

ARMSTRONG ASSOCIATES FCU
DISCRETIONARY OVERDRAFT PRIVILEGE DISCLOSURE

It is the policy of Armstrong Associates FCU 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 Armstrong Associates FCU with regard to your share draft account. The Membership and Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Discretionary Overdraft Privilege Disclosure and the Membership and Account Agreement. A copy of the Membership and Account Agreement is available to you on request from Armstrong Associates FCU.

The 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. Armstrong Associates FCU is not obligated to pay any item presented for payment if your account does not contain sufficient available funds. Any discretionary payment by Armstrong Associates FCU of an overdraft share draft (or item, such as an ATM withdrawal) does not obligate Armstrong Associates FCU 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 Armstrong Associates FCU's commitment to always provide you with the best level of service, now and in the future, if your member account (primarily used for personal and household purposes) 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 Armstrong Associates FCU and
- C) Not being subject to any legal or administrative order or levy,

Armstrong Associates FCU will have the discretion to pay overdrafts within the Overdraft Privilege limits, but payment by Armstrong Associates FCU is a discretionary courtesy and not a right of the Member or an obligation of Armstrong Associates FCU. This privilege for member share draft accounts will generally be limited to a maximum of \$300 overdraft (negative) balance. Of course, any and all fees and charges, including without limitation the non-sufficient funds fees (as set forth in our Rate and Fee Schedules and Membership and Account Agreement), 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 and Account Agreement. Our standard Overdraft fee of \$22 will be imposed for overdrafts created by share drafts, ACH, 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 Armstrong Associates FCU 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 Member or an obligation of Armstrong Associates FCU. Armstrong Associates FCU, in its sole and absolute discretion, can cease paying overdrafts at any time without prior notice of reason or cause.

Armstrong Associates FCU may not pay overdrafts for ATM or everyday debit card transactions. However, transactions may not be processed in the order in which they occurred. The order in which transactions are received and processed may impact the balance in your share draft account. ATM and everyday debit card transactions usually settle within two business days after the transaction is authorized.

In addition, you may opt out of the Overdraft Privilege services for share draft, ACH and debit card bill payment transactions at any time by contacting one of our Member Service Representatives.