

Nassau Financial Federal Credit Union
Overdraft Privilege Disclosure
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It is important for you to use your checking account responsibly and to never intentionally overdraw your account. However, we realize that financial shortfalls happen from time to time and we have several options available for you. As a benefit to our members, we offer these useful services to cover you in the event that you overdraw your checking account.

Overdraft Protection Options:

Transfer from another account - If you have other accounts with us, you can authorize us to transfer the funds needed to cover your overdraft. A \$5.00 fee will be charged each time funds are transferred from the authorized account to the checking account to cover an ACH preauthorized withdrawal, check item or signature or PIN based point of sale transaction.

Line of Credit – A line of credit is available to cover overdrafts. This service requires you to complete an application and approval is based on your credit worthiness. The amount of your limit varies. An Annual Percentage Rate of 12.75% will be charged on the outstanding balance. A loan disclosure will be provided to you upon application. See a loan officer for further details. Contact us at 516-742-4900 (outside the Long Island and New York City area call toll-free 1-800-216-2328) or come in to any branch for applicable terms and conditions.

Overdraft Privilege - Overdraft Privilege is a service we add to your checking account to cover overdrafts to a set limit, subject to the eligibility criteria as explained below. With Overdraft Privilege we will generally pay your overdraft items up to \$750.00; however, whether your overdrafts will be paid is discretionary and we reserve the right not to pay. For example, we typically do not pay overdrafts if your account is not in good standing, you are not making regular deposits, or you have too many overdrafts. When we pay overdraft items for you, you will be charged our normal paid NSF fee, currently \$25.00, for each item that is presented. Both the amount of the overdraft items and all applicable fees, including but not limited to the paid NSF fees, are included in this limit. All deposits to overdrawn accounts are applied to the negative balance. On signature and PIN based debit purchases, the paid NSF fee will only be charged on transactions of \$25.00 or greater.

Eligibility - No application is required for the Overdraft Privilege; eligibility is at the sole discretion of the Credit Union and is based on you managing your checking account in a responsible manner. Your Overdraft Privilege may be suspended or permanently removed based on the following criteria:

- You do not bring your account to a positive balance for at least one full business day within a 30 day period.
- You have an account that has been opened less than 30 days.
- Your account type is not eligible.
- You are more than 15 days past due on any Credit Union loan or delinquent on any other obligation to the Credit Union.
- You have not made an aggregate deposit of \$300.00 or more into your account at least once in the last 60 days.
- You are subject to any legal or administrative orders, levy, or are currently a party in a bankruptcy proceeding.
- You have an outstanding balance on an Overdraft Repayment Plan.
- A restriction is being placed on your checking account or any other account relationship, in which case your Overdraft Privilege will automatically be suspended without prior notice for as long as the restriction is in effect.
- Your account is being reviewed for fraudulent activity or transactions.
- The primary account owner is less than 18 years old.
- A ChexSystems or any other negative indicator has been reported to us.
- Your account is a trust, custodial, escrow or organization account.
- Your account is classified as inactive.
- You have an unresolved prior loss with the Credit Union.
- You are not a member in good standing with the Credit Union.
- You have elected to opt out of the Overdraft Privilege program.
- We do not have a valid address for you.
- We believe you are not managing your account in a responsible manner which may harm you or us.

Transactions Covered by Overdraft Privilege - Overdraft Privilege will be available for all checks written, signature and PIN based debit purchases, and ACH preauthorized transactions.

Payment Order of Items - The order in which items are presented may affect the total fees assessed to your account. The first items that we pay are electronic transactions for which it is our policy to pay them in the order they are received. When processing checks or orders drawn on your account, our policy is to pay them according to the dollar amount. We pay the lowest dollar amount to the highest dollar amount. NOTE: Please be aware that holds placed on your account for pending electronic transactions, such as hotel or rental car deposits, reduce your available balance and may cause your account to become overdrawn.

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Account Agreement - Your account agreement describes the duties, obligations, and rights of depositors, authorized signatories and the Credit Union with regard to your deposit accounts. That account agreement is incorporated herein for all purposes as if it were set forth verbatim as to matters not directly addressed by this disclosure. Your account agreement and this disclosure shall be construed so as to minimize conflicts between them.

Waiver: The Credit Union's forbearance from, or delay in, exercising any of the Credit Union's rights, remedies, privileges, or right to insist on your strict performance of any provisions of your account agreement, this Overdraft Privilege disclosure, or any other provision related to your account, shall not be construed to be a current or future waiver of the Credit Union's rights, remedies or privileges.

Remedy: You and the Credit Union agree that the exclusive remedy and forum for all disputes arising out of the Overdraft Privilege or your or Credit Union's performance there under, except for matters you or Credit Union take to small claims court, is arbitration by an independent arbitrator pursuant to the applicable rules of the American Arbitration Association, except as prohibited by law.

Effective Date- All information listed in this disclosure is effective as of June 17, 2009

Opt Out - If you do not want the Overdraft Privilege on your account, simply complete the form provided and mail it to the address shown or fax it to the number shown. It is important for you to consider that there is no additional cost for the Overdraft Privilege and that by signing and returning the Opt Out form to us you are instructing us to return unpaid any items presented against insufficient funds, including electronic items. We will deny overdraft access through any electronic channels such as checks, ACH and signature and PIN based debit purchases. Even though you have opted out, you will still be charged our \$25.00 NSF fee for each item returned. Members who receive a Social Security, federal direct deposit, or any other entitlement benefit must opt out if they do not want the Credit Union to apply those funds to pay an overdraft.

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OPT OUT FORM

Primary Account Owner _____ (please print)

Other Account Owner: _____ (please print)

Applicable Account Numbers: _____

By opting out of Overdraft Privilege, I understand that any and/or all of my insufficient fund checks or electronic items will be returned to the Payee, and I agree to hold the Credit Union harmless, and without liability, for any fees or other consequences that may result from this action. The Credit Union will continue to charge its \$25.00 NSF fee for each item presented. For signature and PIN based debit purchases, any posted purchase of \$25 or greater that brings my account balance negative, will be charged a \$25.00 paid NSF fee.

Signature(s):

Primary Account Owner _____ Date

Other Account Owner _____ Date

Mail to:
Nassau Financial Federal Credit Union
865 Merrick Avenue Suite 250N
Westbury, NY 11590
516-742-4900
Or Fax to:
516-240-1246