



Member/Account #: _____

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Manchester, NH 03104
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www.bccu.org

Courtesy Pay OPT-IN and Overdraft Protection Form

This notice explains our current Overdraft Practices for personal accounts.

What you need to know about Overdrafts and Overdraft Fees

An overdraft occurs when you do not have enough money in the available balance of your account to cover a transaction. **Please see the below for the definition of available balance.*

We can cover your overdrafts in two different ways:

1. We have standard overdraft practices that may be available with your account if certain criteria are met.
2. We also offer two overdraft protection plans; a link to Bellwether Community Credit Union (BCCU) share savings and a line of credit. These plans may be less expensive than our standard overdraft practices. (Refer to the Schedule of Fees for current fees and charges related to these services.)

This notice explains our current overdraft protection services and Courtesy Pay, our standard overdraft program.

Overdraft Protection Services

Overdraft Transfer from Other Shares

BCCU may, pay such share draft and transfer shares to this account in the amount of the resulting overdraft, plus a service charge, from any other regular share account from which any of the undersigned is then eligible to withdraw shares.

Primary Savings Secondary Savings Other _____

Overdraft Transfer from Loan Account

BCCU may treat such share draft as a request for an advance from the loan account identified below sufficient to permit BCCU to pay such share draft and credit the loan advance to this account.

Loan Account Number _____

Order of overdraft protection: Upon approval I/We authorized BCCU to pay drafts on my/our checking account and transfer funds in the amount of the resulting overdraft from my share savings account identified above or from my overdraft line of credit, as indicated above, according to the terms and conditions of BCCUs Truth-In Savings Disclosure, Electronic Transfer/Funds Availability Disclosure. Fees may apply.

Order of Overdraft Protection

Savings First Personal Line of Credit First

During any statement period, you may NOT make more than six (6) convenient withdrawals or transfers to another credit union account of yours or to a third party. Convenient withdrawals or transfers may include: preauthorized or automatic transfers (such as overdraft protection transfers), telephonic transfers (phone, fax, online or mobile), and transfers by check or debit card.

I do not want Overdraft Protection / Please cancel Overdraft Protection

Courtesy Pay Terms and Conditions

We know it can happen, even when you're very careful. You make an error in calculation or a deposit doesn't clear on time and suddenly your checking account doesn't have the available balance you need. Well, we've got some good news for you! Bellwether Community Credit Union's checking accounts include Courtesy Pay. This benefit will cover overdrafts up to \$500.00 (including fees), subject to the eligibility criteria as outlined below:

Eligibility Criteria

- Membership must be open at least 60 days
- Checking account must be open at least 30 days
- Total deposits to checking account in previous 31 days must equal at least \$500
- Primary member must be 18 or older
- A maximum of two accounts can carry Courtesy Pay, with a limit of \$500 on each account, for a total of \$1,000

In general, with Courtesy Pay we will pay your overdraft items up to \$500, allowing your account to go negative up to \$500 (including fees). This means whatever payments you make from your checking account will get paid even if you don't have the available balance in your account. In this way you'll avoid the embarrassment and inconvenience of a returned check, as well as any fee merchants, financial institutions, or others normally charge for returned checks. You will be charged a per item fee (Refer to our separate fee schedule for additional information about charges.), and will be required to bring the account positive within 30 days of the overdraft payment(s) being made. Courtesy Pay is a non-contractual, discretionary service, and there is no guarantee the credit union will cover transactions that would overdraw your account. In most cases, you will be eligible for courtesy pay unless:

Situations Negating Courtesy Pay Eligibility

- You are 30 days past due on any Bellwether loan or delinquent on any other obligation to the credit union
 - You are subject to legal or administrative orders, or are currently a party in a bankruptcy proceeding
 - You have a past due balance on a Courtesy Pay Repayment Plan
 - An extended hold is being placed on your checking account or any other account relationship, in which case your Courtesy Pay service may be suspended without prior notice
 - A ChexSystems inquiry includes a negative indicator or any other negative indicator is present
 - Your account is classified as inactive or dormant
 - You already have two membership accounts with outstanding Courtesy Pay balances
 - The mailing address we have on file for you is not current and we are receiving returned mail
- You will be given 30 days from the date of the occurrence to bring your account back into the positive. For Courtesy Pay balances in excess of \$100, there are repayment plans available.

Courtesy Pay Balance Repayment Schedule

- \$100.01 - \$250 – 2 months
- \$250.01 - \$375 – 3 months
- \$375.01 - \$500 – 4 months

Right to Repayment of Indebtedness

You agree that Bellwether Community Credit Union may (without prior notice and when permitted by law) charge against and deduct from your accounts any due and payable debt owed to us now or in the future, by any individual(s) having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we charge the account, including any balance the due date for which we properly accelerate under the note.

In addition to these contract rights, we may also have rights under a

"statutory lien." A "lien" on property is a creditor's right to obtain ownership of the property in the event a debtor defaults on a debt. A "statutory lien" is one created by federal or state statute. If federal or state law provides us with a statutory lien, then we are authorized to apply, without prior notice, your shares and dividends to any debt you owe us, in accord with the statutory lien.

Neither our contract rights nor rights under a statutory lien apply to this account if: (a) it is an Individual Retirement Account or other tax-deferred retirement account, or (b) the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), or (c) the debtor's right of withdrawal arises only in a representative capacity. We will not be liable for the dishonor of any check or draft when the dishonor occurs because we charge and deduct the amount you owe us from your account. You agree to hold us harmless from any claim arising as a result of our exercise of our right to repayment.

Courtesy Pay Applies to the Following Types of Transactions:

- Share Drafts (checks) and Withdrawals
- ACH (Electronic) Transactions
- Debit Card Purchases
- ATM Withdrawals

Payment Order of Items

The law permits us to pay items (such as checks or drafts) drawn on your account in any order. To assist you in handling your account with us, we are providing you with the following information regarding how we process the items that you write. When processing items drawn on your account, our policy is to pay them in the order that they are received. The order in which items are paid is important if there is not enough money in your account to pay all of the items that are presented. There is no policy that is favorable in every instance. If the smallest items are paid first, you may have fewer NSF or overdraft fees, but the largest, and perhaps more important items (such as your rent or mortgage payments) might not be paid. If an item is presented without the available balance in your account to pay it, we may, at our discretion, pay the item (through Courtesy Pay, creating an overdraft) or return the item (NSF). The amounts of the overdraft and NSF fees are disclosed elsewhere. By paying items in the order that we receive them, we think our policy attains a reasonable balance between minimizing additional cost to you and paying your more important items. We encourage you to make careful records and practice good account management. This will help you to avoid writing checks or drafts without an available balance and incurring the resulting fees.

Suspension/Removal of Courtesy Pay Service

Your Courtesy Pay services may be suspended or removed immediately if:

- You do not bring your account to a positive balance within a 30 day period
- You fail to meet the eligibility criteria
- If you meet all the requirements listed above, your Courtesy Pay overdraft privilege may still be removed if you are not managing your account in a responsible manner or in a manner that may harm you or Bellwether Community Credit Union.

You may never need to take advantage of the Courtesy Pay service but you may find it useful in the event of a temporary or unexpected shortage. It should be emphasized, while we do have a per event fee, there is no monthly fee relating to this program. If you never need it, it costs you nothing.

What If I Already Have Overdraft Protection?

If you already have other Overdraft Protections on your account, such as a line of credit or automatic transfer from another account, Bellwether will access those funds first before using Courtesy Pay and imposing the Courtesy Pay fee. (Please refer to our separate fee schedule for additional information about charges.)

Definition of Available Balance:

An overdraft occurs when the available balance in your account is not enough to cover a transaction, but we pay it anyway. Your account's available balance is what you are able to use, withdraw, or transfer immediately. Your available balance excludes funds which are pending, for example items waiting to be cleared or debited and any transactions that have not been processed.

A temporary debit authorization hold also affects your account's available balance. For debit card purchases, merchants may request a temporary hold on your account for a specific dollar amount that may be more than the actual amount of your purchase. When this occurs, our processing system cannot determine that the amount of the hold exceeds the actual amount of your purchase. The temporary hold and the amount charged to your account will eventually be adjusted to the actual amount of your purchase, but it may be up to three days before the adjustment is made. Until the adjustment is made, the amount of money in your account available for other transactions will be reduced by the amount of the temporary hold. If another transaction is presented for payment in an amount greater than the money left after the deduction of the temporary hold amount, that transaction will be a nonsufficient funds (NSF) transaction if we do not pay it or an overdraft transaction if we do pay it. You will be charged an NSF or overdraft fee according to our NSF or overdraft fee policy. You will be charged the fee even if you would have had sufficient funds in your account if the amount of the hold had been equal to the amount of your purchase.

An example of how this may occur: For the example, assume the following (1) you have opted in to our overdraft services for the payment of overdrafts on ATM and everyday debit card transactions, (2) we pay the overdraft, and (3) our overdraft fee is \$30 per overdraft. You have \$100 in your account. You swipe your debit card at the gas pump. Since it is not known what the final bill will be, the gas station's processing system immediately requests a hold on your account in a specific amount, for example \$50. Our processing system authorizes a temporary hold on your account in the amount of \$50 and the gas station authorizes you to begin pumping gas. You fill your tank and the amount of gasoline purchased is only \$30. Our processing system shows that you have \$50 as your available balance for other transactions, \$100-\$50=\$50, even though you would have \$70 in your account available for other transactions if the amount of the temporary hold was equal to the amount of your purchase, \$100-\$30=\$70. Later, another transaction you have authorized is presented for payment in the amount of \$60. This transaction is presented before the amount of the temporary hold is adjusted to the amount of your purchase and results in a \$30 overdraft fee to your account.

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
- Automatic Clearing House (ACH) transactions, such as automatic bill payment

We do not authorize and pay overdrafts for the following types of transaction:

- ATM transactions
- Debit card transactions using your Personal Identification Number (PIN)
- Checks cashed at our teller windows

Also, we do not authorize and pay overdrafts for every debit card transaction that require your signature (known as "signature-based debit card transactions") unless you ask us for this coverage.

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 if I want Courtesy Pay for my signature-based debit card transactions?

If you want BCCU to authorize and pay overdrafts on signature-based debit card transactions, please complete the form below.

What fees will I be charged if BCCU pays my overdraft?

Under our Courtesy Pay, you will incur a fee each time an overdraft is paid. Please see our Schedule of Fees for information about individual fees.

Whatever you decide, please complete the form below simply by checking if you do or do not want coverage on your signature based debit transactions.

I do want BCCU to authorize and pay overdrafts on my signature-based debit card transactions, on my PIN based debit card transactions, and my ATM transactions.

I do not want BCCU to authorize and pay overdrafts on my signature-based debit card, on my PIN based debit card transactions, and my ATM transactions.

I do want BCCU to provide Courtesy Pay services for Share drafts (checks), withdrawals, and ACH (electronic) transactions on my BCCU checking account.

I do not want BCCU to provide Courtesy Pay services for Share drafts (checks), withdrawals, and ACH (electronic) transactions on my BCCU checking account.

Printed Name: _____

Signature: _____ Date: _____