



## Business Member Overdraft Process

An overdraft occurs when you do not have enough funds in your share draft account to cover a transaction, but the Credit Union pays it anyway as part of a discretionary service offered to those who qualify. Below are the services FirstLight Federal Credit Union offers.

FirstLight Federal Credit Union offers several overdraft services to meet your financial needs:

- **Share Transfer** – The **Convenience Transfer** consists of automatic transfers of funds from your Share savings account. Regulation D is a Federal Reserve Requirement that requires all financial institutions-both banks and credit unions- to limit withdrawal transactions on Shares and Money Market accounts.  
The transfers are limited to six (6) times per calendar month. There is a fee per occurrence for this type of **Convenience Transfer**. See the [Commercial Accounts and Fee Schedule for current fees](#).
- **Revolving Line of Credit** (Credit approval required) – this service can be setup to transfer funds to your Share Draft account at no cost to cover items when there are not enough funds in your account, interest is assessed, and a monthly payment is required.
- **Courtesy Pay** (Qualification required) – this service **only covers** checks and ACH (Automated Clearing House) transactions. The service is based on Tier Limits. (See question below “How do I qualify for Courtesy Pay?”) There is a fee per occurrence for this type of transfer. See the [Commercial Accounts and Fee Schedule](#) for current fees.
- **Courtesy Pay for Everyday Debit Card Purchases** (additional – **OPT OUT** required) –
  - The Courtesy Pay for VISA debit card transactions are automatically covered unless you **OPT OUT** by clicking [here](#).
  - Once your account is open, the automatic **OPT IN** covers your transactions to cover the negative balance.
  - This service provides the choice of paying or not paying Everyday Debit Card transactions.
  - FirstLight pays overdrafts at our discretion, FirstLight does **NOT** guarantee that payment will always be authorized and paid.
  - If two or more authorized signers hold an account, the consent or revocation of only one authorized signer is treated as authorization and will bind all holders of the account.

## Questions and Answers

### What is the standard Courtesy Pay that comes with my account?

1. FirstLight authorizes and pays overdrafts for the following types of transactions:
  - Checks and automatic withdrawal transactions made using your checking account.
  - Automatic bill payments and other ACH transactions.
2. FirstLight does not authorize and pay overdrafts for Everyday VISA Debit Card transactions unless you **OPT IN** for Everyday Debit Card Purchases.
3. FirstLight pays overdrafts at our discretion, FirstLight does **NOT** guarantee that a payment will always be authorized and paid.
4. If FirstLight does **NOT** authorize and pay an overdraft, your transaction will be declined.

### How do I qualify for Courtesy Pay?

- **\$500 Limit** – Requirement:
  - Share Draft account opened for more than 30 days and less than a year
  - AND had a minimum of \$500.00 in deposits in the last 45 days
- **\$750 Limit** – Requirement:
  - Share Draft account opened for one to five years
  - AND had a minimum of \$2,000.00 in deposits in the last 45 days
- **\$1,000 Limit** – Requirement:
  - Share Draft account opened for more than five years
  - AND had a minimum of \$3,000.00 in deposits in the last 45 days

All deposits into Share, Share Draft and Money Market accounts count toward the minimum deposit requirement.

### Share Draft accounts are requalified at the end of each month.

- This means that the account can move up to a higher tier after meeting the minimum requirements for one month.
- This also means that accounts will move down to a lower tier after failing to meet the minimum requirements for three consecutive months.
- Certain exclusions apply; see a business member service representative for further details or contact our Member Service Center at 800.562.1172.

### What fees will I be charged?

- Under the FirstLight Business Courtesy Pay, your account will be charged a fee for each time an overdraft is paid on your behalf. See the [Commercial Accounts and Fee Schedule for current fees](#).

### Can I be charged a fee even if an item is not paid?

- Yes, if you have exhausted your limits for any of the services you have/qualify, you may still be charged a Non-Sufficient (NSF) fee for each item.

**Can I be charged a fee if I choose not to OPT IN to Everyday Debit Card Purchases?**

- Yes, though your Everyday debit card purchases will be rejected at the point of purchase/sale, checks and ACH (Automated Clearing House) transactions presented can be assessed a fee if not covered by one of the other overdraft products/services.

**Can I be charged a fee if I choose to OPT OUT of Everyday Debit Card Purchases?**

- Yes, though your Everyday debit card purchases will be rejected at the point of purchase/sale, checks and ACH (Automated Clearing House) transactions presented can be assessed a fee if not covered by one of the other overdraft services.

**Can I be charged multiple fees for the same item?**

- Yes, merchants may present items such as checks and ACH (Automated Clearing House) debits more than once.

**Why should I consider Courtesy Pay for my Share Draft account?**

- FirstLight Federal Credit Union provides several overdraft services to suit your needs. Instead of taking the chance of having a transaction decline and potential embarrassment, Courtesy Pay may alleviate that worry.

**What is Regulation D**

- Regulation D is a Federal Reserve Requirement that requires all financial institutions both banks and credit unions to limit withdrawal transactions on Shares and Money Market accounts.