

# New England Federal Credit Union

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

An overdraft occurs when you do not have enough money in your checking account to cover a transaction, but we pay it anyway. New England Federal Credit Union (NEFCU) can cover your overdrafts in two different ways:

- 1) We have standard overdraft practices that come with your account called Courtesy Pay coverage.
- 2) We also offer overdraft protection plans, such as a link to a savings account or line of credit, which may be less expensive than our standard overdraft practices. Contact us to learn more about these options.

This notice explains our standard overdraft practices – Courtesy Pay coverage.

### What is Courtesy Pay?

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

- Checks and other transactions made using your checking account number

We will not authorize and pay overdrafts for the following types of transactions unless you ask us to:

- Everyday debit card transactions

We will not authorize and pay overdrafts for the following types of transactions even if you ask us to:

- ATM transactions and in-person teller transactions

NEFCU pays overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction. If we do not authorize and pay your debit card transaction, it will be declined.

### What fees will I be charged if NEFCU pays my overdraft?

Under our standard overdraft practices:

- We will charge you a fee of up to \$19.00 each time we pay an overdraft item. These are limited to a maximum of four Courtesy Pay (Paid NSF) charges, or \$76.00 (\$19 x 4), for each day items are presented against insufficient funds.

### What fees will I be charged if NEFCU declines my transaction for non-sufficient funds?

In the instance that your transaction is declined and returned for non-sufficient funds (NSF):

- We will charge you a \$24.00 Return Item fee for each transaction returned NSF.
- If your transaction is returned NSF, you may be charged an additional fee from the merchant.
- We will not charge you for everyday debit card transactions that are declined.
- Unlike Courtesy Pay (Paid NSF) fees, there is no limit on the maximum number of Return Item Fees (Unpaid NSFs) we will charge you each day.

### What if I want NEFCU to authorize and pay overdrafts on my everyday debit card transactions?

If you also want us to authorize and pay overdrafts on everyday debit card transactions, call 800-400-8790 or complete the form below and present to a branch or mail to ATTN: Deposit Services, NEFCU, P.O. Box 527, Williston VT 05495-9939.

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*Please Note the Effective Date of your Decision*

**Your Opt-In decision provided below which reflects your overdraft preference for one-time debit card overdrafts will be effective within 24 hours of processing your request.**

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*Please note that you may reinstate or revoke your Opt-In decision at any time.*

I do want NEFCU to authorize and pay overdrafts on my everyday debit card transactions.

I do not want NEFCU to authorize and pay overdrafts on my everyday debit card transactions.

*If you do not want us to authorize and pay overdrafts on checks and ACH transactions, call 1-800-400-8790 or visit a branch to opt-out of the Courtesy Pay service.*

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

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

Member Number: \_\_\_\_\_