

## How Courtesy Pay Works...

1. Use your LAFCU Check (debit) Card or write a check from your checking account.
2. If funds are not available and you've exhausted your other overdraft resources, Courtesy Pay may allow your transaction to clear your account up to \$500.
3. You will be charged a fee for each transaction covered by Courtesy Pay. See the "Non-Sufficient Funds" charge on our Schedule of Fees.
4. There is no charge to sign up and no monthly fee for the privilege of using this service.



### Cost Comparison:

Let's say your starting account balance is \$575 and a rent check for \$600 is posted for payment:

#### ✓ With Courtesy Pay:

You'll be charged a Courtesy Pay fee and your rent is **PAID!**

#### ✗ Without Courtesy Pay:

You'll incur an NSF fee from LAFCU and a merchant fee between \$26 to \$150. Your rent is **UNPAID!** Plus, there's the potential negative impact to your credit rating and risk of embarrassment.



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# Overdraft Protection for Your Checking Account with *Courtesy Pay*





## What is Courtesy Pay?

*Courtesy Pay* is one of the many benefits of your LAFCU Checking Account. The service will provide up to \$500 on qualified checking accounts which have been open for at least 60 days with direct deposit and maintained in good standing.

### How will *Courtesy Pay* benefit me?

*Courtesy Pay* will save you embarrassment when you make a mistake in your checkbook, have unplanned expenses, or run short on cash between paydays. Instead of returning checks unpaid, LAFCU may automatically pay them up to your *Courtesy Pay* limit.

### How does Overdraft Protection differ from *Courtesy Pay*?

With Overdraft Protection your overdrafts can get paid with funds from your Share Savings, Money Market or Personal Line of Credit accounts. With *Courtesy Pay*, if there are no funds in your accounts covered by Overdraft Protection, you are charged a fee per overdraft.

#### Q. Is there a monthly fee?

A. No. The only time you are assessed a fee is if you overdraw your checking account and *Courtesy Pay* covers the overdrawn amount.

#### Q. Is *Courtesy Pay* a loan?

A. No. LAFCU allows you to overdraw your account up to your *Courtesy Pay* limit as a non-contractual courtesy. This discretionary service can be revoked at any time by LAFCU.

#### Q. Is there a charge for *Courtesy Pay*?

A. There is a standard *Courtesy Pay* fee per item when you overdraw your checking account. The advantage is that you will avoid having to pay a fee to the merchant. Please see our Schedule of Fees for the current fee.

#### Q. How will I know when my Account is overdrawn?

A1. Inside your online e-Branch account, you can set up FREE e-Lerts to send you text messages or eMails to remind when your account balance goes below an amount you designate.

A2. Check your account often using e-Branch or VoiceTel-24.

A3. Conduct an account "Balance Inquiry" at an ATM.

#### Q. How long do I have to repay the overdrawn amount?

A. The amount overdrawn will be paid when the next direct deposit is posted. Any deposits you make will first be applied to an overdrawn balance. However, depending on the situation, we can ask for repayment at any time.

#### Q. Will this affect my credit rating?

A. There is no affect on your credit rating if you bring your overdrawn account to a positive balance in a timely manner.

#### Q. Do I have to apply for this service?

A. You must tell us if you want us to cover ATM and one-time debit transactions. We may, however, automatically cover checks, ACH items, and recurring debits using our standard *Courtesy Pay* program at our discretion, which does not require your consent.

#### Members with *Courtesy Pay*

- Have access to emergency funds at most ATMs
- Protect their credit rating
- Enjoy peace of mind
- Are assured their transactions will be covered

#### Members without *Courtesy Pay*

- Risk bouncing checks
- Can be charged merchant NSF fees if their transactions do not clear
- May not get what they need because their Check (debit) Card transaction is denied
- Risk embarrassment

## How do I sign up for *Courtesy Pay*?

- A. Ask us for a form called "What you Need to Know about Overdrafts and Overdraft Fees."
- B. Fill it out and check the "Opt In" box.
- C. Mail, fax or bring us the form.

