

**What if I am having trouble repaying Courtesy Pay or using it frequently?**

Please contact us at 814-946-0857 if you: (1) do not believe you will be able to bring your account to a positive end-of-day balance within the required time period; (2) find that you are using Courtesy Pay more often than you intended; or (3) don't understand why your account becomes overdrawn. We would like to discuss your situation with you.

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 in this brochure, or, if based upon our review of your account management, we determine that you are using Courtesy Pay excessively.

We may contact you if you are paying multiple Courtesy Pay fees to discuss possible alternatives to Courtesy Pay that may better meet your short-term credit needs. In the event you ask us to stop contacting you because you have determined Courtesy Pay is appropriate for your needs, we will honor your request. However, if we identify that the number and frequency of overdrafts increases materially for an extended period of time at some point after that, we may contact you again to ensure Courtesy Pay is still the most appropriate option available to you for covering your short-term credit needs.

**How do I know when I use the overdraft limit?**

You may sign up for low balance and transaction alerts on your account through online banking. You will receive an overdraft notice each time items are paid, including fees. You will need to subtract the total fees when balancing your checkbook.

We have no obligation to notify you before we pay or return any item. The amount of any overdraft including our Courtesy Pay fee of \$25.00 that you owe us is due and payable upon demand even if we do not ask you for payment. You must repay us no later than 30 calendar days after the creation of the overdraft. If there is more than one owner on the account, each owner and agent, if applicable, shall be jointly and severally liable for all overdrafts including all fees charged.

**How soon can I use Courtesy Pay?**

If you are a new accountholder, your Courtesy Pay limit may be available thirty 30 or more days after your account is opened. This is provided you have maintained satisfactory activity in the account, including making regular deposits. Once your Courtesy Pay limit is available to you, it may continue to be available provided you maintain the account in "good standing" as defined in this brochure.

**What are some other ways I can cover overdrafts at ARC Federal Credit Union?**

The best way to avoid overdrafts and fees is to keep track of your account balance by entering all checks, debit card purchases and ATM withdrawals in your check register, reconcile your checkbook regularly and manage your finances responsibly. Other suggestions may be found at:

<https://arcfcu.checkingnavigator.com>  
[www.fdic.gov/moneysmart](http://www.fdic.gov/moneysmart)  
[www.consumerfinance.gov](http://www.consumerfinance.gov)

ARC Federal Credit Union offers additional ways to cover overdrafts in addition to Courtesy Pay.

Ways to Cover Overdrafts at ARC Federal Credit Union	Example of Associated Rates and Fees <sup>1</sup>
Good account management	\$0
Link to savings account	\$0
Overdraft line of credit	Prime+1.00% APR <sup>2</sup>
Courtesy Pay	Courtesy Pay fee of \$25.00 for each item

<sup>1</sup>This information is effective as of May 2024 and is provided as examples.  
<sup>2</sup>Applicants are subject to credit approval. APR- Annual Percentage Rate – Subject to change. Please ask us about our current specific products, rates, and fees.

**What if I do not want to have Courtesy Pay on my account?**

If you would like to revoke your previous authorization for ATM and debit card transaction coverage, or have this service removed entirely from your account, please call 814-946-0857 opt 3.

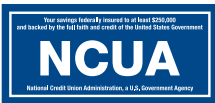
While you may opt out of the privilege at any time, you are responsible for any overdrawn balances at the time of opting out.

**Locations**

Seventh Avenue Branch  
 1919 7th Avenue  
 Altoona, PA 16602  
 814-946-0857

Juniata Branch  
 419 N. 7th Street  
 Altoona, PA 16601  
 814-296-2455

[www.arcfcu.org](http://www.arcfcu.org)



**Courtesy Pay**





**At times**, unanticipated expenses or unforeseen problems can leave you with too little cash in your checking account. Having a check returned due to insufficient funds can be a costly, inconvenient and potentially embarrassing experience. At ARC Federal Credit Union, we do not encourage overdrafts. To avoid fees, we encourage you to manage your finances responsibly by keeping track of your account balance and reconciling it regularly. However, we want to save you from the additional merchant fees and possible damage to your credit history that might result if a check is returned. That's why we provide Courtesy Pay, a special overdraft service for ARC Federal Credit Union's accountholders.

### What is Courtesy Pay?

Courtesy Pay is a discretionary overdraft service requiring no action on your part that provides you a safety net up to an automatically assigned overdraft limit.

Your Courtesy Pay limit may be available for checks and other transactions made using your checking account number, such as an automatic (ACH) payment transaction, automatic bill payment or recurring debit card payment. If you request us to do so (opt in), we may authorize ATM withdrawals and everyday debit card purchases using your available balance and your Courtesy Pay limit.

Balances displayed do not include the Courtesy Pay limit.

### How does Courtesy Pay work?

There are several ways your account can become overdrawn, such as (1) the payment of checks, electronic funds transfers or other withdrawal requests; (2) payments authorized by you (i.e. debit card at point of sale); (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.

As long as you maintain your account in "good standing," we may approve your overdraft items within your unused Courtesy Pay limit as a non-contractual courtesy.

For Courtesy Pay 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 and charges); (2) avoid excessive overdrafts; and (3) have no legal orders, levies or liens against your account; and (4) are current on all obligations/loans with ARC Federal Credit Union.

ARC Federal Credit Union reserves the right to limit participation to one account per household or business or to suspend, revoke, or discontinue this service without prior notice.

### What if I go beyond my Courtesy Pay limit?

Normally, we will not approve an overdraft for you in excess of the predetermined limit assigned to your account. So as not to exceed your limit, please remember that the amount of the overdraft **plus** our Courtesy Pay fee of \$25.00 for each item will be deducted from the Courtesy Pay limit. Overdrafts above your established Courtesy Pay limit may result in checks or other items being returned to the payee. We do not assess a fee for returned items.

An OD/NSF notice will be sent to notify you of items paid and/or returned.

### What does Courtesy Pay cost?

There is no additional cost associated with Courtesy Pay unless you use it. If you do use the Courtesy Pay limit, you will be charged our Courtesy Pay fee of \$25.00 for each overdrawn item created by checks and other transactions made using your checking account number, such as an automatic payment (ACH) transaction, automatic bill payment, or recurring debit card payment.

If you request us to do so (opt in), we may authorize ATM withdrawals and everyday debit card purchases by using your available balance and your Courtesy Pay limit. Your balance at the time these transactions post will determine the overdraft status. Other transactions initiated by you, or a delay in processing authorized transactions by the merchant, may result in previously authorized transactions posting against an insufficient balance. It is our policy not to charge for transactions that are approved on a positive balance but settle on a negative balance. A Courtesy Pay fee of \$25.00 will be charged for each ATM or everyday debit card transaction that is authorized on a negative balance and posts against insufficient funds. Once opted in, you may revoke your authorization at any time by contacting us at 814-946-0857 opt 3.

In the normal course of business, there are different kinds of transactions that may be processed on your account. ACH transactions are received multiple times throughout the day in order of receipt, with credits posting before debits. Checks drawn on your account are compiled in data files and paid each day. These items are processed from lowest amount to highest. Pin-based debit card transactions are similar to ATM withdrawals and the money is typically deducted from your account immediately at the time of the transaction. Signature-based debit card transactions may create an "authorization" hold on your account, thus reducing your available balance but not your actual balance by the amount authorized. The transaction is subsequently processed by the merchant and submitted to us for payment. This can happen hours or sometimes days after the transaction, depending on the merchant and its payment processor. These payment requests are received in real time throughout the day and are posted to your account when they are received. 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, the order we pay your items may create multiple overdraft items during a single banking day and you will be charged our Courtesy Pay fee of \$25.00 for each overdraft item paid.

Multiple paid items will result in multiple fees. For example, three paid items in one day will result in \$75.00 in Courtesy Pay fees. To help you manage your account, the total fees you have paid for items (both paid and returned) during the current statement cycle and for the year-to-date will be reflected on your monthly checking statement.

### What is my Courtesy Pay limit? If I have two checking accounts, can I get Courtesy Pay on both?

Locate your account type below and make note of the corresponding limit. If you have multiple accounts for your household or business you may have a limit on each eligible account.

Checking .....	\$400
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### How quickly must I repay Courtesy Pay?

You should make every attempt to bring your account to a positive end-of-day balance as soon as possible and must do so within 30 calendar days. If you are not able to do so, you will receive a letter from ARC Federal Credit Union informing you that your Courtesy Pay limit has been suspended and additional items will be returned. **Unless we advise you differently or you request this service be removed from your account, your limit will be made available to cover overdrafts again the first business day after you bring your account to a positive end-of-day balance.**

### What are some of the ways I can access my Courtesy Pay limit? Will my limit be reflected in the balance I receive?

The chart below shows the different ways you can access your Courtesy Pay limit and indicates whether this limit will be reflected in the balance provided.

Access points	Is Courtesy Pay available?	Does the balance provided reflect my Courtesy Pay limit?
Teller	No	No
Writing a Check	Yes	N/A
Debit Card (recurring)	Yes	N/A
Debit Card (everyday)	No*	N/A
ATM Withdrawal	No*	No
ACH - Auto Debit	Yes	N/A
Online Banking	No	No
Bill Pay	Yes	N/A
Telephone Banking	No	No

\*Courtesy Pay service will be made available for ATM or everyday debit card transactions upon your request. Call 814-946-0857 opt 3 or visit one of our branches to arrange for your ATM and debit card coverage.