



Western New York

FEDERAL CREDIT UNION

July 2010

New Service Offering: Courtesy Pay

Dear Member:

At Western New York Federal Credit Union, we strive to offer new and improved solutions to meet all our members' financial needs.

Most of us have found ourselves facing an occasional cash shortfall, be it the result of a checkbook error or an unexpected bill. If you have ever accidentally bounced a check, you already know in addition to the embarrassment, you also face merchant fees, the inconvenience of returning to the merchant to correct the error and the potential negative effect on your credit rating.

Western New York FCU understands, and this is why we are introducing a new checking feature called Courtesy Pay Program.

Courtesy Pay Program is a non-contractual courtesy and is very simple and easy for you to sign up. You simply need to let us know you want to be enrolled to use this service by signing and sending in, or dropping off the enclosed form to our office. This service costs you nothing, *unless you use it.*

With our Courtesy Pay Program, our intent is to provide you with another resource to help manage your occasional cash shortfall. Transactions included in the Courtesy Pay Program include checks, ATM withdrawals, automated debit transactions and other electronic transactions which may be honored up to your limit, (limits up to \$500.00), as long as you maintain your checking account in good standing (please refer to our Courtesy Pay Program policy on the back of this letter for criteria).

If you overdraw your account, Western New York FCU may pay the item and charge your account our standard \$25.00 non-sufficient funds (NSF) fee.

Western New York FCU believes the Courtesy Pay Program is one more way we can help you meet your unexpected financial needs. We look forward to continuing to serve your financial needs.

Sincerely,

Marie T. Betti
CEO



Western New York

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COURTESY PAY POLICY

Definition and Purpose

The Courtesy Pay program is an overdraft program that allows members to overdraw their checking accounts to a predetermined limit.

The purpose of Courtesy Pay is to provide improved service to members by paying checking account items when an error has been made and funds are not currently available. Courtesy pay privileges are not intended for members to intentionally write checks prior to having funds on deposit. Since qualifying items will not be returned unpaid, members will not be subject to merchants' returned item fees, in addition to NSF (Non Sufficient Funds) fees from Western New York FCU. Additionally, since the items will have been paid, merchants will have no knowledge that sufficient funds were not available at the time they were presented for payment. The transactions that are subject to the Courtesy Pay Program include but are not limited to share draft, ACH, and recurring debit card transactions. ATM and one-time debit card transactions require the member to Opt-in.

Eligibility Requirements

1. In order to be eligible for Courtesy Payment, members must comply with all of the following criteria:
 - a. Account must be in good standing;
 - b. Account must have a checking account; and
 - c. Member must be at least 18 years of age.
2. Criteria that will make a member ineligible for the Courtesy Pay program are as follows:
 - a. The member has caused a loss;
 - b. The account has an overdraft that is 45 days or more past due; or
 - c. The membership has been open for 60 days or less.

Fees and Limits

1. Qualified transactions will be covered up to a negative \$500 balance in the share draft account. Any payment (plus associated fee), which would lead to a negative balance greater than this amount, will be returned as Non-Sufficient Funds.
2. When a qualified transaction is paid, the member's checking account will incur a \$25 Courtesy Pay Fee.