

Triangle Federal Credit Union
Discretionary Courtesy Pay Policy
January 1, 2008

It is the policy of Triangle FCU to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards.

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 Signatories and Triangle FCU with regard to your share draft account. The Deposit Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Discretionary Courtesy Pay 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 Triangle FCU officer.

Courtesy Pay is not a line of credit and the privilege may be withdrawn by Triangle FCU at any time. 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. Triangle FCU is not obligated to pay any item presented for payment if your account does not contain sufficient available funds. Any discretionary payment by Triangle FCU of an overdraft does not obligate us or create an agreement or course of dealing on our part to allow overdrafts.

Pursuant to Triangle FCU's commitment to always provide you with the best level of service, now and in the future, if your account has been open for at least sixty (60) 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 Triangle FCU and
- C) Not being subject to any legal or administrative order or levy

Triangle FCU will have the discretion to pay overdrafts within the courtesy pay limits, but payment by Triangle FCU is a discretionary courtesy and not a right of the member or an obligation of Triangle FCU. This privilege for member 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 fee schedules and deposit account agreement and disclosure), will be included as part of this maximum amount.

The total of the discretionary courtesy pay (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 30 days.

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