

OVERDRAFT COVERAGE OPTIONS: OVERDRAFT PROTECTION AND COURTESY PAY

First New York Federal Credit Union understands that unexpected overdrafts occur from time to time. Overdraft Coverage can help.

Overdraft Coverage Options

The choice is yours. Consider these ways to cover overdrafts:

Service	Cost
Overdraft Protection link to another deposit account you have at First New York Federal Credit Union¹	\$5 fee per transfer
Overdraft Protection Line of Credit^{1, 2}	Subject to interest
Courtesy Pay Standard or Extended Coverage	\$30 Courtesy Pay Fee per item presented*

¹Call us at (518) 393-1326 Option 2, send us a secure message through online banking, or come by a branch to sign up or apply for these services; ²Subject to credit approval.

****Per item presented means each time an item is presented, including re-presentation.***

Overdraft Protection applies to all transactions and may help prevent overdrafts by automatically transferring funds to your checking account from another account or line of credit you may have at First New York Federal Credit Union for a fee or finance charge. Please note that overdraft lines of credit are subject to credit approval.

Courtesy Pay allows you to overdraw your account up to the disclosed limit for a fee to pay a transaction. Even if you have Overdraft Protection, Courtesy Pay is still available as secondary coverage if the other protection source is exhausted. Please review ***What Else You Should Know*** for other important information.

Transactions Covered with Courtesy Pay	Standard Coverage (No action required)	Extended Coverage (Your consent required on consumer accounts) *	If you would like to select Extended Coverage for future transactions: • call us at (518) 393-1326 option 2 • send us a secure message through online banking • visit any branch • complete a consent form and mail it to us at 2 Wall Street, Albany, NY 12205
Checks	X	X	
ACH - Automatic Debits	X	X	
Recurring Debit Card Transactions	X	X	
Online Bill Pay Items	X	X	
P2P Transfers	X	X	
ATM Transactions		X*	
Everyday Debit Card Transactions		X*	

*If you choose Extended Coverage on your consumer account, **ATM transactions and everyday debit card transactions** will be included with the transactions listed under Standard Coverage. If you already have Courtesy Pay Extended Coverage, it is not necessary to request it again. Business accounts automatically have Extended Coverage.

If you want to discontinue Courtesy Pay in its entirety, contact us at (518) 393-1326 option 2 or send us a secure message through online banking.

WHAT ELSE YOU SHOULD KNOW

- A link to another account or line of credit may be less expensive than an overdraft. A single larger overdraft will result in one fee, instead of multiple smaller overdrafts. Use our mobile, and online banking services to track your balance. For financial education resources, please visit www.mymoney.gov.
- The \$30 Courtesy Pay Fee that is charged if you overdraw your account is the same fee amount that is charged if an item is returned as unpaid. If multiple items overdraw your account on the same day, each item will be assessed an appropriate Courtesy Pay Fee or a Non-Sufficient Funds of \$30. All fees and charges will be included as part of the Courtesy Pay limit amount. Your account may become overdrawn more than the Courtesy Pay limit amount because of a fee.
- There is a limit of (\$240) per day we will charge you for overdrawing your account. We will not charge a Courtesy Pay Fee if the transaction amount is \$10 or less.
- Recipients of federal or state benefits payments who do not wish us to deduct the amount overdrawn and the Courtesy Pay Fee from funds that you deposit or that are deposited into your account may call us at (518) 393-1326 Option 2 to discontinue Courtesy Pay.
- If an item is returned because the Available Balance (as defined below) in your account is not sufficient to cover the item and the item is presented for payment again, First New York Federal Credit Union ("We") may charge a Non-Sufficient Funds each time we return the item because it exceeds the Available Balance in your account. Because we may charge a Non-Sufficient Funds each time an item is presented, **we may charge you more than one fee for any given item as a result of a returned item and re-presentation of the item.** When we charge a Non-Sufficient Funds, the charge reduces the Available Balance in your account and may put your account into (or further into) overdraft. If, on re-presentation of the item, the Available Balance in your account is sufficient to cover the item we may pay the item, and, if payment causes an overdraft, charge a Courtesy Pay Fee. We may use the terms "item" and "transaction" interchangeably.
- This describes the posting order for purposes of determining overdrafts. Our general policy is to post items throughout the day and to post ACH credits before debits. ATM, ACH, debit card transactions and paper checks are posted in the order in which the items are received; however, because of the many ways we allow you to access your account, the posting order of individual items may differ from these general policies. Holds on funds (described herein) and the order in which transactions are posted may impact the total amount of Courtesy Pay Fees or Non-Sufficient Funds Fees assessed.
- Courtesy Pay is not a line of credit; it is a discretionary overdraft service that can be withdrawn at any time without prior notice.
- Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all overdraft and fee amounts, as described in the Membership and Account Agreement. The total (negative) balance, including all fees and charges, is due and payable upon demand.
- We may be obligated to pay some debit card transactions that are not authorized through the payment system but which we are required to pay due to the payment system rules, and as a result you may incur fees if such transactions overdraw your account. However, we will not authorize debit card or ATM transactions unless your account's Available Balance (including Overdraft Coverage Options) is sufficient to cover the transactions and any fee(s).
- Giving us your consent to pay everyday debit card and ATM overdrafts on your consumer account (Extended Coverage) may result in you incurring Courtesy Pay Fees for transactions that we would otherwise be required to pay without assessing a Courtesy Pay Fee. However, this would allow us to authorize transactions up to the amount of your Courtesy Pay limit. If you consent to Extended Coverage on your consumer account, it will remain on your account until it is otherwise withdrawn.

Understanding your Available Balance: Your account has two kinds of balances: the Current Balance and the Available Balance.

- We authorize and pay transactions using the Available Balance.
- Your Current Balance reflects the full amount of all deposits to your account as well as payment transactions that have been posted to your account. It does not reflect checks you have written and are still outstanding or transactions that have been authorized but are still pending.
- Your Available Balance is the amount available to you to use for purchases, withdrawals, or to cover transactions. The Available Balance is your Current Balance, less any holds due to pending debit card transactions and holds on deposited funds.
- The balance used for authorizing checks, ACH items, and recurring debit card transactions is your Available Balance plus the amount of the Courtesy Pay limit and any available Overdraft Protection.
- The balance used for authorizing ATM and everyday debit card transactions on accounts with Standard Coverage is your Available Balance plus any available Overdraft Protection but does NOT include the Courtesy Pay limit.

- The balance used for authorizing ATM and everyday debit card transactions on accounts with Extended Coverage is your Available Balance plus any available Overdraft Protection and includes the Courtesy Pay limit.
- Because your Available Balance reflects pending transactions and debit holds, your balance may appear to cover a transaction but later upon settlement it may not be sufficient to cover such transaction. In such cases, the transaction may further overdraw your account and be subject to additional overdraft fees. You should assume that any item which would overdraw your account based on your Available Balance may create an overdraft. Note that we may place a hold on deposited funds in accordance with our Membership And Account Agreement, which will reduce the amount in your Available Balance.
- Please be aware that the Courtesy Pay amount is not included in your Available Balance provided through online banking, mobile banking or First New York Federal Credit Union's ATMs.
- We will place a hold on your account for any authorized debit card transaction until the transaction settles (usually within two business days) or as permitted by payment system rules. In some cases, the hold may exceed the amount of the transaction. When the hold ends, the funds will be added to the Available Balance in your account. If your account is overdrawn after the held funds are added to the Available Balance and the transaction is posted to the Available Balance, a Courtesy Pay Fee may be assessed.
- Except as described herein, we will not pay items if the Available Balance in your account (including the Courtesy Pay limit, if applicable) is not sufficient to cover the item(s) and the amount of any fee(s).

Understanding Courtesy Pay Limits

- New consumer and business checking accounts will receive a \$100 Introductory Courtesy Pay limit at account opening.
- A Courtesy Pay limit of \$750 will be granted to eligible consumer checking accounts opened at least 90 days in good standing.
- A Courtesy Pay limit of \$1,000 will be granted to eligible business checking accounts opened at least 90 days in good standing.
- Courtesy Pay may be reduced if you default on any loan or other obligation to us, your account becomes subject to any legal or administrative order or levy, or if you fail to maintain your account in good standing by not bringing your account to a positive balance within 20 days for a minimum of one business day. You must bring your account balance positive for at least one business day to have the full Courtesy Pay limit reinstated.

If you have any questions about Overdraft Protection or Courtesy Pay, please call us at (518) 393-1326 Option 2, send us a secure message through online banking or visit any branch.