

Brazos Valley Schools Credit Union
Discretionary Overdraft Privilege Policy

It is the policy of Brazos Valley Schools 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 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 Brazos Valley Schools Credit Union with regard to your 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. A copy of the Membership and Account Agreement is available to you on request from your branch office of the Brazos Valley Schools Credit Union.

Overdraft privilege is not a line of credit. However, if you 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. Brazos Valley Schools Credit Union is not obligated to pay any item presented for payment if your account does not contain sufficient available funds. Any discretionary payment (or other negotiation or processing) by Brazos Valley Schools Credit Union of any non-sufficient funds check or other item does not obligate or create an agreement or course of dealing for Brazos Valley Schools Credit Union to pay any additional non-sufficient funds check or item or to provide prior notice of its decision to refuse to pay any additional non-sufficient funds check or item.

Pursuant to Brazos Valley Schools Credit Union'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 opened utilizing ChexSystems, and thereafter you maintain your account in good standing, which includes at least:

- A) Bringing your account balance to a positive balance (for a 24 hour period) within every thirty (30) day period;
- B) You are not in default on any loan or other obligation to Brazos Valley Schools Credit Union and
- C) You are not subject to any legal or administrative order or levy.

Brazos Valley Schools Credit Union will have the discretion to pay overdrafts within the overdraft privilege limits, but payment by Brazos Valley Schools Credit Union is a discretionary courtesy and not a right of the Member or an obligation of Brazos Valley Schools Credit Union. This privilege for consumer checking accounts will generally be limited to a maximum of \$300, \$500, \$700 or \$1,000 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 Membership and Account Agreement), will be included as part of this maximum amount.

The total 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 Membership and Account Agreement.

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

Announcement: March / 2004