

Discretionary Overdraft Privilege Policy

It is the policy of Sun 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 and Truth in Savings 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 Sun Federal Credit Union with regard to your share draft or checking 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 Policy and the Membership and Account Agreement and Disclosure. A copy of the Membership and Account Agreement and Truth in Savings Disclosure is available to you online or on request from the Credit Union.

Overdraft Privilege is not a line of credit. However, if you inadvertently overdraw your checking 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. Sun Federal Credit Union is not obligated to pay any item presented for payment if your checking account does not contain sufficient available funds. Any discretionary payment by Sun Federal Credit Union of an overdraft item including any check or ACH electronic transaction, ATM Visa Check Card withdrawal or point of sale purchase and payments made through SunTouch 24 Bill Pay does not obligate Sun Federal Credit Union to pay any other checking overdraft item, or to provide prior notice of its decision to refuse to pay such item.

Pursuant to Sun Federal Credit Union's commitment to always provide you with the best level of service, now and in the future, if your checking account primarily used for personal and household purposes or your business 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 balance 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 Sun Federal Credit Union, and
- C) Not being subject to any legal or administrative order or levy.

Sun Federal Credit Union will have the discretion to pay overdrafts within the Overdraft Privilege limits, but payment by Sun Federal Credit Union is a discretionary courtesy and not a right of the member or an obligation of Sun Federal Credit Union. This privilege for checking accounts will generally be limited to a maximum of \$600 overdraft (negative) balance. Of course, any and all fees and charges, including without limitation the non-sufficient funds fees (as set forth in our Truth in Savings Disclosure and Account Fee Schedule), 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, including any and all fees and charges, plus 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 and Truth in Savings Disclosure with a maximum repayment period of 30 days. Our standard overdraft fee of \$30 will be imposed for overdrafts created by checks, ACH, ATM withdrawals, everyday debit card transactions, in-person withdrawals, or by any 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.

Again, while Sun 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 member or an obligation of Sun Federal Credit Union and Sun 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 account holders, Sun Federal Credit Union will not pay overdrafts for ATM or everyday debit card transactions performed with your ATM Card or ATM VISA Check Card after August 14, 2010 unless Sun Federal 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, Sun Federal 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 two 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, 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 Sun Support Specialists.