

The Insider

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Summer 2007



A Note From the CEO

You the members of Heritage South Federal Credit Union deserve more from your credit union in the quality of service you receive. After all, you are an owner here...not just another number. I want to make sure that you feel you do receive exceptional service from us, like a personal greeting, when you come into the lobby or call one of our call center representatives.

I know that you have many choices in financial services. I am excited that you chose to become a member of HSFCU and I also want to make sure that message is sent from each and every one of our staff.

I want you to know that your opinions are very important. Recently, we have placed comment cards in the lobbies. We ask that you complete these cards. We would love to hear the good things you might have to say, but we also need to hear where we need to make improvements. These cards also give a direct line to me, should you feel that you need to talk about your experience with us. That number is (256) 872-0279 or you may email me at dharrell@heritagesouthfcu.com.

I look forward to hearing from you.

CEO

NOW YOU CAN CUSTOMIZE YOUR CREDIT AND DEBIT CARD PIN NUMBERS...

Now you have the option of selecting your own pin number for your debit and credit card!

If you would like to select another pin number for your debit card, come by either location of Heritage South and see one of our member services representatives.

In order to change the pin number on your HSFCU Visa Credit Card, call (877)297-3411. You must have your 16-digit credit card number and original 4-digit pin number. If you do not know your pin number, please call the credit union at (256)245-4776 and we will have your current pin number mailed to you.



Totally FREE CHECKING

- No Service Fees
- FREE Online Banking
- FREE Direct Deposit
- No Minimum balance required

Our 24-Hour Voice Response Number has changed to 249-8318.

Holiday Closings

- July 4th
- September 3rd
- October 8th
- November 12th
- November 22nd
- December 25th

Theme Park Tickets!

ONE DAY PASS

- Alabama Adventure: \$23.00
- Six Flags: \$31.00
- White Water: \$26.50

SEASON PASS

- Alabama Adventure: \$62.00
- Six Flags: \$31.00

REGULATION "D" IS A DIRECTIVE OF THE FEDERAL GOVERNMENT, NOT OF YOUR CREDIT UNION.

Regulation D (Reg D), a regulation imposed by the Federal Reserve Board on all financial institutions, sets limits on the number of monthly transfers and withdrawals that can occur for a **Savings or Money Market Savings** account. Members with **Savings or Money Market Savings** are limited by this federal regulation to making six (6) automatic withdrawals or transfers per account, per calendar month from any of these accounts (not including loan payments to Heritage South). Once the limit has been reached, the system will no longer allow such a transaction and any automatic transfer may be returned as unpaid.

1. What is Regulation D?

Federal Regulation D places a **monthly** limit on the number of transfers you may make from your **Savings Accounts** or **Money Market Accounts** (MMAs) without your physical presence being required. Transfers affected by this regulation therefore include:

- Transfers made using Internet Banking
- Transfers made using Telephone Banking
- Overdraft transfers (made automatically to cover insufficient funds in other accounts; see below)
- Transfers made by a Member Service Representative on your behalf

Pre-authorized, automatic, scheduled or recurring transfers (see below)

You are allowed **six such transfers per month**, per account, but only **three** of those may be made by check (Money Market accounts only). A check will count in the month in which it clears, not when it was written.

2. What transactions are not affected by Regulation D?

- ATM transactions.
- Transfers made to HSFCU loans.
- Transactions done in person at a branch (including Shared branches).
- Transactions sent in by mail, or Night Drop with an original signature

3. What are my options once an account has reached its Regulation D limit?

You may complete withdrawals and transfers in person, by mail, or at an ATM.

4. If an account used for Overdraft Protection has reached its Regulation D limit, will overdraft requests be honored?

No, if the Overdraft Protection account is a Savings Account or MMA. In that case, you will receive a notice by mail and incur an Insufficient Funds charge for every overdraft attempted beyond your monthly limit. However, if the Overdraft Protection account is a Line-Of-Credit loan (which is not affected by Regulation D) the overdraft will complete normally. To apply for a Line-of Credit loan, contact us.

5. I have authorized a merchant to automatically withdraw payments from my Savings Account or MMA; do these count against my monthly limit?

Yes. These payments (which you might know as "ACH" or "EFT" transactions) follow Regulation D limitations. Any withdrawals attempted beyond your monthly limit will not be honored, and you will receive a notice by mail and incur an Insufficient Funds charge. To avoid this situation, make automatic payments using something other than a Savings Account or MMA, such as a checking account. Contact the merchant to arrange this change, and be aware that your request could take more than a month to go into effect.

Can I overdraw my checking account by using my debit card? YES!

Many people have overdrawn their checking account by using their debit cards. If you swipe your debit card at a point-of-sale location, the transaction may not clear your account for up to five days. In the meantime, if you have a check or any type of draft that clears your account for more than the debit card transaction, you may be charged an NSF fee of \$28 when the debit card transaction actually hits your account because the funds are no longer available. For example: When you check your account online on Sunday afternoon, your account balance is \$50. On Friday, you had written a check to Food World for \$47.86 so you should have a balance of \$2.14 in your account after the check clears. But on Saturday, there was a debit card purchase for \$18.27 at Zaxby's which has not posted to your account yet. On Monday night, the check clears your account for \$47.86 leaving you a balance of \$2.14. On Tuesday, the transaction that you made a Zaxby's finally hits your account. You only have a balance of \$2.14 and the Zaxby's transaction is \$18.27. You will be charge an NSF fee for \$28. It is very important to write down every transaction in your register. If you should look online or call our voice response number, it only provides the account balance at the time of the inquiry. Debit card transactions may be held for a maximum of 5 days. The most common places that hold debit card transactions are fast-food restaurants and gas stations. Gas stations normally hold \$1 until the entire amount clears.

Coming soon to www.heritagesouthfcu.com: How to Balance your Checkbook!!!

NOTICE OF YOUR FINANCIAL PRIVACY RIGHTS

We, Our, and Us means Heritage South Federal Credit Union.

This is our privacy notice for our members. When we use the words "you" and "your" we mean the following types of members:

All of our consumer members who have a continuing relationship with us, such as:

Deposit Accounts, Loan Accounts, Credit Card

We will tell you the sources for nonpublic personal information we collect on our members. We will tell you what measures we take to secure that information. We first define some items:

Nonpublic personal information means information about you that we collect in connection with providing a financial product or service to you. Nonpublic personal information does not include information that is available from public sources, such as telephone directories or government records.

An **affiliate** is a company we own or control. A **nonaffiliated third party** is a company that is not an affiliate of ours.

THE INFORMATION THAT WE COLLECT

We collect nonpublic personal information about you from the following sources:

Information we receive from you on applications or other forms

Information about your transactions with us

Information about your transactions with nonaffiliated third parties

Information from a consumer reporting agency

INFORMATION WE DISCLOSE ABOUT YOU

We do NOT disclose any nonpublic personal information about you to anyone, except as permitted by law.

THE CONFIDENTIALITY, SECURITY, AND INTEGRITY OF YOUR NONPUBLIC PERSONAL INFORMATION

We restrict access to nonpublic personal information about you to those employees who need to know that information to provide products and services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

NONPUBLIC PERSONAL INFORMATION AND FORMER MEMBERS

We do not disclose nonpublic personal information about former members, except as permitted by law.

WATCH YOUR MONEY GROW....

<u>ACCOUNT TYPE</u>	<u>ANNUAL RATE</u>	<u>APY</u>	
Regular Savings	1.24%	1.25%	
Christmas Club	1.00%	1.01%	
Money Market (Balance: \$2500.00-\$4,999.00)	2.50%	2.50%	
Money Market (Balance: \$5000.00+)	3.00%	3.00%	
IRA Accounts	3.44%	3.50%	
Prestige Checking	1.24%	1.25%	
<u>ACCOUNT TYPE</u>	<u>ANNUAL RATE</u>	<u>APY</u>	<u>TERM</u>
Share Certificate	3.70%	3.76%	6 Months
Share Certificate	4.20%	4.28%	12 Months
Share Certificate	4.30%	4.39%	24 Months
Share Certificate	4.35%	4.44%	36 Months

Earn Even More if your check is directly deposited into your Heritage South Checking Account...

<u>ACCOUNT TYPE</u>	<u>ANNUAL RATE</u>	<u>APY</u>	<u>TERM</u>
Share Certificate	3.96%	4.03%	6 Months
Share Certificate	4.32%	4.41%	12 Months
Share Certificate	4.45%	4.54%	24 Months
Share Certificate	4.55%	4.65%	36 Months
IRA Certificate	4.55%	4.65%	36 Months

Great Loan Rates!

**Auto Loan Rates as low as
5.75% APR for up to 40 Months &
6.00% APR for up to 60 Months.**

**Tell the following dealerships that you
want your next vehicle financed with
Heritage South:
Glynn Smith, Serra, Robo, Long-Lewis,
and Colonial Chevrolet**

**Signature Loans as low as 10.25% APR
15 & 30 Year Mortgages
No PMI Insurance Required, No Discount
Points, and No Origination Fees**



**LOW FIXED RATE
OF 8.9% APR**

1% Cash back Rewards

**Get up to the date information at
www.ezcardinfo.com**

Talk with one of our loan officers today!

KIDS DAY BLAST '07



Showing of their new tattoos!

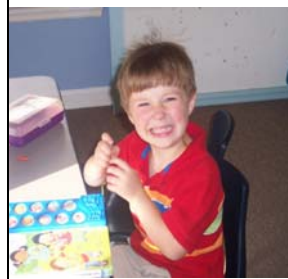


Thanks to all of the parents for brining your children to our Annual Kids Day Blast! We had a great turn-out. Be sure to tell all of your friends and family about our Smart Savers Kids Club. Go to our student center on www.heritatesouthfcu.com for upcoming events. Click the Googolplex link for summertime saving activities. Googolplex is for the elementary, middle school, and high school student.

JOIN THE SMART SAVERS KIDS CLUB!

Start your child a savings account today! It's never too early to teach your children about how important it is to have a savings account. When a child joins the Heritage South Smart Saves Kids Club, they will receive a FREE Goody Bag which includes a bank and a coin pocket folder. Each time they fill their folder up, they can deposit their change into a savings account at the credit union. Just for making a deposit, their name will go into a drawing for one of our quarterly prizes.

Some of the prizes that we have given away are: Alabama Adventure tickets, Desoto Caverns tickets, and passes to the Pumpkin Patch. Once the child reaches a balance of \$250, they will receive a FREE T-shirt.



Noah Catchings is the winner of 2 tickets to Alabama Adventure! There were over 100 kids whose name was put into a drawing at our Kids Day Blast for tickets to Alabama Adventure.



2007 Scholarship Winner
Joshua Hale is the winner of the 2007 Claude Sawyer Annual Scholarship. Joshua is a graduate of Sylacauga High School. He plans to attend Auburn University this fall and major in Industrial Engineering.



PO Box 128
Sylacauga, AL 35150