



BAYOU
COMMUNITY FEDERAL CREDIT UNION

What You Need to Know about Overdrafts and Overdraft Fees

What is an overdraft?

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. Through the **standard overdraft practices** that come with your account
2. Through **overdraft protection plan**, such as a link to your savings account

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

We **DO** authorize and pay overdrafts for the following transactions:

- Checks and other transactions made using your checking accounts
- Automatic bill payments and recurring pre-authorized debits

We **DO NOT** authorize and pay overdrafts for the following types of transactions unless you ask us to (by signing below)

- ATM transactions
- Everyday debit card transactions

We pay 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 an overdraft, your transaction will be declined.

What is the difference between balance and available balance?

Your balance is a total of all funds in the account **BEFORE** authorized purchases/withdrawals are posted.

Your available balance is a total of all funds in the account that are available to use **AFTER** authorized purchases/withdrawals are posted.

It is the responsibility of the member to keep an accurate account of the available balance in your account before you make a purchase to avoid incurring a NSF (no-sufficient funds) fee.

What overdraft protection plans can I choose?

The choices you make regarding the overdraft protection options determine how the Credit Union handles incoming transactions that overdraw your account.

- **Overdraft Protection** – automatically transfers funds from your eligible linked account to your checking account if you overdraw it
- **Courtesy Pay** – allows the Credit Union to authorize everyday debit card and ATM transactions up to a specified maximum limit

What is Overdraft Protection?

Overdraft protection is a service that allows you to link your eligible Bayou Community FCU checking account to another account with the Credit Union. This includes savings accounts and eligible secondary checking accounts. Funds will be automatically transferred from the linked account to cover transactions in your checking account when you have insufficient funds to complete the transaction. Overdraft Protection will help prevent declined transactions, returned checks, or other types of overdrafts on your checking account.

Is there a fee to enroll in Overdraft Protection?

There is no cost to enroll in Overdraft Protection. Fees are assessed only in the event of a transfer to cover a transaction in your checking account.

Bayou Community FCU charges \$5.00 per Overdraft Protection transfer, with no daily limit to the number of fees charged.

How does Overdraft Protection work?

When your checking account does not have sufficient funds to cover a specific transaction, funds are automatically transferred from your eligible linked account to cover your withdrawal or purchase. Sufficient funds must be available in your linked account to cover the transfer for the coverage to take place.

What is Courtesy Pay?

Bayou Community FCU provides two types of Courtesy Pay protection to its membership.

- The first type is included in our standard overdraft practices, and allows you to overdraw your account up to a set limit for checks, bill-pay transactions, and electronic payments (ACH) using your account number.
- The second type of Courtesy Pay requires that you **OPT IN** for additional coverage, and allows the Credit Union to pay everyday debit and ATM transactions.

If you have enrolled in Overdraft Protection, we will attempt to transfer funds from your eligible account before we apply the Courtesy Pay option.

How do I qualify for Courtesy Pay?

To qualify for Courtesy Pay protection, your account must be in good standing with the Credit Union and you must be enrolled in a checking account. Second Chance Checking accounts are not eligible for Courtesy Pay protection.

Excessive, or abusive usage of the Courtesy Pay program may result in coverage being revoked.

Is there a fee to enroll in Courtesy Pay?

There is no fee to enroll in Courtesy Pay. Fees are charged per transaction, up to the maximum overdraft limit, including fees.

- \$10.00 – 1st Occurrence*
- \$15.00 – 2nd Occurrence*
- \$25.00 – 3rd Occurrence*
- \$28.00 – 4th Occurrence*

*Count starts over on Jan. 1st of each year

The Credit Union charges between \$10.00 - \$28.00 per Courtesy Pay transaction, up to the maximum overdraft limit, including the fees.

What is the difference between Overdraft Protection and Courtesy Pay?

Both Overdraft Protection and Courtesy Pay provide you coverage against transactions being declined due to insufficient available funds. Both options are free to enroll in, and only have an associated cost when utilized.

What is your Non-Sufficient fund fee?

In the event that we return a transaction due to insufficient funds in your account, we will charge a \$28.00 fee per returned item.

What is the Courtesy Pay limit?

The Credit Union will authorize and pay transactions up to a maximum limit of \$200.00, including any associated fees.

What happens if I reach my limit?

If you have reached the maximum Courtesy Pay limit, your transaction may be returned unpaid. Each transaction will incur a returned non-sufficient funds (NSF) fee of \$28.00 each time a merchant runs the transaction through your account in an attempt to collect the funds.

Note: if you have a loan that is past due at the time when a transaction is attempting to clear your account but there are not sufficient funds to cover this transaction, Courtesy Pay will be deactivated and the transaction will incur a returned non-sufficient funds (NSF) fee.

How do available balances work?

The balance in your account may not be the currently available balance. Available balance may be affected by such things as merchant authorizations for debit card purchases or unavailable funds from a recent deposit. If you are making a purchase, it is recommended that you verify your available balance prior to completing the transaction.

How can I OPT OUT of Courtesy Pay?

To OPT OUT of Courtesy Pay, visit any branch location to fill out the form. Alternately, you can provide us written direction at:

Bayou Community FCU
PO Box 87
St. Gabriel, La. 70776

How can I OPT OUT of the standard overdraft practices?

To OPT OUT of our standard overdraft practices, visit any branch location to fill out the form below. Alternately, you can provide us written direction at:

Bayou Community FCU
PO Box 87
St. Gabriel, La. 70776

Do I have to enroll in these services?

Members are not required to sign up for these services. You are welcome to sign up for one, both or none based on how you prefer to manage your funds. You do not need Overdraft Protection to enroll in the Courtesy Pay option.

What do I do if I want to enroll in Overdraft services?

To OPT IN, simply visit any branch location or fill out the form below.

_____ I want Bayou Community F.C.U. to authorize and pay overdrafts on my ATM and everyday debit card transactions **(OPT-IN to Courtesy Pay)**

_____ I do not want Bayou Community F.C.U. to authorize and pay overdrafts on my ATM and everyday debit card transactions **(OPT OUT of Courtesy Pay)**

I understand and agree to the above terms. I understand that I have an ongoing right to revoke this consent.

Signature of account holder: _____

Printed Name: _____

Date: _____

Account Number: _____