

ATM & Debit Card Overdraft Opt-In

New Federal Reserve rules give Debit and ATM Card users additional options regarding overdrafts.

Types of overdraft services: An overdraft occurs when you make a purchase or an ATM transaction that was authorized through the Debit or ATM Network against a positive balance but when posted to your account overdraws the account. A fee is posted to the account for each item that overdraws the account.

Generally there are two types of overdraft services:

- **Standard overdraft services:** When your transaction is posted to your account and causes your account to become overdrawn, an overdraft fee of \$30 is charged to the account. For example, if you make a purchase with your debit or ATM card for \$150, which at that time your account balance reflected that your account balance was sufficient, but when the transaction is posted to your account you only have \$100, your account will be overdrawn \$50 and the credit union will charge your account an overdraft fee.
- **Overdraft protection plans:** The Credit Union offers a link to your savings account to cover transactions when you overdraw your account. The Credit Union charges \$3 per transfer. Overdraft protection plans may be less expensive than the standard overdraft services, but you must have the funds in another account to cover your overdraft.

The New Rules:

- **You choose:** In the past you were automatically enrolled in the standard overdraft services when you opened your account. Under the new rules, the Credit Union must first get your permission to apply these services to everyday debit and ATM transactions before you can be charged overdraft fees. To grant this permission, you will need to respond to this notice and opt in (agree).
- **Existing account:** If you do not opt in (agree), beginning August 15, 2010, the Credit Union's standard overdraft services won't apply to our everyday debit or ATM transactions. These transactions typically will be declined when you don't have enough funds in your account, but you will not be charged an overdraft fee.
- **New Accounts:** If you open a new account on or after July 1, 2010, the Credit Union cannot charge you overdraft fees for everyday debit card and ATM transactions unless you opt in (agree).
- **Flexibility:** If you opt in (agree), you can cancel at any time. If you do not opt in, you can do so later.
- **Checks and Automatic bill payments:** The new rule does not cover checks or automatic bill payments that you may have set up for paying bills such as your mortgage, rent, or utilities. The Credit Union may still automatically enroll you in their standard overdraft services for these types of transactions.

Member Number: _____ Member Name: _____

Signature: _____ Date: _____

- Opt In** Giving the Credit Union permission to include you in the Standard and Overdraft Protection Plan services
- Opt Out** Declining the Standard Overdraft Services but accepting the Overdraft Protection Plan; which is allowing a share transfer with a fee