

Don't Forget to Opt In to CMECU's Courtesy Pay Program

Chicago Municipal Employees



Chicago's Credit Union
SINCE 1926

What is Regulation E?

Regulation E, also known as the Electronic Funds Transfer (EFT) Act, is a federal regulation that affects your rights and liabilities as a banking consumer. In 2010, the U.S. federal government updated Regulation E and made some major changes that affect our members with overdraft protection.

If you haven't heard yet, new federal regulations will soon be in place that will change the Courtesy Pay coverage you now receive. Courtesy Pay is the overdraft protection service on your checking account which pays a check, debit card, or ATM transaction presented for payment against your account, up to \$600 for a \$39 fee per transaction if the transaction would cause the account to become overdrawn.

This new regulation requires that you opt in for Courtesy Pay by August 15, 2010, to continue the overdraft payment of ATM and one-time debit card transactions for all the existing accounts. Also all new accounts opened on or after July 1, 2010, will require an "opt in" or "opt out" preference at the time of opening. This preference will govern how transactions are handled on your account.

Other types of transactions, including checks drawn on your account or recurring debit payments will continue to be covered by Courtesy Pay and are not part of the regulation.

If you do not opt in to Courtesy Pay for ATM and one-time debit card transactions by August 15, and your account is not set up with other overdraft protection services (e.g., automatic transfers from your savings or an overdraft protection loan), future transactions of these types will be declined. However, if you do opt in for this service, you will experience no interruption and no change to the Courtesy Pay service you currently have.

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 (Courtesy Pay service) that may come with your account.
2. We also offer overdraft loan. To learn more, ask us about this plan.

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

Until August 15, 2010, Chicago Municipal Employees Credit Union will authorize and pay overdrafts for the following types of transactions:

- Everyday debit card transactions
- ATM transactions

Beginning August 15, 2010 we will not authorize and pay overdrafts for everyday debit card transactions and ATM transactions unless you ask us to. We pay overdrafts at our discretion, 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 I be charged if Chicago Municipal Employees Credit Union pays my overdraft? Under our standard overdraft practices:

- We will charge you a fee of \$39 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 Chicago Municipal Employees Credit Union to authorize and pay overdrafts on ATM and everyday debit card transactions beginning August 15, 2010?

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions beginning August 15, 2010, call **312-236-2326**, stop by any branch, visit www.cmecuoonline.org >services>checking >courtesy pay opt in form and mail the form to Chicago Municipal Employees Credit Union 33 North LaSalle Street, Suite #300, Chicago, Illinois 60602 or fax the form to 312-236-3504

COURTESY PAY OPT IN FORM

Please note that your selection will not be effective until August 15, 2010.

- I **do not** want Chicago Municipal Employees Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.
- I **do** want Chicago Municipal Employees Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Signature _____ Date _____

Printed Name _____ Account Number _____