

Northern Tier Federal Credit Union

Discretionary Overdraft Privilege Disclosure

It is the policy of Northern Tier Federal Credit Union 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 Northern Tier Federal Credit Union with regard to your checking 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 Overdraft Privilege Disclosure and the Deposit Account Agreement and Disclosure. A copy of the Deposit Account Agreement and Disclosure is available to you on request from your Northern Tier Federal Credit Union officer.

The 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 then-existing Overdraft Privilege limit and the amount of the overdraft fee. Northern Tier Federal 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 Northern Tier Federal Credit Union of an overdraft check (or item, such as an ATM withdrawal) does not obligate Northern Tier Federal Credit Union to pay any other overdraft check (or item), or to provide prior notice of its decision to refuse to pay such check (or item).

Pursuant to Northern Tier Federal Credit Union's commitment to always provide you with the best level of service, now and in the future, if you maintain your account in good standing, which includes at least:

- A) Bringing your account to a positive balance within every thirty-five (35) day period for a minimum period of 1 business day;
- B) Not being in default on any loan or other obligation to Northern Tier Federal Credit Union and
- C) Not being subject to any legal or administrative order or levy,

Northern Tier Federal Credit Union will have the discretion to pay overdrafts within the Overdraft Privilege limits, but payment by Northern Tier Federal Credit Union is a discretionary courtesy and not a right of the member or an obligation of Northern Tier Federal Credit Union. An Overdraft Privilege limit of \$500 for Performance checking accounts and \$700 for Advantage checking accounts will be given at account opening to eligible members. This privilege for consumer and business Performance checking accounts will be limited to a maximum of \$500 overdraft (negative) balance. This privilege for consumer and business Advantage checking accounts will be limited to a maximum of \$700 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. It may be possible that your account will become overdrawn in excess of the Overdraft Privilege amount as a result of the assessment of a fee.

The total of the discretionary Overdraft Privilege (negative) balance, which includes 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. Our standard Overdraft fee of \$20.00 will be imposed for overdrafts created by, checks, ACH, ATM, withdrawals, everyday debit card transactions, in-person withdrawals, or by other electronic means.

While Northern Tier Federal 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 Northern Tier Federal Credit Union and Northern Tier Federal Credit Union in its sole and absolute discretion, can cease paying overdraft at any time without prior notice of reason or cause. If you do not maintain your account in good standing, the Overdraft Privilege limit will be reduced to \$0.

For our consumer members, Northern Tier Federal Credit Union will not pay overdrafts for ATM or everyday debit card transactions unless Northern Tier Federal Credit Union has provided you with the notice required by § 1005.17(b) of Regulation E and you have opted in to the payment of these overdrafts. In order to avoid overdrafts due to ATM and everyday debit card transactions, Northern Tier Federal Credit Union will place a hold on your account for any ATM or everyday debit card transaction authorized until the transaction settles. ATM and everyday debit card transactions usually settle within two business days after the transaction is authorized. The amount of the hold will be for the amount Authorized, or as permitted under applicable payment network rules. Holds on authorized ATM and everyday debit card transactions will be removed prior to settlement where required by applicable payment network rules.

Consumer members may discontinue having Overdraft Privilege cover future transactions at any time by contacting one of our Member Services Representatives.

May 15, 2014