

# New England Federal Credit Union

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

An overdraft occurs when the available balance in your checking account is insufficient to cover a transaction, but we pay it anyway. Please refer to the NEFCU Membership Agreement for a definition of available balance and examples of available funds. 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, bill payments, ACHs, 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 \$19.00 each time we pay an overdraft item.
- We will charge a maximum of four (4) total Courtesy Pay (Paid NSF) and/or Returned Item fees per day.
- A fee is not charged if your account is overdrawn by \$10.00 or less.

### What fees will I be charged if NEFCU declines my transaction that exceeds my available balance?

In the instance that your transaction is declined and returned for insufficient available funds:

- We will charge you a \$24.00 Return Item fee for each transaction returned. A separate fee from the merchant may apply.
- We will charge a maximum of four (4) total Courtesy Pay and/or Return Item fees per day.
- We will not charge you for everyday debit card transactions that are declined.

### 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: Account Services, NEFCU, P.O. Box 527, Williston VT 05495-9939.

***Please note that you may reinstate or revoke your Opt-In decision at any time by any of the methods described above.***

  

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.*

Member Name: \_\_\_\_\_ Member Number: \_\_\_\_\_ Account Number: \_\_\_\_\_

Staff Name: \_\_\_\_\_ Date: \_\_\_\_\_

Method Received:  In Person  Phone  Mail  Email  Secure Chat  Account Opening 01/2019

***Please Note the Effective Date of your Decision***

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