

Virginia Beach Schools Federal Credit Union Privilege Pay Fact Sheet

What is Virginia Beach Schools Federal Credit Union's Privilege Pay?

Privilege Pay is Virginia Beach Schools Federal Credit Union's Privilege Pay for consumer checking accounts. Our Privilege Pay is offered to add an extra layer of protection and safety net to your checking account. If you don't have enough money in your account's available balance to cover a transaction, we may cover the transaction and overdrawn balance up to an approved limit. Our Privilege Pay eliminates the embarrassment and expense of returned checks, and also protects your credit rating. There is no fee for Privilege Pay, unless you use the service.

Virginia Beach Schools Federal Credit Union provides many different ways to help you avoid NSF incidents. We offer free *SmartLink* Internet, Mobile Banking with e-Alerts and Infoline phone banking so you can check your account's available balance every day in real-time, review payments made, view checks you've written, transfer funds between your accounts, and receive updates when your balances drop below your pre-determined level.

Nevertheless, NSFs do occur, and when they do, we offer additional protection and options to help ensure that your payments go through as you intended.

How does Virginia Beach Schools Federal Credit Union's Privilege Pay work?

If you overdraw your account by a check, ACH electronic payment, bill pay, ATM or point-of-sale debit card transaction, Privilege Pay may cover your transaction even though you do not have enough money in your account's available balance. If you use the Privilege Pay, your account will have a negative available balance. You will incur a \$27.94 overdraft fee; however, you will not incur any merchant fees.

If you have established overdraft protection to cover a negative available balance through an automatic transfer from a savings account or approved line of credit, the Credit Union will access funds from these sources before using your Privilege Pay limit.

You do not have to sign up for Virginia Beach Schools Federal Credit Union's Privilege Pay to work for your paper checks, bill pay or electronic (ACH) items you originated from your checking account. However, you do have to "Opt-In" if you want the protection of Virginia Beach Schools Federal Credit Union's Privilege Pay to apply to your everyday debit card and ATM transactions by completing an *Opt-In Form*.

You may opt-out of Virginia Beach Schools Federal Credit Union's Privilege Pay for all transaction types, and choose to have any item presented for payment without sufficient funds in your available balance returned NSF by calling 757-463-3650. If you do not want us to pay your overdrafts, you must tell us ("opt-out"). If you receive a direct deposit social security or other federal benefit check, you must opt-out if you do not want us to apply those funds to repay an overdraft.

For more details about Virginia Beach Schools FCU's Privilege Pay, please visit our website (www.vbsfcu.org), call 757-436-3650 to speak to a member service specialist, or stop by one of our convenient branch locations.

What does it cost to cover an overdraft?

We encourage you to maintain accurate records and practice good account management. This will help you avoid writing checks or drafts without sufficient funds and incurring the resulting fees.

Ways to Cover Overdrafts?	Fees (5/9/17)
Good Account Management	\$0.00
NSF Item (non sufficient funds fee)	\$35.50 per item
Privilege Pay (overdraft fee)	\$27.94 per item
Overdraft Deposit Transfer Fee (Automated)	\$5.00
Overdraft LOC Transfer Fee (Automated)	Interest may apply

Virginia Beach Schools Federal Credit Union Privilege Pay Guidelines

As a service to customers in good standing and to help you avoid the fees that may be charged by third parties for "bad" checks, we may, at our sole discretion, approve your reasonable overdrafts up to a dollar amount (inclusive of fees). A fee will be charged for each overdraft item or non-sufficient fund (NSF) item as outlined in our fee schedule.

Virginia Beach Schools Federal Credit Union's Privilege Pay is extended to all account holders with checking accounts in good standing, defined as 1) Making regular deposits sufficient to cover transactions; 2) Bringing the account to a positive available balance when overdrawn; 3) There are no legal orders outstanding on your account, and; 4) There is no negative check reporting history with the consumer reporting agencies. We may, at our sole discretion, pay overdrafts up to the limits mentioned above, including our normal Non-Sufficient Funds or Privilege Pay overdraft charge(s).

You may or may not be notified if an overdraft occurs, and you are expected to bring your account to a positive available balance as soon as possible. The total fees you have paid for NSF items (both paid and returned, for the current month and year-to-date) will be on your monthly statement.

The Privilege Pay limit we offer ranges from \$250 to \$1,200 for personal checking accounts. The limit may vary depending upon your account status and financial history. If you have multiple checking accounts, your limit will be applied to your primary checking account only.

Limits are subject to change daily without notification. Therefore, just because we may pay your overdraft transaction today, does not guarantee that we will always pay your transaction when you do not have enough money in your account's available balance to cover the payment. Your Privilege Pay limit is not reflected in your available balance provided at the ATM, Internet banking, or phone banking.

As always, we encourage you to manage your finances responsibly; however, as long as you maintain your account in good standing, we may, as a courtesy, approve your overdrafts within your current available overdraft limit. However, we reserve the right to pay overdraft at our discretion. If you do not have sufficient funds, and we return the item non-sufficient funds (NSF), you will be assessed the \$35.50 NSF Fee.

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