

# Courtesy Pay

## **Overdraft privilege for your checking account.**

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 Equity Bank, we do not encourage overdrafts. As always, we encourage you to manage your finances responsibly. 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 privilege for Equity Bank customers.

### **What is Courtesy Pay?**

Overdrafts occur when the amount of the item attempting to debit your account is greater than the end-of-day ledger balance in your account. When the item is returned due to the lack of funds to cover the debit, we call this "insufficient funds". Courtesy Pay is a discretionary overdraft service requiring no action on your part that provides you an alternative 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 or automatic bill payment and recurring debit card payment. Also, at your request, we may authorize and pay ATM transfers or withdrawals and everyday debit card purchases using your limit.

### **How does Courtesy Pay work?\***

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.

For overdraft privilege consideration, your account is in "good standing" if you (1) deposit enough money to bring your account to a positive end-of-day balance at least once every 30 calendar days (including the payment of all bank

fees and charges); (2) avoid excessive overdrafts suggesting the use of Courtesy Pay as a continuing line of credit; and (3) there are no legal orders, levies or liens against your account.

Please note that the amount of the overdraft plus our Overdraft Charge of \$34.98 for each item will be deducted from your overdraft limit. The maximum number of overdraft fees that we can assess is limited to \$174.90 per day. If your end-of-day balance, according to our records, is \$5 or less overdrawn, you will not incur an overdraft charge. A continuous Overdraft Fee of \$5 per day will be charged beginning the eighth day overdrawn, excluding weekend days and bank holidays. If the item is returned, the Returned Check Charge of \$34.98 will be deducted from your account. No interest will be charged on the overdraft balance.

## What are some other ways I can cover overdrafts at Equity Bank?

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. However, if a mistake occurs, Equity Bank offers additional ways to cover overdrafts in addition to Courtesy Pay.

Ways to Cover Overdrafts at Equity Bank	Example of Associated Rates and Fees <sup>1</sup>
Good account management	\$0
Link to savings account	\$10 transfer fee <sup>2,4</sup>
Overdraft line of credit	18% APR <sup>3</sup> , \$11 transfer fee <sup>4</sup>
Courtesy Pay	Overdraft Charge of \$34.98 for each item

<sup>1</sup>This information is effective as of April 2021 and is provided as examples. <sup>2</sup>The number of transfers allowed from a savings account each month may be limited. Additional fees/consequences for exceeding this limit may apply. <sup>3</sup>APR = Annual Percentage Rate. Subject to change. Please ask us about our current specific products, rates, and fees.

<sup>4</sup>If adequate funds are not available for transfer, Courtesy Pay may apply as secondary funding for the transaction.

<sup>\*</sup>Please refer to the customer overdraft policy for additional details.

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

If you would like to have this service removed from your account, please call 1 (888) 733-5041.

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

Overdrafts above and beyond your established Courtesy Pay limit may result in checks or other items being returned to the payee. The Returned Check Charge of \$34.98 will be charged and assessed to your account for each item presented that exceeds your overdraft limit. The maximum number of overdraft fees that we can assess is limited to \$174.90 per day. A continuous Overdraft Fee of \$5 per day will be charged beginning the eighth day overdrawn, excluding weekend days and bank holidays. An OD/NSF notice will be sent to notify you of items paid and/or returned.

## 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 all eligible accounts. The limit for new Elite and Essential accounts is \$100. The limit for new Preferred accounts is \$100 and will be increased to \$500 after 30 days.

<b>Preferred Checking</b> .....	\$500
<b>Elite Checking</b> .....	\$100
<b>Essential Checking</b> .....	\$100

## How quickly must I repay my Courtesy Pay?

You should make every attempt to bring your account to a positive end-of-day ledger 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 Equity Bank informing you that your Courtesy Pay limit has been suspended and additional items will be returned. 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 to a positive end-of-day balance.

## What if I am having trouble repaying my Courtesy Pay or use it frequently?

Please contact us at 1 (888) 733-5041 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 intend; or (3) don't understand why your account becomes overdrawn. We would like to discuss your situation with you.

## 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 or not this limit will be reflected in the balance provided.

Access Points	Is my Courtesy Pay available?	Does the balance provided reflect my Courtesy Pay limit?
Teller	Yes	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
Voice Access	No	No

\*\*With the exception of business accounts, Courtesy Pay service will be made available for ATM or everyday debit card transactions upon your request. Please visit one of our branches to arrange for your ATM and debit card coverage.

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

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.

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

If you are a new customer, you may use the Courtesy Pay service immediately. You must maintain satisfactory activity in the account, including regular deposits, consistent with our internal standards for new account types that may offer Courtesy Pay. It will continue to be available provided you maintain the account in “good standing” as defined in this brochure.

# CUSTOMER POLICY

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. signature-based point of sale transactions); (3) the return of unpaid items deposited by you; (4) bank service charges; or (5) the deposit of items which, according to the bank's Funds Availability Policy, are treated as not yet available or finally paid.

While we are not obligated to pay any item presented for payment if your account does not contain enough money, 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. For overdraft privilege consideration, your account is in "good standing" if you (1) deposit enough money to bring your account to a positive end-of-day balance at least once every 30 calendar days (including the payment of all bank fees and charges); (2) avoid excessive overdrafts suggesting the use of Courtesy Pay as a continuing line of credit; and (3) have no legal orders, levies or liens against your account.

In the normal course of business, we generally pay electronic transactions first and then checks high to low, per the bank'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 we pay your items in may create multiple overdraft items in a single banking day and you will be charged our Overdraft Charge of \$34.98 for each overdraft item paid. If your end-of-day balance, according to our records, is \$5 or less overdrawn, you will not incur an overdraft charge. A continuous Overdraft Fee of \$5 per day will be charged beginning the eighth day overdrawn, excluding weekend days and bank holidays. There is a daily cap of \$174.90 per day (five transactions) on overdraft and return check charges.

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 bank's Overdraft Charge of \$34.98 per item and the continuous Overdraft Fee of \$5 per day 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 are using Courtesy Pay excessively or seem to be using Courtesy Pay as a regular line of credit. You will be charged a Returned Check Charge of \$34.98 for each item returned.

We will notify you promptly of any non-sufficient funds 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 Overdraft Charge of \$34.98, the continuous Overdraft Fee of \$5 per day and/or a Returned Check Charge of \$34.98 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 an overdraft on an account with more than one owner on the signature card, each owner and agent, if applicable, is 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 keep track of your account balance by entering all items in your check register, reconcile your checkbook regularly, and manage your finances responsibly. If you would like to have this service removed from your account, please call 1-888-733-504 1.

The limit for new accounts is \$100 and will be increased to \$500 after 30 days. Please note that your Courtesy Pay limit may be available for each item paid under the limit created by checks and other transactions made using your checking account number, such as a teller withdrawal, an automatic payment (ACH) transaction, or automatic bill payment and recurring debit card payment. Also, at your request, we may authorize and pay ATM transfers or withdrawals and everyday debit card purchases using your limit. Your available balance may be affected by authorizations which could create additional overdrafts and associated fees. When you ask for your account balance, please remember the amount we show you does not include your overdraft limit.

**LIMITATIONS:** Courtesy Pay is a non-contractual courtesy that is available to individually/ jointly owned accounts in good standing for personal use. Equity Bank reserves the right to limit participation to one account per household and to suspend, revoke or discontinue this service without prior notice. 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 to a positive end-of-day balance. If you receive a direct deposit of your monthly Social Security payment into your checking account and do not want Courtesy Pay eligibility, you must advise us to prevent us paying your overdrafts with these funds.



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