

Opt In Solutions by....

Benefit your members by taking action.





Agenda/Topics To Be Covered

- Who's Who
- Changes to Reg E
- Action Steps to assure compliance
- Discussion & Future Developments



Regulation E: Electronic Funds Transfers

This description should not be interpreted as a comprehensive statement of the regulation. Rather, it is intended to give a broad overview of the regulation's requirements. The full regulation is available on the Government Printing Office web site. Regulation E provides a basic framework that establishes the rights, liabilities, and responsibilities of participants in electronic fund transfer systems such as automated teller machine transfers, telephone bill-payment services, point-of-sale (POS) terminal transfers in stores, and preauthorized transfers from or to a consumer's account (such as direct deposit and social security payments). The term "electronic fund transfer" (EFT) generally refers to a transaction initiated through an electronic terminal, telephone, computer, or magnetic tape that instructs a financial institution either to credit or to debit a consumer's asset account.

<http://www.federalreserve.gov/bankinfo/reg/regecg.htm>



Opting in to what?

- For overdraft services including
 - The ability to access ANR negative balance limits (Courtesy Pay)
 - The ability to overdraw an account created by the force post of ATM and one-time debit card transactions
 - It is all about the fee



Critical Dates

Release 10.1 (June)

- Opt In/Out Configuration and maintenance
 - Add new opt in/out option at master account level indicating members preference for overdraft services
 - Maintenance of flags, inquiry, and writing to file maintenance logs

Release 10.2 (July 18)

- Changes to posting programs
 - Unless we can get these changes in sooner, for a couple of weeks you may need to refund fees for the few members who open after July 1 AND opt out AND spend more money than they have in their account



Critical Dates

Release 10.3 (Sept./Oct.)

- Allow members to maintain overdraft services via **It's Me 247** online banking
- Write out changes to file maintenance logs

Release 10.5 or 10.6 (Nov./Dec.)

- Create notice event
- Automatically send out confirmation notice



Critical Dates

June 30th

- All members opt in flags will be set to 'yes' without an employee ID or date of change

July 1st – August 14th (existing accounts)

- System will obey the same rules as it had prior for the posting of NSF and/or ANR negative balance limits for accounts opened prior to July 1st
- If the member opts out the system will obey the same rules as if it were a new account opened after June 30th (subject to posting programs on July 18th)



Critical Dates

July 1st and beyond (new accounts)

- After the July 18th release, members who do not opt in at the time of account opening will not be charged a fee for force post debit and ATM transactions
- Members who do not opt in at the time of account opening will not have negative balance limits used for authorizations of debit/ATM transactions

August 14 – Evening

- Any account which was not touched by a person (having an employee ID and date of change) will be changed to opt out



Recurring Debit Card Entries - Online

- **Targeted for the Release 10.3 (Sept./Oct.)**

Online Vendor	Status
Metavante	Not ready - stated they are in development and will notify us 30 days prior to implementation
Pemco	Have identified the new fields for processors
Star	Have heard nothing
FIS	Ready today
Fifth/Third	Not ready - stated they are in development and will notify us in about 30 days
Elan	Have heard nothing
COOP	Have identified the new fields for processors
Online Shazam	Have identified the new fields for processors



Recurring Debit Card Entries - Batch

- **Targeted for the Release 10.3 (Sept./Oct.)**

Batch Vendor	Status
Metavante	Have heard nothing
SHAZAM	Have identified the new fields for processors
Star	Have heard nothing
FIS	Have heard nothing
Elan	Have heard nothing
TMG	Have heard nothing



Discussion Points

- Do not materially change the forms provided in the appendix to the Regulation
- Type the confirmation notice into the misc accounts form system (included in the Xtend offering)
- Train and script out discussion points so all staff have a thorough understanding of the service offering
- For those who do not offer ANR for debit and ATM transactions, review the reasons why again and potentially reconsider



Member Notification

Members will be suddenly hit with unexpected denials of services when using their ATM/Debit cards should their funds fall short.

Reaction= Members become upset and assume their credit union did something wrong

Members have become accustomed to being covered when they overdraw their account.

Reaction= Members will be embarrassed when there transactions are denied

Fee Income will be lost by the credit union.

Loss of Income means higher fees and surcharges to the members or reductions in other areas



Xtend Solution

- Xtend's Opt In solution will assist our credit union partners with addressing the recent Reg. E changes enacted by federal regulations.
- Opt In will help reach out to members through email, online banking and/or phone calls to encourage them to sign up for debit/credit card ANR.
- The solution is designed as a package but can be 'unbundled' to compliment your in-house efforts.



What will Xtend do?

- Retrieve Data from CU*BASE Core processing system or receive list provided by the credit union.
- Deliver Letters to Targeted Members
- Execute Electronic messages to members utilizing email & online banking
- Xtension Call Center makes outbound calls to targeted members (aka 'high fee members'); calls are logged for CU*BASE input (CU or Xtend)
- Receive Inbound Calls from members to a toll free hotline (validation code)
- Perform or provide maintenance necessary for compliance including the configuration of a miscellaneous account form and CU*BASE Tracker notification to your staff



When must I act?

- Xtend is ready to help you with delivery. Letters & Outbound calls may begin at any time. Delivery schedules will be tailored based on demand, need and work queues of Xtend.
- For best results, your process should begin as early as possible keeping in mind the August 15th deadline.
- August 15th thru End of Year
 - Xtend Round 2 Offering TBD



How much does it cost?

Description	CU*BASE Partners	Non-CU*BASE Partners
One-Time Set Up Fee	\$300.00	\$300.00—\$400.00 <i>Higher charge applies if credit union opts for Member Notification Letter</i>
Member Notification Letter	\$0.20 per letter <i>Plus postage</i>	\$0.20 per letter <i>Plus postage</i>
Electronic Messages	\$50.00 <i>Standard Email delivery fee applies for non-Member Reach clients</i>	N/A
Outbound and/or Inbound Phone Calls	\$1.00 per call	\$1.25 per call
CU*BASE Maintenance Fee	\$0.50 per member maintained	N/A



How does this compare to others?

- Although we are not privy to the specifics regarding other solutions in the marketplace, we are confident that our solution is the most cost-effective available to CU*BASE partners. Our knowledge of CU*BASE, our professional agents, and our ability to provide an end-to-end service including member maintenance makes the Xtend offering your most comprehensive solution.



How do I get started?

Request an order form by contacting:

Julie Gessner

Manager of Communication Services

Xtend Inc.

800-327-3478 x131

jgessner@xtendcu.com



Q&A – What is on your mind?



Linking the powers together is your key to success!

- Jim Vilker- jvilker@cuanswers.com
- Scott Collins- scollins@xtendcu.com
- 800-324-3478

