



Courtesy Pay Disclosure
Effective 10/16/2018

What is an overdraft? An overdraft occurs when you do not have enough money available in your account to cover a transaction. An available balance is the actual balance in the account, less any amounts on hold. Holds are placed for many reasons, including deposit holds, or instances in which charges have been made but not yet cleared. It is the policy of the University of Kentucky Federal Credit Union to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards.

What is Courtesy Pay? Courtesy Pay is an automated overdraft system with limitations as described below that may pay items presented for payment on member accounts against insufficient available funds. Courtesy Pay is not a line of credit. Courtesy Pay is administered at our discretion, which means that we do not guarantee that we will authorize or pay any insufficient available funds transaction.

What Courtesy Pay service will your account be set up with? Once your eligible account is open and has met general requirements for being in good standing which includes but is not limited to:

- A) Bringing the primary share draft account balance to a positive balance within every 30 day period;
- B) Not being in default on any loan or other obligation to UKFCU;
- C) Not being subject to any legal or administrative order or levy and;
- D) No collection activity; then

UKFCU will have the discretion to pay overdrafts within the Courtesy Pay limits. Courtesy Pay is a courtesy and not a right of the account holder or an obligation of UKFCU. Any discretionary payment (or other negotiation or processing) by the University of Kentucky Federal Credit Union of any non-sufficient funds item does not obligate or create an agreement or course of dealing for UKFCU to pay any additional non-sufficient funds check or item or to provide prior notice of its decision to refuse to pay an additional non-sufficient funds check or item.

We may pay overdrafts for the following types of transactions:

- Checks
- ACH transactions
- Automatic Bill Payments

We do not pay overdrafts for the following types of transactions unless you opt in for that coverage (See below):

- Debit Card transactions
- ATM transactions

If we do not authorize and pay any overdraft transaction, the item will be declined unless we are otherwise required to pay it.*

What fees will your account be charged if the University of Kentucky Federal Credit Union pays an overdraft transaction? We will charge you a fee of \$29 each time we pay an overdraft. There is no limit to the number of total fees we may charge you for overdrawing your account.

How do I opt in for the Courtesy Pay program for my Debit Card and ATM transactions? If you would like UKFCU to authorize and pay overdrafts on your ATM and Debit card transactions, contact UKFCU at (859)264-4200 or visit a branch to opt in for ATM and Debit Card coverage. You may follow the same process to opt out at any time.

Important Information: Please refer to our Truth in Savings disclosure for important fee information. For details regarding available vs. actual balances, refer to your Member Account Agreement. This document also includes important information regarding payment order of transactions. If your account remains negative for thirty days or more, it may be subject to closure and charge off. Closures and charge offs may be reported on your credit file.

Welcome to better banking.

E-mail: contact@ukfcu.org | URL: www.ukfcu.org

