

**THE NEW ELECTRONIC FUNDS TRANSFER ACT REQUIRES YOU TO MAKE A CHOICE AFFECTING YOUR CHECKING ACCOUNT. ENCLOSED IS A FORM THAT REQUIRES YOUR IMMEDIATE ATTENTION AND ACTION.**

On November 12, 2009, the Federal Reserve finalized changes to Regulation E, which implements the Electronic Funds Transfer Act that affects Overdrafts caused by ATM and one-time debit card transactions.

This regulatory change requires you to notify us whether you want us to pay ATM or one-time debit card transactions when you do not have enough money in your account to cover the transaction.

**HOW YOUR ACCOUNT WORKS TODAY**

Our current overdraft practice is to rely on your financial history to assist us in determining whether or not to pay an overdrafting ATM or one-time debit transaction allowing your account to overdraft to a negative balance. For this overdraft ability your account typically is assessed fee. In order for you to continue this service we need your consent authorizing us to do so. By doing so, these advantages offered will continue:

- **Convenience** – May allow your debit card purchases to be approved when you have insufficient funds.
- **Flexibility** – May allow you to make a purchase even if you can't make a deposit or transfer money until later that same day.
- **A Safety Net** – May cover you if you have an unexpected expense, such as a car tow.
- **Emergency Backup** – May allow you to use your debit card in an emergency, even if you don't have enough money in your account.

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**WHAT DO YOU NEED TO DO?**

Please complete and return the enclosed form to Jeff-Co Schools Federal Credit Union or call (618) 244-5197, to notify us of your decision:

- If you **DO** authorize us, then we may pay at our discretion any ATM or debit card transaction that is processed when you do not have adequate funds in your account. This will create an overdraft, and you may be charged a \$25.00 fee. Of course, we retain the right to pay or not pay any items when there is not enough money in your account to cover the transaction.
- If you **DO NOT** authorize us, then any ATM or debit card transaction that is processed when you do not have adequate funds in your account will be declined.

Your decision is required regarding whether we should pay or not pay ATM and one-time debit card transactions. If you do not respond to this letter, we will interpret your non-response as directing us to NOT pay ATM or debit card transactions when you do not have sufficient funds in your share draft account.

The government set an implementation date of August 15, 2010. Therefore, your decision for us to pay or not pay ATM and debit card transactions presented without sufficient funds will NOT be effective until August 15, 2010. Until that time, we will continue to follow our typical overdraft practices.

We value your membership and look forward to continuing to serve your financial needs. If you have any questions, or need assistance with your account, please call 618-244-5197, or visit our website at [www.jeffcocu.com](http://www.jeffcocu.com).

