

Courtesy Pay Policy (Discretionary Overdraft Service)

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

Courtesy Pay Service is a discretionary courtesy or service* and not a right of yours nor an obligation on our part to consider paying your reasonable overdrafts. It is available if your eligible account has been open for at least (60) days and thereafter you maintain your account in good standing, which includes at least: (A) Continuing to make deposits consistent with your past practices; (B) You are not in default on any loan obligation to Morton Lane Federal Credit Union; (C) You bring your account to a positive balance (not overdrawn) at least one every thirty (30) days; and (D) Your account is not the subject of any legal or administrative order or levy. Of course, any and all credit union fees and charges, including without limitation our non-sufficient funds/overdraft fees (as set forth in our fee schedules) will be included in this limit.

We are not obligated to pay any item presented for payment if your account does not contain sufficient collected funds. It is our standard practice, within our Courtesy Pay Policy, to authorize and pay overdrafts for checks, automatic bill payments and other debit transactions made using your account number, unless you opt-out for overdraft coverage on these types of transactions. We **do not** authorize and pay overdrafts for ATM withdrawals or everyday debit card purchases, unless you consent (opt-in) to overdraft coverage for these types of transactions. (Refer to online opt-in form at www.mortonlanedirect.com, under forms for details)

A non-sufficient funds balance may result from: A) The payment of checks, electronic funds transfers, or other withdrawal requests; B) Payments authorized by you; C) The return, unpaid, of items deposited by you; D) The imposition of credit union service charges; or E) The deposit of items which according to the credit union's Funds Availability Policy, are treated as not yet "available" or finally paid.

We may refuse to pay an overdraft for you at any time, even though your account is in good standing and even though we may have previously paid overdrafts for you. You will be notified by mail of any non-sufficient funds items paid or returned that you may have; however, we have no obligation to notify you before we pay or return any item. The amount of any overdrafts plus our \$21.00 Non-Sufficient Funds (NSF) Charge (which is a per item fee) shall be due and payable on demand. If there is an overdraft paid by us on an account with more than one (1) owner on the signature card, each owner, and agent if applicable, drawing/presenting the item creating the overdraft, shall be jointly and severally liable for such overdrafts plus our Non-Sufficient Funds (NSF) Charge(s). As a general rule, when multiple items are received simultaneously for payment, the items will be cleared in the order they occurred which can affect the total amount of overdraft fees incurred. We reserve the right to change the clearing order at any time without notice.

Limitations: We may limit the number of accounts eligible for the Courtesy Pay* service to one account per household.

*The Courtesy Pay service does not constitute an actual or implied agreement between you and the credit union. Nor does it constitute an actual or implied obligation of or by the credit union. This service represents a purely discretionary courtesy or privilege that the credit union may provide to you from time to time and which may be withdrawn or withheld by the credit union at any time without prior notice or reason or cause. Members wishing to be removed or opt out from the Courtesy Pay program should contact a credit union representative.

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