

# Boston Firefighters Credit Union

## Courtesy Pay and Overdraft Services Program

### **Overview:**

As an additional benefit to our members who use the Share Draft (NOW Account) at Boston Firefighters Credit Union, we are now offering to qualified members a service where we will pay third party check and ACH items which overdraft the account and would otherwise have been returned as NSF (non-sufficient funds).

The Courtesy Pay Program is designed as a protection against accidental overdraft. In these days of automated banking with ATM, Debit, ACH and other electronic transfers, it is easy to forget to enter a withdrawal into your check register. Our program is designed to help our members with this type of situation by paying the check or ACH item, creating a negative balance in the account and saving the member both the additional fees and embarrassment with the third party.

This program is not designed to provide a line of credit nor is it in the member's best interests to use it as such. Members who have short-term liquidity needs are encouraged to speak with a member of our loan department and make arrangements for a personal loan or line of credit.

### **Eligibility:**

In order to be eligible for this service, a member must meet the following criteria:

- Share Draft (NOW Account) open for at least 60 days
- Direct Deposit relationship with the credit union

### **Restrictions:**

Boston Firefighters Credit Union will periodically review the use of this privilege by members. We reserve the right to terminate the Courtesy Pay Program on any account where an excessive number of occurrences take place. Affected members will be contacted prior to program termination.

### **Overdraft Limits:**

The maximum negative balance that may be created as a result of this program will be \$500. Requests for higher limits may be approved based upon direct deposit relationship (not to exceed \$1000).

### **Order of Payment:**

Our data processor posts items in increasing order from smallest to largest dollar amount. In determining which if any items can be paid under the Courtesy Pay program, we will follow this same order of priority.

### **Impact on other Credit Union Programs:**

Boston Firefighters Credit Union will use the Courtesy Pay Program only after all other methods of paying the item have been exhausted. The credit union will continue to provide transfers from share and other accounts as a means of paying items prior to utilizing the overdraft method, at members request. There is no fee for transfers from another account to cover an overdraft.

**Repayment:**

Depositors will be required to repay the negative balance with their next direct deposit.

**Notice:**

Members will receive notice of courtesy pay activity immediately after the overdraft takes place (the notice will be mailed by the credit union to the address on file no later than 24 business hours after the overdraft occurs).

**Costs/Fees:**

Members will be assessed a fee of \$30.00 for each item paid under this program (this is the same fee that would be charged if the item is returned unpaid). For overdraft items less than \$30.00 there is no fee. For overdraft items \$30.00 and over, the fee is \$30.00. The maximum daily fee will be \$60.00, regardless of the number of items paid. Fees may be imposed for Overdraft Transfers/Insufficient Funds caused by drafts, in person, ATM/Debit, ACH or re-presented return items. Return item fees or paid items fees may be assessed for insufficient funds caused by checks, in-person, withdrawals, or by electronic means, and each time an item (even if the item has been previously presented) is presented (other than ATM withdrawals and one-time debit card transactions such as POS purchases).

**Discretionary Nature of this program:**

The Boston Firefighters Credit Union's Courtesy Pay Program does not constitute an actual agreement between you and the credit union nor does it constitute an actual or implied obligation of or by the credit union. This service is purely discretionary and a privilege that the credit union may provide to you from time to time and which may be withdrawn or withheld by us at any time without prior consent or reason.

**Questions:**

Members who have a question regarding this service may contact a credit union Member Service Representative in person at the credit union office or by phone at (617) 288-2420.

**Right to Opt Out:**

Any member who desires to opt out (not participate) in this service may advise the credit union by calling (617) 288-2420, by visiting the credit union's office or by mail to Boston Firefighters Credit Union 60 Hallet St. Dorchester, MA 02124.

## What You Need to Know About Overdrafts and Overdraft Fees

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts in two different ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to a savings account, which may be less expensive than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains our standard overdraft practices.

### What are the standard overdraft practices that come with my account?

We do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number
- Automatic bill payments

We do not authorize and pay overdrafts for the following types of transactions unless you ask us to (see below):

- ATM transactions
- Everyday debit card transactions

We pay overdrafts at our discretion, which means that we do not guarantee that we will always authorize and pay any type of transaction.

If we do not authorize and pay an overdraft, your transaction will be declined.

### What fees will I be charged if Boston Firefighters Credit Union pays my overdraft?

Under our Courtesy Pay and Overdraft Services Program:

Members will be assessed a fee of \$30.00 for each item paid under this program (this is the same fee that would be charged if the item is returned unpaid). For overdraft items less than \$30.00 there is no fee. For overdraft items \$30.00 and over the fee is \$30.00. The maximum daily fee will be \$60.00, regardless of the number of items paid.

### What if I want Boston Firefighters Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions?

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, call 617-288-2420, or complete the form below and deliver to BFCU 60 Hallet Street, Dorchester, MA 02124.

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\_\_\_\_ I do not want Boston Firefighters Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

\_\_\_\_ I do want Boston Firefighters Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Printed Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Date: \_\_\_\_\_ Account number: \_\_\_\_\_

(Shared/Opt-in debit. 2018)

**What if I want to revoke my decision to have Boston Firefighters Credit Union authorize and pay overdrafts on my ATM and everyday debit card transactions?**

If you opt-in and decide later that you want to revoke your decision to have Boston Firefighters Credit Union authorize and pay overdrafts on ATM and everyday debit card transactions, call us at 617-288-2420. You may also send a written request, including your name, address, date of request, and account number(s) to us at 60 Hallet St., Dorchester, MA 02124