you in the event that you overdraw your checking account.

Transfer from savings on your account – You can authorize us, in advance, to transfer the funds needed to cover your overdraft. Contact a member service representative to activate this service on your account. For a Premium, Premier One, or Daily Rewards Debit consumer checking account, there is no fee for the transfer service. A \$2 fee per transfer will apply to all other consumer checking accounts and to all business checking accounts.

Line of Credit - A Personal Line of Credit (P-LOC) or Personal Signature Loan (PSL) may be available as an optional source to cover overdrafts. If you do not have a personal line of credit established with TFCU, this overdraft feature requires you to complete an application and approval is based on creditworthiness. Contact our Loan Department for applicable terms and conditions. For a Premium, Premier One, or Daily Rewards Debit consumer checking account, there is no fee for the transfer service. A \$2 fee per transfer will apply to all other consumer checking accounts and all business checking accounts.

Courtesy Pay—Courtesy Pay is a service we add upon approval to your checking account to cover overdrafts to a set limit, subject to the eligibility criteria and types of transactions covered as explained below. With Courtesy Pay, we will generally pay your overdraft items for the following checking account types: Daily Rewards Debit, Perks Debit, Premium Checking, Premier One, and Business Checking. The Courtesy Pay limit can range from \$300 to \$1,500 and is based on a percentage of the aggregated deposits within the last 30 days. *Please note the minimum required aggregated deposit is \$600 within the last 30 days.*

However, whether your overdrafts will be paid is discretionary and we reserve the right not to pay. For example, we typically do not pay overdrafts if your account is not in good standing or is not being managed in a responsible manner, or you are not making regular deposits. *\*Courtesy Pay service is not available for the Basic Checking account and an NSF fee of \$36.00 will be charged for any items presented and returned unpaid due to non-sufficient funds in your account.*

When we pay overdraft items for you, our normal NSF/Overdraft fee will apply for each item that is presented as follows:

- Premium Checking \$31.00
- Daily Rewards Debit \$36.00
- Perks Debit \$36.00
- Premium Business Checking and Interest Business Checking \$31.00
- Select Business Checking \$36.00

Both the amount of the overdraft items and all applicable fees are included in this limit. You will not be charged an Overdraft fee for the first ATM or Debit Card transaction when we determine that your account is overdrawn by less than \$5.00, however, an overdraft fee will be charged for each subsequent overdraft while the account remains negative. TFCU will not charge your account more than (5) Overdraft fees in one transaction day.

You will receive an overdraft notice by mail or electronic notice each time items are paid. The notice will identify the transaction amount and the Courtesy Pay fee. In addition, your monthly statement will summarize the total amount of Courtesy Pay fees assessed for each month, as well as the year-to-date total of fees.

## UNDERSTANDING YOUR ACCOUNT BALANCE

An item clearing on an account depends on the amount of funds available at the time the item is presented for payment. In addition, not only the items that have cleared an account affects the available balance, but also the holds placed on the account for pending items that have not yet been processed. Understanding your account balance can go a long way towards making sure that you avoid using Courtesy Pay unnecessarily.

Your Checking account or Savings account has two kinds of balances: The current balance and the available balance.

### Current balance

Your current balance reflects the full amount of all deposits to your account as well as payment transactions (i.e. purchases or payments) that have been posted to your account. It does not reflect checks you have written and still outstanding or transactions that have been authorized but are still pending.

### Available balance

Your available balance is your current balance less:

- Holds placed on deposits i.e., a check hold
- Holds on debit card or other transactions that have been authorized but are not yet posted
- Any other holds, such as holds related to pledges of account funds (minimum balance requirements or to comply with court orders).

We use your available balance to determine whether there are sufficient funds in your account to pay items, including checks and drafts, as well as other ACH, debit cards and other electronics transactions. Pending transactions and holds placed on your account may reduce your available balance and may cause your account to become overdrawn.

Here is an example of current balance versus available balance:

John Q Member has an account with a balance of \$500.00. He makes an ATM withdrawal of \$100.00; the current balance on the account is now \$400.00.

Beginning Account Balance:	\$500.00
ATM Withdrawal:	-\$100.00
Current Balance:	\$400.00

John has also used his debit card at the grocery store and at the gas station – those transactions are pending – they have not cleared his account yet. Now let's take a look at John's account balance when the pending transactions are included:

Beginning Account Balance:	\$500.00
ATM Withdrawal:	-\$100.00
Pending - Grocery Store:	-\$50.00
Pending - Gas Station:	-\$25.00
Available Balance	\$325.00

Based on John's available balance at this time, any payment that attempts to clear his account that is over \$325.00 would be returned for non-sufficient funds or paid using the Courtesy Pay program.

Eligibility – No application is required for Courtesy Pay. Eligibility is at the Credit Union's sole discretion and Courtesy Pay service is generally made available for active account holders 30 days after the account is opened.

Courtesy Pay may be suspended or permanently removed from the account at the Credit Union's discretion.

Transactions covered by Courtesy Pay Courtesy Pay will be available for all checks written, ACH preauthorized transactions, online banking transactions and telephone banking (HomeBranch) transactions. If you attempt an ATM withdrawal or a debit card transaction and funds are not available in your account or another overdraft protection source you have elected, the transaction will be denied. To avoid having the transaction denied, you may opt-in and consent to the Courtesy Pay service for ATM withdrawals and debit card transactions which allows the Credit Union to pay the items when funds are not available. You may opt-in for ATM withdrawals and debit card transactions online at [www.tropicalfcu.com](http://www.tropicalfcu.com), in person at any of our branches, or by calling us.

Payment order of items – We reserve the right to pay items presented in any order. Checks and electronically submitted items, such as Bill Pay or other ACH items, are paid in order based on dollar amount; from the highest amount to the lowest amount. All other items, such as debit card purchases or ATM withdrawals, are paid as they are presented.

Electronic item holds – Holds placed on your account for pending electronic transactions, such as hotel or car rental deposits reduce your available balance and may cause your account to become overdrawn.

Negative Balance Clearing – At closing on the last day of the month we automatically review all of your sub-accounts open on your share account with the Credit Union. In the event that you have funds in a sub-account, we will apply the necessary funds to clear any negative balances in your checking account, even if the account has been negative less than 30 days.

Account Agreement – Your account agreement describes the duties, obligations, and rights of depositors, authorized signatories and the Credit Union with regard to your deposit accounts, including our right of set-off of funds in this account against any due and payable debt to us.

Waiver – The Credit Union's forbearance from, or delay in, exercising any of the Credit Union's rights, remedies, privileges, or right to insist on your strict performance of any provisions of your account agreement, this Courtesy Pay disclosure, or any other provision related to your account, shall not be construed to be a current or future waiver of the Credit Union's rights, remedies or privileges.

Remedy – You and the Credit Union agree that the exclusive remedy and forum for all disputes arising out of the Courtesy Pay or your Credit Union's performance there under, except for matters you or the Credit Union take to small claims court, is arbitration by an independent arbitrator pursuant to the applicable rules of the American Arbitration Association, except as prohibited by law.

Opt Out – If you do not want the Courtesy Pay on your account, you may opt-out for the service online at [www.tropicalfcu.com](http://www.tropicalfcu.com), in person at any of our branches, or call a Contact Center representative at (305) 261-8328 from Miami- Dade County or (888) 261-8328 elsewhere. Your opt-out election will become effective on the following business day.

There are 2 options to opt-out of the Courtesy Pay service:

1. **Opt-out of ATM withdrawals and debit card transactions to be covered by Courtesy Pay.** At any time, you have the right to revoke a prior decision you have made to opt-in for these transactions by choosing this option to opt-out. Courtesy Pay will still be available for all checks written, ACH preauthorized transactions, re-occurring or pre-authorized debit card transactions, online banking transactions and telephone banking (HomeBranch) transactions.
2. **Opt-out of Courtesy Pay on my account.** By choosing this option, you are informing the Credit Union that you do not want the Courtesy Pay service to apply to your account for any transactions.

Even though you have elected to opt-out, you will still be charged the normal NSF/Overdraft fee as disclosed in the effective Schedule of Fees for each item returned unpaid or for any reoccurring or preauthorized debit card transactions that may cause your account to be overdrawn. Members who receive Social Security, federal direct deposit, or any other entitlement benefit must opt out if they do not want the Credit Union to apply those funds to pay an overdraft.