

## What is Direct Payment?

Direct Payment is a reliable, confidential and efficient electronic payment alternative to paper checks. When you use direct payment, you authorize VFCU to electronically debit your account (checking or savings) at your other financial institution to pay your loans here at VFCU. So instead of writing a check every month, VFCU will automatically make the payment from your account at the other institution on a pre-determined date for you. It's that simple.

## Why use Direct Payment?

As a member, you will save time preparing payments, save money on postage and check fees, eliminate the chance of a late payment, and save time balancing your statement. With Direct Payment, you can anticipate the exact date your loan payment will be posted to your account.

## Why do I need to know about Direct Payment?

This is designed to help you understand your rights when you authorize a Direct Payment. The pamphlet includes a list of questions commonly asked by consumers who, like you, are considering using Direct Payment. The answers to these questions outline your rights, along with the responsibilities of financial institutions involved in these electronic transactions.

## Glossary

**Account** — Refers to your checking or savings account. Note that your other institutions may only allow you to have Direct Payment withdrawn from a checking account.

**Financial Institution** — Refers to any bank, credit union, and savings and loan association.

**Payment** — Refers to a recurring (weekly, biweekly, semimonthly, or monthly) loan payment on your account at VFCU. Currently, VFCU offers only constant loan amounts (e.g. mortgage and car loans, etc.) Periodic variable amount (e.g. variable Visa amount) is not offered at this time.

## Questions and Answers

### Is Direct Payment new?

Direct Payment has been a highly reliable and confidential payment method for more than 25 years and uses the same network as Direct Deposit.

### How do I get started and sign up for Direct Payment?

It's easy. Visit any of the VFCU's branches and fill out a form to authorize VFCU to debit your account at your other institution and to pay your loan here at VFCU.

### How can I be sure a payment was made?

The payment will be shown on your monthly statement from VFCU. The statement will indicate the payment date and amount.

### Will I receive a payment notice from VFCU each month?

No. VFCU for now offers only a constant recurring amount each period, and consequently no pre-notification is required. However, if and when VFCU offers a variable periodic payment amount option, we would mail you a written notice of the new amount and the date of payment at least 10 days before the scheduled payment date.

### Can I stop Payment?

Yes. Simply visit any one of VFCU's branches and fill out a form to stop payment for one time only up to 3 business days before the scheduled payment date. If you call VFCU, you may be required to provide a written request within 14 days. A stop pay service fee may be charged. After the one time only stop payment, transactions will resume as pre-determined.

### How do I discontinue or revoke my Direct Payment?

You must fill out a form to revoke or discontinue your loan payment through the Direct Payment. If your request is by phone or you are out of town, a revoke form will be mailed or faxed to you. Have the form notarized and mailed back to the credit union. Revoke may take place 30 days from the date of your request. A revoke stops your pre-determined transactions permanently.

### What happens if my pre-determined transaction date falls on a weekend or holiday?

The transaction will happen on the next business day following the pre-determined date.

## Direct-Deposit/Payment-Payroll Deductions

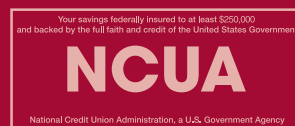
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CURP DD/ACH-4/07

# Direct-Deposit/Payment-Payroll Deductions

## ACH Origination Service



## Reliable

## Simple, Safe and Secure



## No Fees

**VISIONS**  
FEDERAL CREDIT UNION  
Better Rates • Lower Fees • Maximum Convenience

# ACH Origination... It's Simple, Safe & Secure

## Payroll Deduction/Allocations

Payroll Deduction/Allocation allows you to distribute money to your credit union accounts. Members have found this to be a convenient method of saving and repaying loans (not a loan payment option). You'll need to inquire with your employer to see if available.

With payroll deduction, a fixed amount is deducted each pay period and forwarded to your credit union for deposit to your account. Allocations can then be made to various share and/or family member accounts. To start or change the dollar amount of your deduction and/or allocations, you must change the deduction amount with your employer and a credit union allocation card must be completed. The total of the allocations must equal the payroll deduction. If they are not equal, the amount of your payroll deduction (or your allocations) must be changed. If the payroll deduction amount we receive is less than the total of your allocations, a partial deposit will be made.

IBM employees have the "NEDS" program to initiate or change their payroll deduction. Most Lockheed Martin employees have the "IV Desktop" program. Your employer may have a similar program or some other method for defining the payroll deduction.

Direct Deposit and Payroll Deduction are two independent payroll options. Your employer may offer these programs. Direct Deposit of your net payroll is the amount that would normally be in your payroll check after all deductions are taken out. (withholding tax, social security, etc.) Net Pay qualifies for free checking with a VisionsDirect Account. When a deduction to Visions FCU is made, it is a fixed amount each pay period and reduces your net pay. This amount is distributed as you have defined on the allocation card and does not qualify for free checking.

## Automatic Transfer Programs

The Transfer Programs offer a convenient method of moving your funds to other share IDs and/or loans. It allows transfers from any share ID to any other share ID, account numbers or loan (excluding mortgages). Funds must be available for the transfer to be completed.

To initiate, simply pick up a transfer card at any of our offices or phone the credit union and we will mail one to you. Complete the transfer card to authorize your transfer(s) and return the signed form to your credit union.

*NOTE: Only six electronic transfers from any share ID other than the checking, excluding loan payments, are allowed each month. This includes the automatic transfers discussed above, PAT transfers, overdraft transfers, electronic withdrawals, VisionLine, and telephone teller transfers.*

## Payroll Direct Deposit: Save Time and Effort

Receiving a check is always nice, but having to deposit it is time-consuming and inconvenient. Direct Deposit puts your money where you want it, when you need it. With Direct Deposit you avoid the risks of loss, theft, fraud or personal injury. And, you save time and money.

So why crowd your already busy day with a task that can be done automatically with our Direct Deposit program. A few minutes can save you hours of time.

The Direct Net Pay program offers the convenience of having your net pay deposited directly to your credit union account. Members have found it beneficial to have their funds directly deposited to their checking account. By doing this, your money is available when you need it, by check, Automated Teller Machines (ATMs), Phone Access Teller (PAT), VisionLine, or other electronic networks.

Net pay participants, with a VisionsDirect checking, are entitled to one free order of checks (basic) per 12 month period or they may purchase the Civic Pride checks at 1/2 price.

## Start Direct Deposit Convenience

If you would like to add your name to the list of members who enjoy the efficiency and convenience of Direct Deposit, please contact your company directly to set up your direct deposit. You will need to supply your credit union's ABA (routing) number (221375378), your account number in the correct format and indicate deposit to Savings or Checking. Please contact a credit union representative for the correctly formatted account number.

## Visions Federal Credit Union now offers ACH Origination service to its members

### What is the ACH Origination?

The Automated Clearing House (ACH) is a payment mechanism that replaces paper payments with electronic transactions. As a member, you can now transfer funds electronically from your account at other institutions to pay for your loans here at VFCU (Direct Loan Payment). All members that make their loan payments to Visions through ACH are eligible to transfer funds through ACH out of their account. It is a cost effective and efficient alternative to writing checks.

## The Benefits of ACH Origination for You...

### Safety & Security

Direct Payment...

- minimizes the chances of errors
- keeps your account information private.
- eliminates the possibility of lost or stolen checks.
- is Simple, Safe, and Secure.

### Reliability

Direct Payment...

- ensures timely payment of your loans, which avoids late charges and establishes excellent payment credit records.
- helps decrease late charges on delinquent payments.

### Ease & Convenience

Direct Payment...

- saves you time.
- delivers consistent and convenient availability of funds on a timely basis, even during vacations, illness, or business trips.
- saves trips to VFCU branches.

### Potential Cost Reduction

Direct Payment...

- eliminates expenses associated with check writing (stamps, envelopes, checks, etc.)
- is totally FREE.

To sign up, please visit any one of our branches near you.



*Payroll  
Deposit/Deduction*



*Eliminates Check  
Writing Expenses*



*Convenient Fund  
Availability*



*Minimizes Errors*