



## **Courtesy Pay Policy**

It is the policy of SRU Federal Credit Union to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards.

The Membership and Account Agreement 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 SRU Federal Credit Union with regard to your share draft checking account. The Deposit Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Courtesy Pay Policy and the Membership and Account Agreement. A copy of the Membership and Account Agreement is available to you upon request to a representative of SRU Federal Credit Union.

Courtesy Pay (Discretionary 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. SRU Federal 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 SRU Federal Credit Union of an overdraft check (or items, such as ATM withdrawals) does not obligate the Credit Union to pay any other overdraft share draft (or item), or to provide prior notice of its decision to refuse to pay such share draft (or item).

Pursuant to SRU Federal Credit Union's commitment to always provide you with the best level of service, now and in the future, if your consumer account (primarily used for personal and household purposes) has been open for at least sixty (60) days and thereafter you maintain your account in good standing, which includes at least:

1. Bringing your account to a positive balance within every thirty (30) day period for at least 24 hours;
2. Not being in default on any loan or other obligation to SRU Federal Credit Union; and
3. Not being subject to any legal or administrative order or levy,

SRU Federal Credit Union will have the discretion to pay overdrafts within the overdraft privilege limits, but payment by the Credit Union is a discretionary courtesy and not a right of the accountholder or an obligation of SRU FCU. This privilege for consumer share draft checking or share savings accounts will generally be limited to a maximum of \$300.00 overdraft (negative) balance. Of course, any and all fees and charges, including without limitation the non-sufficient funds fees (as set forth in our fee schedules and deposit 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 Deposit Account Agreement and Disclosure. Our standard overdraft fee of SRU Federal Credit Union will be imposed for overdrafts created by checks, ACH, ATM withdrawals, everyday debit card transactions, in-person withdrawals, or by other electronic means. 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 SRU Federal 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 the Credit Union. SRU Federal Credit Union in its sole and absolute discretion, can cease paying overdrafts at any time without prior notice of reason or cause.

For our consumer accountholders SRU Federal Credit Union will not pay overdrafts for ATM or everyday debit card transactions unless we have 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. Debit card transactions in excess of the available balance will be declined if the member has not opted in to the Overdraft Privilege Agreement. In addition, for both consumer and commercial accounts, 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.