

Overdraft Protection

Overdraft Protection is available from any of your share accounts or personal lines-of-credit within the same membership. Transfers are made as follows:

Transfer	Amount
Transfers from Main Shares (savings)	Amount of overdraft
Transfers from IMMA	Amount of overdraft
Transfers from other Checking Accounts	Amount of overdraft
Transfers from Line-of-Credit Loans	\$100 increments

If a check is presented for payment and funds are not available in your account, the Overdraft Protection will automatically transfer funds into the Checking Account (per the chart above; if you have set up this service) and your checks will be paid. This is a convenient way to make sure that your checks are paid!

Courtesy Pay

Courtesy Pay is an optional service that adds a measure of protection to your checking account by covering your insufficient funds checks, up to an approved limit, for one low fee per covered transaction. This service will save you the embarrassment caused by an inadvertent overdraft, and it may also help to protect your credit rating.

What happens when a check is NSF?

Every now and then, members may make mistakes in balancing their checking accounts they may add or subtract wrong, or not accurately account for their checks, ATM withdrawals, debit card transactions, electronic payments, or other withdrawals. In fact, only 13% of Americans balance their checkbooks regularly. However, members are responsible for making sure that available funds are in their checking account at the time checks or drafts are presented for payment.

At Kirtland Credit Union, we want you to know your options if an overdraft should occur on your account. When a check is presented for payment and insufficient funds are in the account, an overdraft occurs. When an overdraft occurs, a credit union must do one of four things:

- bounce the check (NSF) back to the payee (\$30 NSF fee per item)
- transfer funds from another account to cover the overdraft (Overdraft Protection)
- extend a loan from a line of credit or a credit card account to cover the overdraft (Overdraft Protection)
- pay items through Courtesy Pay (\$15 Courtesy Pay fee per item)

What are the Limitations of Courtesy Pay?

Overdrafts may be paid using *Courtesy Pay* funds up to \$500 for the following types of transactions: Checks and ACH (Automated Clearing House.)

A \$15 fee will be assessed for each item that draws your account negative. You then have up to 30 days to bring the account current, either through a direct deposit, transfer of funds, or a deposit at one of our branch offices.

Courtesy Pay benefits do not apply to transactions made:

- with your VISA Check Card
- with your ATM Card
- through in-person Teller Services

An Example of How *Courtesy Pay* Works:

Susie's checking account balance is \$35.00. She selects items at the grocery store totaling \$60.00. When Susie writes a check, *Courtesy Pay* would cover the transaction:

Balance before purchase:	\$35.00
Minus grocery purchase:	- \$60.00
Minus <i>Courtesy Pay</i> fee:	- \$15.00
<hr/>	
New Balance:	- \$40.00

Although Susie now needs to make a deposit of at least \$40.00, she appreciates being saved the expense of additional returned check fees from the grocery store, plus the embarrassment and inconvenience of going home without her purchase.

This non-contractual courtesy of paying overdrafts requires no account holder action. No additional agreements need to be signed, and it costs nothing unless the privilege is used by initiating checks or ACH (Automated Clearing House) transactions that result in an overdrawn status. We will send you a notice each time an overdraft occurs.

Although you are not charged for using *Courtesy Pay* unless you have an overdraft, you may opt-out of *Courtesy Pay* at any time. If you do not want us to pay your overdrafts, you must tell us you wish to "opt-out."

It is best to make sure you always keep a positive balance in your account. But if an accident does occur, you should know in advance what your options are. We would be happy to talk with you about Overdraft Protection and *Courtesy Pay*... feel free to stop by one of our branches or give us a call at (505) 254-4369 or (505) 254-7070 (x215). In these busy times, all of us at KCU want to ensure that your checking account and all our financial products serves you and your lifestyle.

Disclaimer: Courtesy Pay is a non-contractual courtesy and is discretionary. It is not an obligation of the credit union, and the credit union may refuse to provide the courtesy on any checking account, at any time. The account holder does not have a contractual right to Courtesy Pay.