



# Direct Deposit

## What is it?

Direct Deposit is also known as Electronic Funds Transfer (EFT). It is a system in which funds are electronically transferred from one account to another. In this case, your funds -- your monthly NEBF benefit payments -- are electronically transferred from NEBF to your account in your financial institution. Your financial institution can be any bank, savings and loan, credit union, or investment firm which is a member of the National Automated Clearing House Association (NACHA) system. This system is the same one used by over 15 million Social Security recipients to directly deposit their social security benefit payments into their account.

## What are the advantages?

It's safe. Because it is an electronic transfer of funds, it eliminates the possibility of mail delays, misdirected mail, or lost or stolen checks.

It's convenient. There is no need to endorse a check. It avoids having to visit the bank to make a deposit, and it eliminates the possibility of holds being placed on checks until they clear.

It's worry-free. It assures that your monthly pension benefit payment will be available to you on the last banking day of each month, rather than the first day of the following month or even later as is often the case with paper checks.

## How much does it cost?

It's free! There is no cost to you for this service. In fact, many people who take advantage of Direct Deposit save money or even make money. They save money since there are no transaction fees for direct deposits as there sometimes are for teller based deposits. They sometimes make money since the direct deposit is made earlier and therefore can earn more interest.

## How does it work?

Every month your NEBF benefit payment is automatically deposited to your account. NEBF participant service representatives and NEBF computers do the work for you. You can just sit back and enjoy your retirement. To ensure that we have the correct routing number for your financial institution, the correct account number for your account, and that everything is running perfectly, we have developed special setup procedures for the first month of your Direct Deposit. These special procedures require us to mail a paper check to your financial institution that will be deposited into your account. As with any paper check, it may take an extra day or two before the funds are available for your use.

After the first month, your NEBF monthly benefit payments will always be available in your account on the last day of the month.

## What will NEBF send me?

You will be informed whenever there is a change in the amount of your monthly pension -- but you will not receive a monthly payment stub. The deposit will be reflected on the statement you normally receive from your financial institution.

## What happens if I change banks?

You simply complete a form giving us the name and routing number of your new financial institution and your new account number. While this information is being verified by your financial institution, you will receive a paper check.