

DISCRETIONARY OVERDRAFT PRIVILEGE POLICY

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

The 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 Educators Credit Union with regard to your checking account. The Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Discretionary Courtesy Overdraft Policy and the Account Agreement and Disclosure. A copy of the verbiage contained in the Account Agreement and Disclosure is available to you on request from your Educators Credit Union officer.

Educators Credit Union is not obligated to pay any item presented for payment if your account does not contain sufficient available funds. Any discretionary payment (or other negotiation processing) by Educators Credit Union of any non-sufficient fund check or checks (or other item) does not obligate Educators Credit Union to pay any additional non-sufficient fund check or item or to provide prior notice of its decision to refuse to pay any additional non-sufficient fund check or item.

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

- A. Making regular deposits consistent with your past practices;**
- B. Bringing your account balance to a positive balance of \$0.01 or more by the close of a business day within every thirty-four (34) day period;**
- C. Waiting until the following business day after your checking account has been brought to a positive balance of \$0.01 or more before using the privilege again;**
- D. You are not in default on any loan or other obligation to Educators Credit Union and**
- E. You are not subject to any legal or administrative order or levy.**
- F. We may also limit the number of eligible accounts to one per household and/or one account per TIN.**

Educators Credit Union will consider, as a discretionary courtesy and not a right or obligation, approving your reasonable overdrafts. This privilege for checking accounts will generally be limited to a maximum of \$700 overdraft (negative) balances. Of course, any and all fees and charges, including without limitation the non-sufficient funds fees, continuous overdraft fees and interest charges (as set forth in our fee schedules and Account Agreement and Disclosure), will be included.

The total of the discretionary courtesy overdraft (negative) balance, including any and all fees and charges, including all non-sufficient funds/overdraft fees, continuous overdraft fees and interest charges 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 Account Agreement and Disclosure.

Again, approval of payment of reasonable overdrafts by Educators Credit Union on accounts in good standing (as described above) is only a discretionary courtesy, and not a right or obligation, is within Educators Credit Union's sole and absolute discretion and can cease at any time without prior notice of reason or cause.

OVERDRAFT PRIVILEGE CHARGE-OFF POLICY

Educators Credit Union shall charge off checking accounts when they reach the point of being overdrawn for forty-five (45) consecutive days. Any funds in your other non-IRA Educators Credit Union accounts may be applied prior to charge-off. All of your credit union privileges will be terminated at the time of the charge-off (except receiving payments of your outstanding loans). We will report any losses to the credit bureau(s) and/or other credit agencies. Accounts may also be turned over to collection agencies and/or attorney(s) for collection assistance before or after being charged-off.