



Courtesy Pay Service Agreement

In this Overdraft Protection and Courtesy Pay Service Agreement (“Agreement”), the words “you,” “your” and “yours” mean each and all of those who use the Overdraft Protection and Courtesy Pay services described herein. The words “we,” “us,” “our” and “Credit Union” mean HawaiiUSA Federal Credit Union.

1. GENERAL

Our Courtesy Pay Service is provided for your convenience to help you avoid Non-Sufficient Funds (NSF) transactions and associated fees, as a result of overdrawing your account. You are responsible for keeping track of the funds in your account that are available for you to use and recommend that you keep a running balance that reflects all of your transactions.

“Overdrawing” your account means that there are not sufficient available funds in your account to pay for a transaction, but the transaction is paid under Courtesy Pay, which results in a negative “overdrawn” balance. Transactions that can result in an overdraft in your checking account include, but are not limited to (1) the payment of checks, electronic funds transfers, preauthorized payments under our Bill Pay service, ATM withdrawals, teller withdrawals, or other withdrawal requests authorized by you; or (2) the assessment of service charges by us.

2. PAYMENT OF OVERDRAFTS

(a) To be eligible for our Courtesy Pay Service the primary account holder must be at least 18 years of age and the account holder’s mailing address must be current.

(b) As long as your account is in “good standing,” we may approve your overdraft items within your unused Courtesy Pay limit as a non-contractual courtesy. 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 suggesting the use of Courtesy Pay as a continuing line of credit; (3) have no legal orders, levies or liens against your account (4) are current on all obligations and loans with the credit union; and (5) have no pending bankruptcies or financial counseling agreement.

3. FEES

We may assess a fee for items that are paid or returned. The fees that we may assess are as follows:

(a) If we pay an item under our Courtesy Pay Service and the payment of such item does not result in you exceeding your Courtesy Pay Service limit, we will charge a Courtesy Pay Fee of \$29. Remember that the amount of the overdraft plus the credit union’s Courtesy Pay fee of \$29.00 per item will be deducted from the Courtesy Pay limit.

(b) If we pay an item which results in you exceeding your Courtesy Pay limit or you do not have a Courtesy Pay limit we will charge an Overdrawn Fee of \$29. Normally, we will not approve an overdraft for you in excess of the predetermined limit assigned to your account.

(c) If we return an item, we will charge an NSF Fee of \$29 each time an item is presented for payment and returned unpaid due to an insufficient available balance. Returned items may be presented for payment by



the payee or their financial institution multiple times (re-presentments), which may result in multiple returned item NSF fees. If our processing system charges you a fee for a re-presented item within a 24-hour period, please contact us for a refund of these fees as it is our policy not to charge for re-presentments within this timeframe. If sufficient time has passed whereas the consumer had the opportunity to correct the issue, either by making a deposit, paying the merchant directly, etc., these fees may be assessed.

(d) Multiple paid items will result in multiple fees. For example, (3) three paid items in one day will result in \$87.00 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 month and for the year-to-date will be reflected on your monthly checking statement. There is a limit of 3 Courtesy Pay, Overdrawn and/or NSF fees per account per day for a total of \$87.00.

(e) If a transaction results in your available balance being overdrawn \$5.00 or less we will not charge a fee.

(f) You may opt out of Courtesy Pay at any time, but you are responsible for any overdrawn balances at the time of opting out.

(g) 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 are using Courtesy Pay excessively or seem to be using Courtesy Pay as a regular line of credit. You will be charged an NSF fee of \$29.00 for each item returned.

(h) We have no obligation to notify you before we pay or return any item. The amount of any overdraft including a Courtesy Pay Fee, Overdrawn Fee, or NSF Fee that you owe us is due and payable upon demand even if we do not ask you for payment. We encourage you to use Digital Banking to check your transactions and account balance frequently. Additionally, you can set up alerts including Balance Alert, Insufficient Funds Alert, and Transaction Alert. You may specify to be alerted via text, push notification or email. You must bring your account to a positive end of day balance no later than 30 calendar days after the creation of the overdraft, or your limit will be suspended. 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.

Courtesy Pay should not be viewed as an encouragement to overdraw your account. To avoid fees, we encourage you to manage your finances responsibly by keeping track of your account balance and reconciling it regularly. Balances provided do not include the Courtesy Pay limit.

4. COURTESY PAY SERVICE

Your Courtesy Pay – Basic Coverage limit may be available for each item created by checks and other transactions made using your checking account number, such as a teller withdrawal, an ACH payment transaction, automatic bill payment, or recurring debit card payment.

New checking accounts will be given a Courtesy Pay limit after 60 days based on the average incoming monthly deposits to your account as long as your account is “in good standing”. Monthly thereafter, your personalized



Courtesy Pay limit will be determined based on your account deposit history, at which time you will be notified by mail if your limit decreases.

If you have more than one account, all eligible accounts will be assigned a limit. If you request us to do so (opt in), we may authorize ATM transfers or withdrawals and everyday debit card purchases by using your available balance and your Courtesy Pay limit. We refer to this as Courtesy Pay – Extended Coverage. A Courtesy Pay fee of \$29.00 will be charged for each ATM or everyday debit card transaction that is authorized and posts against insufficient funds. If you do not opt-in to Courtesy Pay – Extended Coverage, we will not charge you an NSF Fee for a debit card transaction or ATM withdrawal that we decline to authorize.

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 us at (808) 534.4300 or toll-free at (800) 379.1300, visit hawaiiusafcu.com/overdraft or visit a branch. Cancellation will be effective within 2 business days after we have received notice.

5. YOUR CHECKING ACCOUNT BALANCE

(a) Your checking account has two kinds of balances: the current balance and the available balance. Both can be checked when you review your account online, at a Credit Union-owned ATM, through automated telephone, or at a branch. It is important to understand how the two balances work so that you know how much money is in your account at any given time.

(b) Your current balance is the amount of money that is actually in your account at any given time, but not all funds included in the current balance are considered available for transactions on your account. The current balance is also referred to as your “Current Balance” or “Ledger Balance” on ATM screens and your “Current Balance” in Online Banking, Mobile Banking and when you use our automated telephone banking system. Your current balance reflects transactions that have posted to your account, but not transactions that have been authorized and are pending. Pending deposits that are subject to holds under our Funds Availability Policy will be reflected in the current balance even though they are not yet “available.” Your current balance will not reflect any purchases, holds, fees, other charges, or deposits made on your account that have not yet posted.

(c) Your available balance is the amount of money in your account that is available to you to use without incurring an overdraft fee. The available balance takes into account holds placed on deposits and pending transactions (such as pending debit card purchases) that the Credit Union has authorized but that have not yet posted to your account.

(d) We use your available balance at the time a transaction is initiated to determine whether your account is overdrawn and whether Courtesy Pay Fees will be assessed. Your account is considered overdrawn when the available balance in your account is less than \$0.00. In making this determination, we check your available balance at the time a merchant authorization request is received.

6. HOW TRANSACTIONS ARE POSTED TO YOUR ACCOUNT

We post items in the following order : (1) credits (in the order that they are received, unless subject to a hold as explained below); (2) ATM and debit card transactions (in the order received); (3) electronic transaction (“ACH”) debits (in the order the batch of debits is received, and by settlement date from lowest amount to



highest amount within each batch); (4) check debits (in the order the batch of debits is received, and from lowest amount to highest amount within each batch).

(a) There are basically two types of transactions in your account: credits (adding funds to your account) or debits (subtracting funds from your account). We generally post credits before debits if they are received at the same time.

(b) Credits. ACH credits are posted on the settlement date. Check deposits are credited to your account when we receive them. However, checks may be subject to a hold; thus, your available balance may not reflect the most recent deposits to your account. For details on the availability for withdrawal of your deposits, refer to our Funds Availability Policy.

(c) Debits. On any given business day, we may receive more than one item for payment. The order that we choose to post those items may affect the available balance of the account.

- Real-time transactions such as Debit Card Transactions will post as they are received.
- Throughout the business day, we receive ACH and check debits in batches. These batches are processed in the order that they are received; debits are posted on the settlement date from the lowest amount to highest amount.

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.

If there are insufficient funds in your account at the time a transaction posts, you will be charged an overdraft fee of \$29 for each item paid. Transactions may not be processed in the order in which they occurred, and the order in which the transactions are received and processed can affect the total amount of overdraft fees incurred.

7. LIMITATIONS

Courtesy Pay is a non-contractual courtesy that is available to individually/jointly owned accounts in good standing for personal use. **If your limit is suspended, unless we notify you otherwise 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 back to good standing as described above.**

IF YOU DO NOT UNDERSTAND ANY PROVISION IN THIS *COURTESY PAY SERVICE AGREEMENT*, OR IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT US AT (808) 534.4300 OR TOLL-FREE AT (800) 379.1300, DURING BUSINESS HOURS.