

Helpful Answers to Your Questions About Privilege Pay

What is Privilege Pay?

As a service to you, your Heartland checking account currently has a convenient feature called Privilege Pay (an Overdraft Program) that allows us to approve transactions, at our discretion, even if you don't have the funds available in your account to cover them.

Do I qualify for Privilege Pay?

To qualify for Privilege Pay no application is necessary, you must simply meet the following criteria:

- Have a Heartland Checking account that has been open for a minimum of 90 days
- Must be at least 18 years old
- Checking balance cannot be negative for more than 10 days
- Cannot have delinquent loans of more than \$25 for more than 45 days
- Must have a deposit of at least \$200 in the last 15 days
- Cannot have filed Chapter 7 or 13 bankruptcy

How Much Does Privilege Pay Cost?

- NO FEE to have Privilege Pay available on your account.
- NO FEE if you never use it.
- Each time Privilege Pay covers your transactions, because you didn't have enough money in your account, you pay \$30.

How do the 2010 regulatory changes to Privilege Pay impact me?

Regulatory changes now require you to Opt In to the Privilege Pay program to cover everyday debit card transactions. Before this regulation Privilege Pay kicked in automatically when you didn't have the funds available. Now, you must opt in by July 1, 2010 or those transactions may not clear if you don't have the funds available in your account.

I have used Privilege Pay in the past, do I need to do anything?

Yes. Everyone who would like to use Privilege Pay for everyday Debit Card transactions must complete the Opt In form. If you do not submit the Opt In form, you will lose Privilege Pay for everyday Debit Card transactions on July 1, 2010.

What will happen if I don't Opt In to Privilege Pay?

Everyday debit card transactions may be declined if you don't have enough money in your account. Our standard Overdraft Protection practices that come with your account will cover paper checks, ACH and recurring Debit Card transactions, such as a gym membership fees, without the requirement of Opting In.

Will I be penalized if I do not Opt In for Privilege Pay?

No. Your accounts will not be penalized or serviced differently. The only difference will be that everyday Debit Card transactions, such as merchant purchases that put your checking account over the limit, will be denied at the register.

I'm a new member. Do I still need to Opt In or will I get Privilege Pay automatically?

You still need to Opt In. Every Checking Account holder will need to Opt In if they want everyday Debit Card transactions covered. Privilege Pay for other types of transactions (paper checks, ACH and recurring Debit Card transactions) will be covered automatically, without the requirement of Opting In.

I never overdraw my account. Do I still need to Opt In?

It's a great emergency program to have in place, but it's entirely up to you. If you don't Opt In and you have an unforeseen discrepancy on your Checking Account, everyday Debit Card transactions could be declined. Privilege Pay can give you peace of mind, covering a transaction drawn on your account if you do not have enough money to cover the item.

Helpful Answers to Your Questions About Privilege Pay

continued

It sounds like there are two programs, one I need to Opt In for and one that comes with my Checking Account. Is that right?

Yes. Think of it as “Standard” Privilege Pay and “Full” Privilege Pay coverage. Standard Privilege Pay comes with your Checking Account and will cover paper checks, ACH and recurring Debit Card transactions such as gym membership fees.

For “Full” Privilege Pay you must opt in. Full Overdraft Privilege covers everything that the Standard program covers, plus everyday Debit Card transactions, such as merchant purchases.

How do I change my Privilege Pay choice - opt in or opt out?

You can change your Privilege Pay choice anytime by contacting Heartland:

- Call us at (651) 451-5160 or (800) 813-9185
- Visit a Heartland branch
- Visit www.heartlandcu.com to complete the online form

What other options besides Privilege Pay do I have?

Heartland also offers Overdraft Protection, such as a link to a savings account or line of credit which may be less expensive than Privilege Pay. The majority of our members are already taking advantage of this service. If you're not sure how your account is set up we're happy to discuss this with you.

What is the best way for me to manage my account to prevent incurring Privilege Pay fees?

Heartland offers several services that allow daily monitoring of your account. Online Banking lets you check balances, transfer funds, and set-up email alerts when your account has reached a certain balance or when items clear the account.

What if I can't decide if I want this service?

We're happy to talk to you about options for managing your account. We encourage you to speak with us before July 1, 2010, that way we can keep your account working as conveniently as it does today if you decide to keep Privilege Pay available on your everyday debit card transactions.