



STATE OFFICE BUILDING- SUITE 5A9  
250 VETERANS MEMORIAL HIGHWAY  
HAUPPAUGE, NEW YORK 11788  
PHONE (631) 291-9160 FAX (631) 360-3620  
TOLLFREE OUTSIDE 516.631.1-877-LISEFCU  
CHARTER NO. 2782

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## LONG ISLAND STATE EMPLOYEES FCU COURTESY PAY PRIVILEGE SERVICE AGREEMENT

In this Courtesy Pay Privilege Service Agreement ("Agreement"), the words "you," "your," and "yours" mean each and all of those who Courtesy Pay Privilege Service described below. The words "we," "us," "our," and "Credit Union" mean Long Island State Employees FCU. The word "overdraft" includes a negative balance in your Personal/Regular Checking Account that may occur for various reasons, including, but not limited to: (1) the payment of checks, ATM transactions, VISA Check Card transactions, Point of Sale transactions, ACH transactions, and other preauthorized transfers, for which funds are insufficient; (2) the return (unpaid) of items deposited by you; (3) the imposition of service charges by us; (4) in-person (teller) withdrawals; or (5) the deposit of items which are treated as not yet "available" according to our Funds Availability Agreement. The Courtesy Pay Privilege Service shall not be applied to savings type accounts, money market accounts, public fund/charitable organization accounts, and minor's (not of legal age) accounts.

Pursuant to our commitment to provide valued service and benefits, we may pay your overdrafts that would cause your eligible checking account ("Checking Account") to have a negative (or further negative) balance, pursuant to the terms and conditions of this Agreement up to the amount of your Courtesy Pay Privilege Service Limit, which is determined by us in our sole and absolute discretion.

The Courtesy Pay Privilege Service is not a credit product and requires no application or credit approval process. The Service will only be applied to your Checking Account if:

- You maintain your membership in good standing;
- You must not be delinquent or be in default in any other respect on any loan or other obligation to us;
- There must not be any legal or administrative orders or levies against your Checking Account;
- The primary accountholder must be 18 years of age or older [; and]

**ANY COURTESY PAY PRIVILEGE SERVICE PAYMENT WILL BE MADE ON A CASE-BY-CASE BASIS, IN OUR SOLE AND ABSOLUTE DISCRETION.**

You will be notified by mail of any nonsufficient funds checks, items, or other transactions that have been paid or returned; however, you understand that we have no obligation to notify you before we pay or return any check, item, or other transaction. We may refuse to pay any overdrafts without first notifying you even though your account is in good standing and even if we have paid previous overdrafts.

The total of the overdraft (negative) balance in your Checking Account, including any and all fees and charges is due and payable upon demand, and you are required to immediately deposit with us sufficient funds to cover the overdraft paid by us and pay the related fees. You understand that items presented for payment on the same day will be paid in sequential check number order or, if no check number, then by date of presentment for payment. This means that items may not be processed in the order in which they occurred. You understand that the order in which items are processed can affect the total amount of fees that may be assessed against your Checking Account.

An Overdraft Fee will be charged to your Checking Account, in accordance with our General Service Charge "Fee Disclosure", for each overdraft that is cleared on your Checking Account through the Courtesy Pay Privilege Service.

This means that more than one Overdraft Fee may be assessed against your Checking Account per day depending upon the number of overdrafts cleared through Courtesy Pay Privilege Service.

Your Courtesy Pay Privilege Service Limit shall be \$100 for Regular Checking Accounts. You understand that your Courtesy Pay Privilege Service Limit shall be reduced by the amount of each overdraft paid by us through the Courtesy Pay Privilege Service and the amount of the related Overdraft Fee imposed until such amounts are repaid by you as set forth herein at which time we may replenish your Courtesy Pay Privilege Service Limit by the amount of the repayment. The Overdraft Fee is the same as our NSF Fee charged by us for each “nonsufficient funds” item presented for payment and returned unpaid on a Checking Account. If we choose not to pay the overdrawn check or other item/transaction under the Courtesy Pay Privilege Service, you are subject to an NSF Fee as set forth in the General Service Charge “Fee Disclosure” for each such item.

You also agree that we have the right to transfer available funds from your other accounts you may have with us to cover the overdraft and pay the related fees. You understand and agree that we may transfer funds to your Checking Account from any of your other account(s) with us (excluding IRA accounts), including account(s) upon which you are a joint owner, in an amount equal to the overdraft which we may pay according to the terms and conditions of this Agreement and to pay the related fees. In addition to any other rights that we may have, you agree that any deposits or future deposits in or other credits to any account in which you may now or in the future may have an interest are subject to our right of off-set for any liabilities, obligations, or other amounts owed to us by you (e.g., overdrafts and any related fees and charges) and such is applicable irrespective of any contribution to the account or source of funds in the account. Moreover, unless you “opt-out” of the Courtesy Pay Privilege Service (see below), you consent and expressly agree that the application of an off-set of funds in any account includes the off-set of government benefits (such as Social Security and other public benefit funds) deposited to the account from which the overdraft or related fees are paid. Each person who causes an overdraft, which is paid by us, is a maker and agrees to be individually and jointly obligated to repay the unpaid negative balance in accordance with the terms and conditions of this Agreement. We reserve the right to limit Courtesy Pay Privilege Service to one (1) account per household or member without notice of reason or cause.

You will be in default under the terms of this Agreement if you fail to live up to any of the terms and conditions of this Agreement or you are in default on any loan obligation with us and/or a negative balance exists in any other deposit account with us on which you are an owner. If you are in default, in addition to any other rights we may have, we may temporarily suspend overdraft privileges or terminate the Courtesy Pay Privilege Service or close your Checking Account and demand immediate payment of the entire unpaid negative balance. You also agree to pay any collection costs, attorneys’ fees, and court costs which we or you shall or may incur as a result of your default.

We may terminate or suspend the Courtesy Pay Privilege Service at any time without prior notice. In no event shall any termination relieve you of your obligation to repay such sums already overdrafted, overdraft fees, collection costs, and attorneys’ fees, if any. We can delay enforcing any of our rights under this Agreement without losing them.

We offer other Overdraft Protection Services for which you may apply. These other services include Line of Credit Overdraft Protection and Transfer Overdraft Protection (from another account of yours with us). If you apply and are approved for one of these other Overdraft Protection Services, you may save money on the total fees that you may pay to us versus the fees you may pay to us under Courtesy Pay Privilege Service.

You should not rely on the Courtesy Pay Privilege Service to pay ordinary or routine expenses or bills. If you need help with your financial obligations, please contact one of our Service Representatives at 631-291-9160.