

Courtesy Pay Policy

Courtesy Pay is an optional service for share draft accounts where Bowater Employees Credit Union will honor share drafts and ACH debits that would otherwise be dishonored for non-sufficient funds. Courtesy Pay Plus includes basic Courtesy Pay service, plus Debit Card transactions.

Eligibility

Courtesy Pay is automatically implemented for all members in good standing who are age 18 or older and whose draft accounts have been open for more than 90 days (exception: Fresh Start Checking Accounts are not eligible for Courtesy Pay or Courtesy Pay Plus). Members may Opt In to Courtesy Pay Plus if they meet the eligibility requirements for regular Courtesy Pay. Courtesy Pay and/or Courtesy Pay Plus privileges may be cancelled or denied for any member or any specific account, at any time and without prior notice to the member, under the following circumstances:

1. If the credit union has sustained a loss on the member in the past.
2. If the member is more than 15 days delinquent on a loan.
3. If the member is frequently “hopping” back and forth between using/not using the service.
4. If any other circumstances exist that pose the risk of loss to the credit union.

Members may opt out of Courtesy Pay and/or Courtesy Pay Plus at any time, and then opt back in at a later date.

Fees

The fee assessed for each use of Courtesy Pay and/or Courtesy Pay Plus (i.e. each transaction posted for which funds are not available) shall be equal to the fee assessed for non-sufficient funds.

There are no annual, monthly, or maintenance fees for the privilege of having Courtesy Pay or Courtesy Pay Plus available on an account. Fees are incurred only when Courtesy Pay or Courtesy Pay Plus is used.

Repayment of Balance

A member must bring the affected account to a balance of zero or greater within 45 days or the negative balance will be charged off and the account will be closed. Bringing the account to zero requires the member deposit money for all honored checks and all fees assessed.

Members may repay by cash or through a loan (if approved). Once a negative balance has been charged off, the member may repay through a plan agreed upon by the member and the Collections Department.

Limits

Per member: Negative balance limit (after items are posted and fees assessed) will be \$500. (Exception: Premium Interest Checking Account holders' negative balance limit will be \$1000). Management may approve higher limits, up to \$1,500, on a case-by-case basis. Lower limits may also be established on an individual basis, based on the member's account activity or management's determination of risk.

Overall for Credit Union: The sum of all negative balances on member accounts any given day will be limited to five percent (5%) of the previous day's total share draft account balances. If this limit is reached, Courtesy Pay and Courtesy Pay Plus will be temporarily suspended for all members.

Transactions Eligible for Courtesy Pay

Courtesy Pay may be used on Share Draft accounts to pay checks and ACH debits; POS transactions and ATM withdrawals are eligible if member has Opted In to Courtesy Pay Plus. The credit union will honor these items and charge the fee(s) accordingly, until the negative balance reaches the account's Courtesy Pay limit. The fee for any item paid will be posted before the next item is considered for payment.

Manual Transaction Processing Using Courtesy Pay

For manually posted transactions, Courtesy Pay shall be invoked for eligible members under the following conditions:

1. If the member is present, Courtesy Pay shall be invoked if the member agrees after being informed of the applicable fees.
2. If the member is not present, Courtesy Pay shall be invoked unless the member has opted out of the service.

Member Notifications

Members can receive notice of Courtesy Pay use through eNotices, available free inside myBRANCH. . Members will be notified in writing at 15 days if the account balance remains negative at that time. At 30 days the member will be notified in writing that if they do not cover the negative balance by the 45th calendar day after the initial use of Courtesy Pay, the account will be closed and such action reported to Telecheck.

Bankruptcy

Members who file for bankruptcy will become ineligible for Courtesy Pay until the member has resolved the bankruptcy, repaid the Credit Union, and/or Credit Union management determines that the member no longer poses an undue risk for the Credit Union.

Amended 8/28/06

Amended 6/25/07

Amended 5/24/10

Amended 9/25/17