

University Credit Union Discretionary Overdraft Privilege Policy

It is the policy of University Credit Union to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards. The Membership Account Agreement and Disclosure provided to you at the time you opened your account with us controls the duties, obligations and rights of the Depositor, the Authorized Signatories and University Credit Union with regard to your checking account. The Membership Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Discretionary Overdraft Privilege Policy and the Membership Account Agreement and Disclosure. A copy of the Membership Account Agreement and Disclosure is available to you on request from a University Credit Union representative.

Overdraft privilege is not a line of credit. However, if you inadvertently overdraw your account, we will have the discretion to pay the overdraft, subject to the limit of your overdraft privilege and the amount of the overdraft fee. University Credit Union is not obligated to pay any item presented for payment if your account does not contain sufficient available funds. Any discretionary payment by University Credit Union of an overdraft check (or items, such as ATM withdrawals) does not obligate University Credit Union to pay any other overdraft check (or item), or to provide prior notice of its decision to refuse to pay such check (or item).

Pursuant to University Credit Union's commitment to always provide you with the best level of service, now and in the future, if your checking account has been open for at least thirty (30) days, and thereafter you maintain your account in good standing, which includes at least:

- A) Bringing your account to a positive balance within every thirty (30) day period for a minimum period of 24 hours;
- B) Not being in default on any loan or other obligation to University Credit Union; and
- C) Not being subject to any legal or administrative order or levy,

University Credit Union will have the discretion to pay overdrafts within the overdraft privilege limits. Payment by University Credit Union is a discretionary courtesy and not a right of the account holder or an obligation of University Credit Union. This privilege for checking accounts will generally be limited to between a \$500-\$750 overdraft (negative) balance, depending on the type of checking account. Of course, any and all fees and charges, including without limitation the non-sufficient funds fees (as set forth in our fee schedules and membership account agreement and disclosure), will be included as part of this maximum amount. It may be possible that your account will become overdrawn in excess of the overdraft privilege amount as a result of the assessment of a fee.

The total of the discretionary Overdraft Privilege (negative) balance, which includes any and all fees and charges, including all non-sufficient funds/overdraft fees is due and payable upon demand, and Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all such amounts, as described in the Membership Account Agreement and Disclosure.

Our standard OD Privilege Fee of \$30.00 will be imposed for overdrafts created by checks, ACH, ATM withdrawals, everyday debit card transactions, in-person withdrawals, or by other electronic means. If your account balance remains overdrawn for longer than 30 days, we will charge your account a collection fee of \$15.00.

Transactions may not be processed in the order in which they occurred, and the order in which transactions are received and processed may impact the total amount of fees incurred. While University Credit Union will have the discretion to pay overdrafts on accounts in good standing (as described above), any such payment is a discretionary courtesy, and not a right of the accountholder or an obligation of University Credit Union and University Credit Union in its sole and absolute discretion, can cease paying overdrafts at any time without prior notice of reason or cause.

University Credit Union will not pay overdrafts for ATM or everyday debit card transactions after August 15, 2010 unless University Credit Union has provided you with the notice required by section 205.17(b) of Regulation E and you have opted in to the payment of these overdrafts. In order to avoid overdrafts due to ATM and everyday debit card transactions, University Credit Union will place a hold on your account for any ATM or everyday debit card transaction authorized until the transaction settles. ATM and everyday debit card transactions usually settle within three business days after the transaction is authorized. The amount of the hold will be for the amount authorized, or as permitted under applicable payment network rules. Holds on authorized ATM and everyday debit card transactions will be removed prior to settlement where required by applicable payment network rules. In addition you may opt out of the Overdraft Privilege services for check, ACH and debit card bill payment transactions at any time by contacting one of our Member Service Representatives.