



Important Information: Changes to Electronic/Check Withdrawals

Starting in September, you may see a change in the day or time that electronic payments or paper checks clear your accounts. This is due to a regulatory change for all financial institutions that will result in faster money transfers or clearing of drafts (checks). ServU Credit Union members will notice changes in how their transactions are posted throughout the day.

1.) Paper checks may clear your accounts faster:

Starting Sept 1st share draft checks will be cleared twice a day. Checks may clear in the morning or in the afternoon depending upon when the merchant sends the file to us. This could result in checks clearing your accounts faster than they have in the past. Checks without sufficient funds will be returned immediately to the merchant. Previously, share drafts only cleared your account in the afternoon. The best rule of thumb to follow is to make sure you do not write checks unless you have the funds available in your account and always keep your checkbook balanced.

Example Scenario: Anita pays for groceries using a paper check. In the past, this type of payment may have taken a few business days to clear Anita's account. Starting September 1st, the check could possibly clear Anita's account sooner because checks will be cleared twice a day.

2.) Electronic Payments:

Starting Sept 15th, electronic payments will be withdrawn three times per day. This means funds may be withdrawn from your account the same day you schedule the payment. The merchant you are paying will determine when they pull the funds from your account. Be sure to read all disclosures regarding electronic payments when you set them up with a merchant. Previously, these payments may have taken a few days after you scheduled the payment before the merchant(s) withdrew the funds from your account. Always be sure you have funds in your account before you schedule an electronic payment. If a transaction tries to clear your account multiple times in the same day, you may receive multiple fees.

Example Scenario: Bob makes a one-time payment for \$150.00 on the cable company's website. In the past, this type of payment may have taken a couple business days to clear Bob's account. Starting September 15th, this type of payment could come out of Bob's account the same day he makes the payment online.

3.) ACH Originations:

If you currently have automatic monthly transfers coming to ServU Credit Union from another financial institution, funds will be removed from your account at the other financial institution on the same day that they are received at ServU.

Example Scenario: Dave has an auto loan at ServU Credit Union with an automatic ACH payment from his checking account at ABC Bank. Currently, his payment arrives at ServU on the 5th, and is deducted from his checking account at ABC Bank the following business day. Starting September 15th, the funds will be deducted from his checking account at ABC Bank on the 5th, the same business day that the payment is applied to his ServU loan.