City Credit Union

Business Courtesy Pay Information and Disclosure

Courtesy Pay is a discretionary service that allows City CU to pay checks, debit card and ATM transactions, and electronic withdrawals on your business checking account, even if it causes the account to become overdrawn. Courtesy Pay provides a higher level of service to our Members by helping to protect their accounts and reputation when an inadvertent overdraft occurs. You will be charged a Courtesy Pay fee each time an overdraft is paid.

Courtesy Pay may provide qualifying account holders with the ability to overdraw their personal checking account up to $530 for a Regular Business Checking and $1,030 for an Interest Business Checking, including Courtesy Pay fees. Courtesy Pay will apply only when no other form of overdraft protection is available for your account. Contact City CU to learn about other forms of overdraft protection that may be available at a lower cost.

You must expressly opt-in for Courtesy Pay, even if you do not want Courtesy Pay to apply to all your transactions

Qualifications: If you have a qualifying checking account, City CU may offer Courtesy Pay as early as at account opening.

To retain the benefits provided by Courtesy Pay, your accounts must be maintained in good standing, which is defined as:

A) Making regular deposits sufficient to cover transactions;
B) Bringing the account to a positive balance at least once every 30 days or less; and
C) There are no legal orders outstanding on your account.

City CU may, at its sole discretion, extend Courtesy Pay to your business checking account and pay overdrafts up to the limits mentioned above, including our normal Courtesy Pay fee.

Additionally, to qualify for Courtesy Pay all account owners and any other account signers must be in good standing with City CU and not be in default on any agreement or obligation to City CU. City CU may impose additional qualifications for Courtesy Pay at our sole discretion. Our decision to pay overdrafts is made on a case-by-case basis, and City CU may refuse to extend Courtesy Pay and to pay overdrafts at any time and for any reason at our sole and absolute discretion, even though City CU may have previously paid overdrafts for you in the past. Courtesy Pay is intended to cover only your occasional and inadvertent overdrafts. City CU may suspend or terminate this service if City CU knows of or suspects abuse by any account signer. If you are continually unable to meet your obligations with your regular income and resources, contact us for assistance.

Courtesy Pay is not a loan or a line of credit, is not guaranteed, and you should never rely on it or expect that City CU will pay your overdrafts at any time. City CU has no obligation to notify you before paying or returning an item. If City CU pays an overdraft, the amount of the overdraft plus the Courtesy Pay fee is due and payable upon demand and in any event, no later than 30 days from the date of the overdraft. If City CU pays an overdraft on an account with more than one owner on the signature card, each owner and /or agent, where applicable, is jointly and severally liable for such overdrafts plus the Courtesy Pay fee. You may, subject to credit approval, be able to obtain a City CU loan to pay overdraft amounts owed.

Account owners who have not paid overdraft amounts within 30 days will be subject to regular collection procedures, including reporting of payment status to the national consumer reporting agencies.

Limitations: City CU may limit eligibility for Courtesy Pay to one account per business. Additionally, City CU reserves the right not to approve any overdrafts for any account until City CU determines the account signers and the account are in good standing, as defined above. If Courtesy Pay is suspended or terminated due to mishandling of the account, a review will be completed at Member's request after a 120-day waiting period.

Account Fees: When City CU pays an overdraft item, whether caused by check, in person, debit card (both signature and PIN-based) or other electronic transactions, a Courtesy Pay fee, as reflected in the Fee Schedule, will be imposed. Courtesy Pay fees are included in the authorized overdraft limit, and there is no daily limit on the amount of fees that can be charged. You should be aware that City CU processes transactions in the order in which they are received and not in the order in which they were transacted, and this can affect the number of Courtesy Pay fees you may incur each day.

Essential Information About How Transactions Are Posted to Your Account and How City CU Determines Overdrafts: While Courtesy Pay can serve as a safety net to help qualified Members avoid nonpayment of transactions, a Courtesy Pay fee is assessed, as discussed above, for each overdraft paid. City CU wants to help you avoid fees, so it is important to understand when funds deposited to your account are available for withdrawal how transactions are processed, and how City CU determines overdrafts.

Transactions consist of deposits of money to your account (credits) and payments of money made from your account (debits). Deposits are made available for withdrawal in accordance with our Funds Availability Policy, which is in the Business Account Agreement (available on our website or upon request). Generally, most deposits are made available upon receipt, but in some cases deposited funds may be held for a period as set forth in the Funds Availability Policy. Additionally, after funds are made available, other account holds can affect the availability of funds to pay your transactions. For example, when you use your debit card at certain kinds of merchants, such as gas stations, hotels, restaurants and rental car companies, the merchant can place a preauthorization hold on your funds; the merchant determines the amount of the hold. In some cases, the hold may be for an amount greater than the transaction amount and the hold may last for several days, even after the transaction is paid. Your account funds also can be placed on hold for legal reasons, such as when a levy is placed on your account. Merchants may or may not tell you when they are placing a hold on your funds. City CU will always tell you when placing a hold on your funds. Funds subject to a hold are not available to pay your debit transactions, and this can result in overdrafts and overdraft fees.

City CU generally processes debit payments, such as checks, ACH payments, wire transfers, online banking and mobile banking transfers, bill payments and debit card transactions, in the order in which they are received and not the order in which they are transacted. In some cases, City CU may choose to process transactions in any order and may, at any time, change the order in which transactions are processed, subject to applicable law. Debit payments affect the amount of your available balance to pay other debit transactions presented.

City CU determines whether your account is overdrawn based on the "available balance," which is the actual balance of your account less any holds placed on the account. The available balance may be less than the actual balance. You generally can check the amount of your available balance with your debit card at most ATMs, through online banking, mobile banking, and EasyTeller services (you must be enrolled in these services) or by contacting us.

To avoid overdraft and NSF fees, be sure to closely track the available balance of your account. If you have any questions about this information or need help to avoid fees, please contact us.

Opt Out: Upon qualification, Courtesy Pay is applied to your personal checking account automatically (except that you must always expressly opt in for Courtesy Pay to apply to your ATM and one-time debit card transactions). It is the policy of City CU to permit any Member to opt out of Courtesy Pay at any time on request. You may do so by visiting any our branches, contacting us at (214) 515-0100, (888) 324-2328 or at www.citycu.org to complete the Opt-Out form. Please be aware that if you opt out of Courtesy Pay and funds are not available to pay your transactions, your transactions will be returned or denied and an NSF fee as set forth in the Fee Schedule may apply.

Courtesy Pay may be changed, suspended or terminated at any time by City CU. Any changes to or termination of Courtesy Pay will not affect any obligations already incurred. If you have any questions concerning Courtesy Pay, please call our Financial Service Center at (214) 515-0100 or (888) 324-2328.