

Overdraft Advancesm

Dear Member,

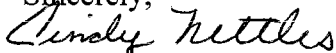
At Schuylkill Federal Credit Union, we are always looking to find new and better ways to serve you, our member. Starting July 6th 2010 we will begin providing you with a special program called "Overdraft Advance" for members ages 18 years and older with a personal share draft account open for at least 30 days. Overdraft Advance provides a cushion that will permit you to overdraw your account up to a \$300.00 limit. By paying your overdraft in this way, you will eliminate the extra expense and potential embarrassment of having a share draft returned.

Overdraft Advance is a non-contractual agreement that requires no action on your part for the standard service. Beginning July 1st 2010 there will be an additional Overdraft Advance opt-in service where ATM and one-time debit card transactions may be covered by Overdraft Advance. Your current overdraft protection arrangements will remain in place exactly as they are now. Overdraft Advance services will only be activated if there are insufficient funds available from your other accounts. This coverage will be extended to you as long as your account remains in good standing. Most transactions (such as checks, on-line bill pay payments, etc.) that overdraw your personal share draft account will be covered up to the \$300.00 limit. We will apply an insufficient funds fee of \$30.00, which went into effect on June 1st 2010, for each transaction that we honor and will notify you each time your Overdraft Advance service is activated. Once your Overdraft Advance service has been activated, it is your responsibility to correct any balance deficiency as quickly as possible. Schuylkill Federal Credit Union expects you to make a deposit covering your overdraft and fees within 30 days. After that time, our normal collection process begins.

You are a valued member of Schuylkill Federal Credit Union and we hope that you find Overdraft Advance beneficial. At Schuylkill Federal Credit Union, we believe Overdraft Advance is one more way we can let you know how much we appreciate your membership. If you do not wish to have this service, complete and sign the Option to Waive on the reverse side of this letter and return to us by July 1st 2010.

Not all members will be eligible for Overdraft Advance. Please read the disclosure printed on the back of this letter for detailed information on this service and the eligibility restrictions. If you have any questions after reading this disclosure, please feel free to call us at (570) 628-4656 and one of our Member Service Representatives will be able to assist you.

Sincerely,



Cindy Nettles

Schuylkill Federal Credit Union
Manager & CEO

Schuylkill Federal Credit Union

Overdraft Advance Disclosure

Effective: July 6, 2010

Schuylkill Federal Credit Union's Overdraft Advance is a service offered to our members on their personal share draft account. Schuylkill Federal Credit Union may honor overdrafts of individual share draft accounts subject to certain conditions and limitations as set forth in this disclosure. Schuylkill Federal Credit Union may subtract an overdraft fee up to \$30.00 for each overdraft honored upon presentment.

All members 18 years of age and older are eligible for Overdraft Advance as long as their account remains in good standing. Good standing is defined as making regular deposits and bringing their account to a positive balance at least once every 30 days; not being more than 15 days past due on a loan with Schuylkill Federal Credit Union; not having caused a loss to Schuylkill Federal Credit Union and not subject to any legal or administrative order or levy. Accounts must be in good standing to be eligible for the Overdraft Advance program. All existing share draft accounts and /or account that have been opened for a minimum of 30 days may automatically be eligible for the Overdraft Advance program. Members are subject to a maximum overdraft limit, including overdraft fees, of \$300.00. Primary and/or joint owners may request and/or remove their account(s) from the Overdraft Advance program at any time. Primary and all other owners shall be jointly and completely responsible for the overdraft including the overdraft fee.

Overdraft Advance is a non-contractual agreement between Schuylkill Federal Credit Union and its members. Schuylkill Federal Credit Union has the right to discontinue the program or withdraw any share draft account from the program based on poor performance of the account, or failure to cover the overdrafts. Schuylkill Federal Credit Union also has the right to limit participation to one account per household. Schuylkill Federal Credit Union has the option to either honor the overdraft or return the item for insufficient funds even though we may have previously paid overdrafts for the member. There is no interest charged on any overdraft or unpaid overdraft charge. There will be no late charges or other fees other than the overdraft charge. Schuylkill Federal Credit Union will notify the member by mail of any overdraft paid or returned; however we have no obligation to notify you before we pay or return an item.

The following transactions may be covered under Overdraft Advance without the opt-in:

- Checks and other debits cashed at a teller's window
- ACH debits and withdrawals
- Service or check charges
- Pre-authorized internal debits
- Checks issued to a third party

Overdraft items will be posted in accordance with Schuylkill Federal Credit Union's existing share draft procedures.

Members who currently have overdraft transfer protection from savings or overdraft loans will continue to have access to those services prior to accessing Overdraft Advance.

It is Schuylkill Federal Credit Union's policy to provide members with every opportunity for repayment.

The Overdraft Advance opt-in option allows Schuylkill Federal Credit Union to authorize ATM and one time debit card transactions when enough funds are not available.

Option to Waive All Overdraft Advance Services:	Fax, bring or send this form to your nearest branch.
I do not wish to have Overdraft Advance services extended to me. By signing this form, I understand that Schuylkill Federal Credit Union will not cover overdrafts to my share draft account through the Overdraft Advance service and that any item(s) presented against insufficient funds will be returned unpaid with applicable NON-SUFFICIENT FUNDS fees assessed. Additionally, I understand that if I wish to have Overdraft Advance services extended to me in the future, I must meet the eligibility requirements at that time.	
Signature: _____	Date: _____
Name: _____	Member Number: _____
Overdraft Advance Opt-In option for ATM and one-time debit card transactions Fax, bring or send this form to your nearest branch.	
I wish to have Overdraft Advance services extended to me on ATM and one-time debit card transactions. By signing this form, I understand that Schuylkill Federal Credit Union will authorize these transactions to my share draft account through the Overdraft Advance service. Additionally, I understand that I may receive up to a \$30.00 fee per item. If I wish to have any Overdraft Advance services discontinued in the future, I may do so at any time.	
Signature: _____	Date: _____
Name: _____	Member Number: _____
Email Address: _____	