

## **Frequently Asked Courtesy Pay Questions:**

**How will Courtesy Pay benefit me?** Courtesy Pay save you the embarrassment and expense of returned checks when you make an honest mistake in your checkbook, have unplanned expenses, or run short on cash between paydays. Instead of returning checks unpaid, HMFCU may automatically pay them for you, up to \$750.00.

**How does Courtesy Pay work?** When HMFCU receives an item for payment that causes the balance in your account to go below zero, we may pay the check or debit up to \$750 including the Courtesy Pay fee (\$35.00).

**Is Courtesy Pay a loan?** No. It is a service provided by HMFCU to help you manage your money. This service can be withdrawn at any time by HMFCU.

**What if I go over my Courtesy Pay limit?** When you exceed the Courtesy Pay limit, any additional items will be returned or declined when presented for payment.

**Is there a charge for Courtesy Pay?** Courtesy Pay does not cost anything unless you use it. If you overdraw your account by using Courtesy Pay, HMFCU will assess a \$35.00 fee for each item paid. Items that exceed the Courtesy Pay limit of \$750.00 (including Courtesy Pay fees) will be assessed a \$35.00 insufficient fee for each item and returned as NSF.

**What type of transactions qualify for the Courtesy Pay service?** If you inadvertently overdraw your account, Courtesy Pay may cover preauthorized debits (ACH), bill payer items and share drafts not presented over the counter at a HMFCU branch, and ATM/POS transactions.

**Can I use Courtesy Pay to pay a HMFCU loan payment?** No. You cannot use Courtesy Pay to meet this obligation.

**What if I do not want Courtesy Pay?** HMFCU can change your account status so that no overdrawn items are paid using the Courtesy Pay service. If you opt out of Courtesy Pay, any future overdrawn items presented for payment against your account will be returned unpaid and a \$35.00 NSF fee will be assessed after funds for overdraft protection (if applicable) have been depleted. You may also be charged additional fees by the merchant/payee to whom the item is returned.

**Does HMFCU offer traditional overdraft protection?** Yes. HMFCU members can choose one or both of the following overdraft protection options:

- Transfer from primary share account and/or
- Transfer from another share account and/or
- Advance from an overdraft line of credit

If you do have Overdraft Protection on your account, it will use whatever account(s) you have set up, in order you arranged. Then, if you have qualified for Courtesy Pay, it will default to that service.

**What is the difference between Overdraft Protection and Courtesy Pay?**

Overdraft Protection allows funds to be transferred from a previously designated account to pay an item. Overdraft Protection will NOT allow the account to overdraw to pay an item. A line of credit can be set up to be used for Overdraft Protection. In order to receive a line of credit, you must complete an application and receive credit approval.

Courtesy Pay is a non-contractual courtesy, offered at the sole discretion of HMFCU, to members who maintain their Share Draft accounts in good standing. Any Courtesy Pay amount covered by HMFCU in the Courtesy Pay process is NOT considered an account holder loan and is not subject to interest being charged. Each overdraft item that is paid is subject to the Courtesy Pay fee.

Overdraft Protection and Courtesy Pay are two completely separate services offered by HMFCU.

**I thought I had Courtesy Pay. Why did HMFCU return my check as an NSF?**

Remember, the Courtesy Pay maximum is \$750.00, including all Courtesy Pay fees. Items are returned NSF if you go over the amount or if you have been taken off the list because you did not rectify your account balance. Courtesy Pay can be taken away if HMFCU determines your account is no longer in good standing. The credit union is not obligated to honor any future Courtesy Pay items, even though it may have previously been approved as a Courtesy Pay item.

**How long do I have to bring my account(s) to a positive balance?** Your Courtesy Pay will be suspended or revoked until the account is returned to good standing, regardless if you've reached the \$750.00 limit or not. If your account balance is negative for 45 days, you could lose your checking privileges at HMFCU.

Call 1-800-782-9257 for more information if needed.