



## COURTESY PAY DISCLOSURE

(Effective 07/01/10)

An insufficient balance can result from several events, such as (1) the payment of checks, electronic funds transfers or other withdrawal requests; (2) payments authorized by you; (3) the return of unpaid items deposited by you; (4) credit union service charges; or (5) the deposit of items which, according to the credit union's Funds Availability policy, are treated as not yet available or finally paid. We are not obligated to pay any item presented for payment if your account does not contain sufficient funds.

As long as you maintain your account in "good standing," we may approve your overdraft items within your current available Courtesy Pay limit as a non-contractual courtesy. The Courtesy Pay limit is \$500, including fees. For overdraft privilege consideration, your account is in "good standing" if you (1) make sufficient deposits to bring your account to a positive end-of-day balance at least once every 30 calendar days (including the payment of all credit union fees charges); (2) avoid excessive overdrafts suggesting the use of Courtesy Pay as a continuing line of credit; (3) there are no legal orders, levies or liens against your account. Beginning August 15, 2010 for checking accounts opened before July 1, 2010 and beginning July 1, 2010 for checking accounts opened on and after July 1, 2010, we will not authorize and pay overdrafts for ATM and everyday debit card transactions unless you ask us to. However, in some situations, we may decide to pay the ATM or everyday debit card transaction and not charge a fee

In the normal course of business, we generally pay electronic transactions first and then checks beginning with the lowest dollar amount, per the credit union's policy. We reserve the right to change the order of payment without notice to you if we suspect fraud or possible illegal activity affecting your account. Also, please be aware that the order of item payment may create multiple overdraft items during a single banking day for which you will be charged our paid item overdraft fee of \$24 for each overdraft item paid.

You may opt out of the privilege at any time, but you are responsible for any overdrawn balances at the time of opting out. Normally, we will not approve an overdraft for you in excess of the predetermined amount assigned to your account type. So as not to exceed your limit, please note that the amount of the overdraft plus the credit union's paid overdraft fee of \$24 per item will be deducted from the overdraft limit.

We may refuse to pay an overdraft item at any time even though we may have previously paid overdrafts for you. For example, we typically do not pay overdraft items if your account is not in good standing as defined above, or if based upon our review of your account management we determine that you have too many overdrafts or are using Courtesy Pay as a regular line of credit. You will be charged a returned item NSF fee of \$24 for each item returned.

We may notify you by mail of any non-sufficient fund items paid or returned that you may have; however, we have no obligation to notify you before we pay or return any item. The amount of any overdraft including our paid item overdraft fee of \$24 and/or a returned item NSF fee of \$24 that you owe us shall be due and payable upon demand, but if no demand is made, no later than 30 calendar days after the creation of the overdraft. If there is an overdraft on an account with more than one owner on the signature card, each owner and agent, if applicable, shall be jointly and severally liable for all overdrafts inclusive of fees.

Courtesy Pay should not be viewed as an encouragement to overdraft your account. To avoid fees, we encourage you to keep track of your account balance by entering all items in your check register, reconcile your check book regularly, and manage your finances responsibly. If you would like to have this service removed from your account, please call (707)422-1342 or (800)422-6988.

Please note that your Courtesy Pay limit may be available for covering overdrafts created at the teller window, ATM, through a POS transaction, Home Banking and First Call. The limit will not be included in the balance provided during an inquiry.

**LIMITATIONS:** Courtesy Pay is a non-contractual courtesy that is available to individually/jointly owned Free Checking accounts in good standing for personal or household use. Solano First Federal Credit Union reserves the right to limit participation to one account per household and to suspend, revoke, or discontinue this service without prior notice.