

# 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 the lesser of \$1,000 or 50% of the average weekly (or 25% of the average biweekly or monthly) direct deposit to the NOW account.

### **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. 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 \$25.00 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 \$25.00 there is no fee. For overdraft items \$25 and over, the fee is \$25. The maximum daily fee will be \$50.00, regardless of the number of items paid.

**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.