

## Welcome Federal Credit Union Overdraft Programs

New regulatory requirements will change how overdrafts are handled by financial institutions. Since these changes will affect the way you manage your checking account, we want you to be aware of the types of overdraft coverage we offer and the choices you need to make.

Our overdraft programs include overdraft savings transfers (\$1.00\* fee per transfer), overdraft line-of-credit loans that accrue finance charges and can be repaid by monthly payments, and *Courtesy Pay*. The Federal Reserve is calling *Courtesy Pay* "Standard Overdraft Practices." *Courtesy Pay* provides an additional safety net for you when sufficient funds are not available from your other overdraft options to cover returned items (checks, pre-authorized ACH – automatic debits, everyday debit transactions, ATM card transactions, TellerLine phone transactions, Virtual Branch Home Banking transactions, and other electronic transfers). *Courtesy Pay* is a non-contractual consideration and does not constitute an actual or implied agreement between you and Welcome Federal Credit Union (WFCU). Whether your overdrafts will be paid is discretionary and we reserve the right not to pay. For example, we typically do not pay overdrafts if your account is not in good standing, (i.e. you're not making regular deposits or you've had too many overdrafts). If we pay an overdraft item, we will charge you a non-sufficient funds fee of \$25.00\* per item\*\*.

\*These fees are disclosed on our Rate & Fee Schedule and are subject to change at the discretion of the Board of Directors.

\*\*You must bring your account to a positive balance within 30 days of the overdraft.

### The new rules:

In the past, you were automatically enrolled in our *Courtesy Pay* overdraft service for all types of transactions. Under the new rules, we must get your permission to apply these services to everyday debit card and ATM transactions. To grant this permission, you will need to "opt in".

If you do not opt in by August 15, 2010, our *Courtesy Pay* services will not apply to your everyday debit card and ATM transactions. These transactions typically will be declined when you don't have enough money in your account.

Flexibility. If you opt in, you can cancel at any time. If you do not opt in, you can do so later.

Your checks, TellerLine transactions, Virtual Branch transactions, ACH transactions, and automatic bill payments that you have set up for paying bills such as your mortgage, rent, or utilities will continue to be covered by *Courtesy Pay*.

### Important Information about the [attached form](#):

If there are multiple owners on the ATM and/or debit card account, either account owner can act on behalf of all owners to add or remove this overdraft coverage.

If you want to authorize us to pay overdrafts for your ATM and everyday debit card transactions please reply by one of the methods on the enclosed form before August 15, 2010.

If you choose to authorize us to pay overdrafts for your ATM and everyday debit card transactions, a separate form for each checking account you own at WFCU must be completed.

We encourage you to manage your checking account responsibly and we do not encourage overdrafts. Thank you for choosing Welcome Federal Credit Union as your financial institution. We appreciate your business!