ATM Surcharge Rebates

A Service to Reward Members

INTRODUCTION

If your credit union is using a vendor to process ATM surcharge fees rebates (from foreign ATMs) to your members – now you can do this directly in CU*BASE. Maybe you are a credit union who has not offered this service to your member? Consider starting one! This way "free" checking accounts can truly be a no-cost account for members.

CU*BASE allows you to configure the rebate two ways - per Dividend Application (all members with an account of the Dividend Application receive the rebate), or as part of the rewards of a *Qualified* Dividend (only members with qualifying enrollments, such as bill pay or e-Statements, and/or number or amount of transactions, such as ACH, receive the reward). This gives you the flexibility to choose which members are eligible to receive the rebate.

In order to offer an ATM surcharge rebate, the credit union first sets up the Surcharge Routine. This allows you to configure the rebate and set the maximum dollar amount of the reward. Then this routine is selected in the Dividend Application configuration, or Qualified Dividend configuration, depending on the chosen method.

Since the Surcharge Rebate is by Dividend Application (Qualified or regular), credit unions have the flexibility to offer different rebates for different types of accounts, for example a higher rebate for a VIP checking account versus a regular checking account.

At the time of this publication, this offering is not available for credit unions using FIS and Shazam as vendors for ATM processing.

CONTENTS

CONFIGURING YOUR SURCHARGE REBATE

In order to offer the ATM surcharge rebate, you will first need to configure your specific surcharge rebate details using the ATM/Debit Card Processing Configuration menu. This surcharge rebate will then be selected when configuring the Dividend Application.

"Surcharge Rebate Reward Program" on the ATM/Debit/Credit Card Configurations (MNCNFG) menu

To create a new surcharge rebate program from this screen, use *Add Routine* (F6).

Surcharge Rebate Detail

The surcharge rebate configuration allows you to set the details of the surcharge rebate, including the maximum amount that will be refunded to the member, the G/L expense account funding the refund and, the description that appears on the member's statement.

Fill in the fields to define the rebate; then press Enter.

Surcharge Rebate Added

Code	Description	Maximum
01	ATM Surcharge Rebate	0.25

■ Edit   ■ Delete   ■ View

Add Routine

FR (3906)

METHODS FOR DETERMINING ELIGIBILITY

OVERVIEW OF ELIGIBILITY METHODS

Surcharge rebates can be given via the Dividend Application configuration. Any member having an account of this Dividend Application is eligible to receive the rebate. This option allows you to offer this service to either savings or checking accounts.
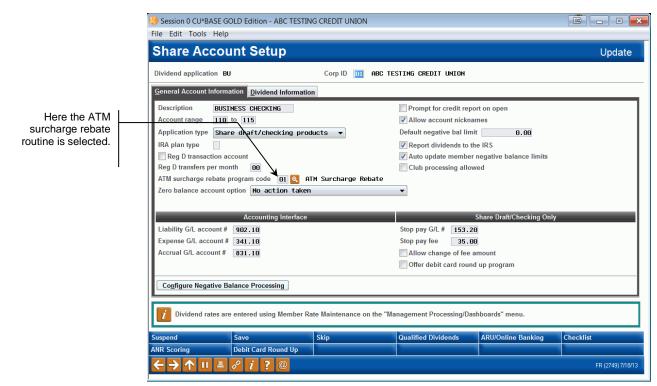
A second option is to offer the rebate through the use of the Qualified Dividend feature. With the second method, credit unions can set specific "Qualifying Dividend" parameters a member must meet (for example, e-Statement or bill pay enrollment or a certain number of ACH transactions) in order to qualify to receive the rebate. Qualified Dividend can only be offered on checking accounts.

In either case, the member only receives a rebate on ATM surcharges fees charged to the Dividend Application with the configured rebate. If fees are assessed to accounts not set up to be rebated, the member is still charged these fees.

ELIGIBILITY BY DIVIDEND APPLICATION

ATM Surcharge Rebates can be given to all members with an account of a selected Dividend Application. You use this method of ATM surcharge rebate with either savings or checking Dividend Applications. Simply use the *ATM surcharge rebate program code* look-up to select your configured routine.

With the configuration shown below, all members having an account of this Dividend Application will receive the ATM Surcharge Rebate offering by the credit union.

Here the ATM
surcharge rebate
routine is selected.

ELIGIBILITY THROUGH QUALIFIED DIVIDENDS

Credit unions may decide to use the ATM Surcharge Rebate feature in conjunction with a Qualified Dividend program. Qualified Dividends allow you to configure a checking Dividend Application with specific eligibility requirements, then set up two rate schedules: the **qualified** rate and the **base** rate for non-qualified accounts. When dividends are posted at the end of the month, CU*BASE will automatically evaluate member accounts and calculate dividends according to the appropriate rate schedule. While configuring the conditions for the member to be eligible for the qualified rate, credit unions can also configure the dividend to also only pay the ATM surcharge rebate *if the member qualifies for the higher dividend.*

- NOTE: Only share draft Dividend Applications with certain configuration settings are allowed by Qualified Dividends. Refer to the *Qualified Dividends* booklet for more details.

In this case, you would select *Apply surcharge rebate to* apply to *Qualified Members Only* as shown below.

This ATM surcharge rebate will only be given to "Qualified" members.

You can also configure a Dividend Application to be a Qualified Dividend, but offer the ATM Surcharge to all members regardless of whether they are eligible for the qualified rate. In this case, you would select *All Members with this Account* as shown below.

REBATE PROCESSING

ATM Surcharge Rebates are posted to member accounts on a monthly basis
CU*BASE calculates and posts the surcharge rebate as one deposit, not
exceeding the maximum monthly rebate amount. Members see the rebate,
along with the description configured in the ATM Surcharge configuration on
their statements.

ATM Surcharge Rebates are posted during end of month processing prior to
dividends being calculated (and posted).

- The rebates are posted after Qualified Dividends processing and prior
  to surcharge charges, such as minimum balance service charges.

- Because of the order of the monthly process, total rebate amount *will*
  be part of the average daily balance calculation for the month, on
  products that have ADB calculation type, or part of dividend accrual
  for the last day of the month, for daily accrual types.

Members receive ATM Surcharge Rebates if they have accounts with
Dividend Applications configured for ATM Surcharge Rebates. Only the fees
posted to these account are rebated.   Rebates are posted for ATM Surcharge
fees on ATM deposits and ATM withdrawals by the member. If the account
is closed or frozen during the month, the member will not receive the rebate.

- At the time of this publication, this offering is not available for credit
  unions using FIS and Shazam as vendors for ATM processing.

- ATM Surcharge Program is supported only by online ATM/Debit
  Cards. At the current time there are no plans to support batch
  ATM/Debit processing.

REPORTING

Two monthly CU*SPY reports can be used to monitor your ATM Surcharge Refunds. The first report, TATMSR1, serves as the Transaction Register and lists the rebate transactions, with a total of the rebates at the bottom of the report. The second report, TATMSR2, lists members who are overlimit of their rebate amount.

- NOTE: Frozen accounts will not receive any rebate.

ATM Surcharge Rebate Transaction Register (TATMSR)

```
4/01/11    23:08                                  C.U.                          TATMSR        PAGE
                                   ATM SURCHARGE REBATE TRANSACTION REGISTER
                                          DETAIL - AS OF  3/31/11

                                                  PREVIOUS     CURRENT
      ACCOUNT #    DIVAPL          DEPOSIT         BALANCE      BALANCE    DESCRIPTION
          -030      EC              13.50          1284.63      1298.13    ATM SURCHARGE REBATE
          -030      EC               6.00           213.80       219.80    ATM SURCHARGE REBATE
          -030      EC               2.00           732.68       734.68    ATM SURCHARGE REBATE
          -030      EC               3.00          1091.64      1094.64    ATM SURCHARGE REBATE


** TOTAL NUMBER OF REBATES --          4
** TOTAL AMOUNT OF REBATES --      24.50
```

ATM Surcharge Rebate Exception Register (TATMSR2)

```
4/01/11    23:08                                  C.U.                          TATMSR2       PAGE
                                   ATM SURCHARGE REBATE EXCEPTION REGISTER
                                          DETAIL - AS OF  3/31/11

                         REBATE       CURRENT       AMOUNT
      ACCOUNT #  DIVAPL  ATTEMPTED    BALANCE       POSTED        EXCEPTION REASON


TOTAL NUMBER OF EXCEPTIONS --          0
```