



Name  
Address  
City, State ZIP

May 25, 2010

Dear **Member Name**,

VISA Check Cards and ATM Cards are a convenience and it's hard to imagine living without them. Using Check Cards and ATM Cards makes it easier than ever to make purchases and payments; but it also makes it easier to overdraw a checking account and incur fees associated with overdraft protection services. As a result, federal lawmakers have created new rules governing overdraft protection programs that go into effect on July 1, 2010.

Now you have the option whether you want to continue to have our overdraft service (what we call Privilege Pay) cover your ATM and VISA Check Card transactions or not. Please take note that this opt-in rule applies only to ATM and VISA Check Card transactions and does not pertain to overdraft protection services associated with written checks or ACH transactions.

### **Why opt-in?**

Virginia Beach Schools Federal Credit Union's overdraft service is designed with your protection and convenience in mind. The majority of our members do not overdraw their accounts and incur fees. However, life doesn't always go according to plan and overdrafts do occur. Without overdraft protection, your ATM and VISA Check Card may be declined if you attempt to make a transaction without sufficient funds.

*For existing accounts:* If you do not opt-in, beginning August 15, 2010, your ATM and VISA Check Card transactions will NOT be protected under Virginia Beach Schools Federal Credit Union's overdraft service.

*For new accounts:* If you open a new account on or after July 1, 2010, your ATM and VISA Check Card transactions will NOT be protected under Virginia Beach Schools Federal Credit Union's overdraft service unless you opt-in.

### **How to opt-in:**

Visit any of our branches, call **(757) 463-3650, ext. 336 or 751**, complete the enclosed opt-in form and return it by mail in the enclosed business reply envelope or fax it to **(757) 463-2169**.

Thank you,  
*Virginia Beach Schools Federal Credit Union*

See insert for more  
information and opt-in form

# What You Need to Know about Overdrafts and Overdraft Fees

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts in two different ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to a savings account or overdraft line of credit, which may be less expensive than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains our standard overdraft practices.

## What are the standard overdraft practices that come with my account?

We do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number
- ATM transactions
- VISA Check Card transactions

Beginning July 1, 2010 for new members and August 15, 2010 for existing members, we will not authorize and pay overdrafts for the following types of transactions unless you ask us to:

- ATM transactions
- VISA Check Card transactions

We pay overdrafts at our discretion, and within predetermined limits, 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 fees will be charged if VBSFCU pays my overdraft?

Under our standard overdraft practices:

- We will charge you a fee of up to \$30 each time we pay an overdraft.
- There is no limit on the total fees we can charge you for overdrawing your account.

## What if I want VBSFCU to authorize and pay overdrafts on my ATM and VISA Check Card transactions?

If you want us to authorize and pay overdrafts on ATM and VISA Check Card transactions, complete the form below and drop it off at any of our branches or return in the enclosed business reply envelope. You may also call **(757) 463-3650, ext. 336 or 751**, stop by any of our branches or fax it to **(757) 463-2169**.

Please complete this form and mail to Virginia Beach Schools Federal Credit Union, 3701 Bonney Road, Virginia Beach, VA 23452, fax to (757) 463-2169 or drop it off at any of our locations.



- I DO NOT WANT** Virginia Beach Schools Federal Credit Union to authorize and pay overdrafts on my ATM and everyday VISA Check Card transactions.
- I WANT** Virginia Beach Schools Federal Credit Union to authorize and pay overdrafts on my ATM and everyday VISA Check Card transactions.

Please contact Virginia Beach Schools Federal Credit Union at **(757) 463-3650, ext. 336 or 751**, or visit any of our locations as we would be happy to answer any questions you may have.

**If this form is not returned, we must assume that you DO NOT WANT Overdraft Protection to cover your ATM and everyday VISA Check Card transactions. This service will then be removed effective August 15, 2010.**

Printed Name \_\_\_\_\_

Account Number (One account per form—please photocopy for additional accounts.) \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

FOR INTERNAL USE ONLY

Date Received \_\_\_\_\_ Date Processed \_\_\_\_\_ Initials \_\_\_\_\_