

Birmingham Bloomfield Credit Union

Discretionary Pay Policy

It is the policy of Birmingham Bloomfield Credit Union to comply with all applicable laws and regulations and to conduct business with applicable safety and soundness standards.

The Deposit Account Agreement and Disclosures provided to the member at the time he/she opened their account with us controls the duties, obligations, and rights of the Depositor, the Authorized Signatories and Birmingham Bloomfield Credit Union regarding their checking account. The Deposit Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provisions of this Discretionary Pay Policy and the Deposit Account Agreement and Disclosure. A copy of the Deposit Account Agreement and Disclosure is available on request.

Description of Service

Discretionary Pay is not a line of credit. Birmingham Bloomfield Credit Union at its sole discretion may honor and pay checks, automatic debits (ACH), and debit card purchases drawn against a checking account that does not have sufficient funds available at the time of the presentment. Discretionary Pay will be applied only after the account's other sources of overdraft protection (savings and credit lines) have been depleted.

Eligibility

Discretionary Pay may be available for all checking accounts that have been opened for 6 months and when: the member whose name that is first on the account is at least 18 years of age; all of those member's Birmingham Bloomfield Credit union accounts are in good standing (accounts have positive balances at least once every 30 days; all loans and VISA are current); no member on the account has caused a loss to Birmingham Bloomfield Credit Union; and the account is not under administrative/legal order or a levy and the member (s) have not filed for bankruptcy and is/are not insolvent. The maximum limit of Discretionary Pay for each qualifying member is \$1,000 per checking account.

Responsibility

If Birmingham Bloomfield Credit Union pays an overdraft on an account with more than (1) owner on the signature card, all owners drawing/presenting the item (thereby creating the overdraft item) are jointly and severally liable for such overdrafts plus applicable fees. Collection action will be taken on accounts whose negative balance exceeds forty-five (45) consecutive calendar days.

Fees

Whether the Non Sufficient Funds (NSF) item is returned or paid, a per-item fee will be charged to the members' accounts as, respectively, either a NSF fee or a Discretionary Pay fee, as set forth in the Rate & Fee Schedule.

Notification

Members will be notified by mail or e-mail of any NSF item returned or paid through the Discretionary Pay system. However, Birmingham Bloomfield Credit Union has no obligation to notify the member before it pays an NSF item.

Limitations

Birmingham Bloomfield Credit Union's Discretionary Pay Plan is non-contractual and discretionary. Birmingham Bloomfield Credit Union may refuse to provide this service on any checking account at any time. The member does not have a contractual right to the overdraft courtesy, nor is it guaranteed by the Discretionary Payment Plan.

Opting Out

Members may "opt out" of the Discretionary Pay program by notifying Birmingham Bloomfield Credit Union in writing. Once a member has "opted out" of the program, they must wait at least 60 days to request reinstatement.