

CHECKING PRIVILEGES

- HRCCU DISCRETIONARY OVERDRAFT PRIVILEGE POLICY -

It is the policy of Hudson River Community Credit Union (HRCCU) to comply with applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards.

Hudson River Community Credit Union clears checks by check number, and ACH items are cleared in the order they are presented.

The Deposit 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 Signatures and HRCCU with regard to your share draft account(s). The Deposit 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 Deposit Account Agreement and Disclosure. A copy of the Deposit Account Agreement and Disclosure is available to you on request from your HRCCU officer.

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. Hudson River Community 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 HRCCU of an overdraft share draft (or items, such as ATM withdrawals) does not obligate HRCCU 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 HRCCU'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:

- Bringing your account balance to a positive balance within every thirty (30) day period for a minimum period of 24 hours.
- Not being in default on any loan greater than thirty (30) days or other obligation to HRCCU; and,
- Not being subject to any legal or administrative order or levy.

Hudson River Community Credit Union will have the discretion to pay overdrafts within the overdraft privilege limits, but payment by HRCCU is a discretionary courtesy and not a right of the member or an obligation of HRCCU. This privilege for consumer share draft or share accounts will generally be limited to a maximum of \$400.00 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 Schedule and Deposit Account Agreement and Disclosure), will be included as part of this maximum amount. Also, a reasonable collection fee for charged off accounts will be incurred.

The total of the discretionary overdraft privilege (negative) balance, including 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 with a maximum repayment period of thirty (30) days.

Again, while HRCCU 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 HRCCU and HRCCU in its sole and absolute discretion, can cease paying overdrafts at any time without prior notice of reason or cause.

Opt Out

If you choose to opt out of the Overdraft Privilege benefit, please notify HRCCU as soon as possible. Call 518-654-9028 extension 2252.

(Revised 8/06.)