

OVERDRAFT ADVANCE DISCLOSURE
EFFECTIVE: September 30, 2010

Advanced Financial Federal Credit Union's Overdraft Advance is a service offered to our members on their personal checking account. Advanced Financial may honor overdrafts of individual checking accounts subject to certain conditions and limitations as set forth by this policy. Advanced Financial may subtract an overdraft fee of \$35.00 for each overdraft honored upon first time presentation.

All members may be eligible for Overdraft Advance as long as their account remains in good standing, defined as making regular deposits and bringing their account to a positive balance at least once every thirty (30) days. Accounts must be in good standing to be eligible for the Overdraft Advance program. All existing checking accounts and/or accounts that have been opened for a minimum of ninety (90) days, may automatically be eligible for the program. Accounts opened for less than ninety (90) days may be eligible for the program upon approval by management of Advanced Financial and will be eligible for Overdraft Advance as set forth in Advanced Financial's Overdraft Advance policies. Accounts are subject to a maximum overdraft limit, including overdraft fees, of five hundred dollars (\$500.00). Primary and/or joint owners may request and/or remove their account(s) from the Overdraft Advance program at any time. Primary and all other owners shall be jointly and completely responsible for the overdraft including the overdraft fee.

Overdraft Advance is a non-contractual agreement between Advanced Financial and its members. Advanced Financial has the right to discontinue the program or withdraw any checking account from the program based on poor performance of the account, or failure to cover the overdrafts. Advanced Financial also has the right to limit participation to one account per household. Advanced Financial has the option to either honor the overdraft or return the item for insufficient funds even though we may have previously paid overdrafts for the member. There is no interest charged on any overdraft or unpaid overdraft charge. There will be no late charges or other fees other than the overdraft charge. Advanced Financial will notify the member by mail of any overdraft paid or returned; however we have no obligation to notify you before we pay or return an item.

The following transactions will be covered under Overdraft Advance without members consent (Opt-In Form):

- ACH debits
- Bill Pay debits
- Checks issued by the member to a third party

Advanced Financial may extend Overdraft Advance coverage for ATM and Debit Card transaction. This coverage is available once a member chooses to provide the Advanced Financial with an Opt-In or Positive Consent form. Members have the right to remove the coverage of ATM/Debit Cards at anytime without losing the coverage on transactions stated above.

The following transactions will be covered under Overdraft Advance with positive consent (Opt-In Form) from each member:

- Pre-authorized VISA Debit card transactions
- ATM withdrawals and/or Point-of-Sale transactions

Overdraft items will be posted by dollar amounts from low to high in accordance with Advanced Financial's existing checking procedures.

A member has 30 days from the day the advance to deposit the funds and cover the overdraft. Any Overdraft Advance balance that remains unpaid will be handled in a manner consistent with the Credit Union's Collection Procedures and/or Loan Charge Off policy.

It is Advanced Financial's policy to provide special notice to our members to bring awareness of the Overdraft Advance program. This will be done by means of the following: letter from the President to the first time user when the overdraft item first posts to the member's account. Members will continue to receive letters every ten (10) days to bring awareness of their overdrawn status and of the Advanced Financial's expectations of them to bring their account current, and the action Advanced Financial will take should the member fail to cover the overdrawn amount.

Members that currently have overdraft protection loans may choose to maintain their current loan or change to the Overdraft Advance program.

It is Advanced Financial's policy to provide members with every opportunity for repayment.

Important Notice Regarding Your Account

What is Overdraft Advance?

Overdraft Advance is a non-contractual agreement between Advanced Financial FCU and its members. Overdraft Advance is a service that may cover a transaction when sufficient funds are not available. The member may be charged up to a \$35.00 per item fee.

Overdraft Advance will have a standard coverage available to all members that meet the minimum requirements according to the Overdraft Advance Disclosure.

Overdraft Advance will also have an opt-in feature for those members that wish to have the program cover ATM and one-time debit card transactions.

What fees may I be charged with Overdraft Advance?

The credit union may charge up to **\$35.00** each time an overdraft item is paid. There will be no late charges or other fees other than the overdraft charge. Advanced Financial FCU will notify the member by mail of any overdraft paid or returned; however we have no obligation to notify you before we pay or return an item.

What services may I have with the Overdraft Advance standard option?

The following transactions may be covered under Overdraft Advance without an opt-in:

- ACH debits
- Pre-authorized Bill Pay debits
- Checks issued to a third party

Overdraft items will be posted in accordance with Advanced Financial FCU's existing share draft procedures.

Members who currently have overdraft transfer protection from savings or overdraft loans will continue to have access to those services prior to accessing Overdraft Advance.

It is Advanced Financial FCU's policy to provide members with every opportunity for repayment. You may also contact the credit union regarding other possible alternatives to Overdraft Advance.

What services are available with the Overdraft Advance opt-in option?

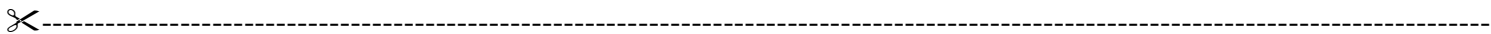
The Overdraft Advance opt-in option allows Advanced Financial FCU to authorize ATM and one time debit card transactions when enough funds are not available.

What fees will I be charged if I overdraft my account?

If we pay the transaction with Overdraft Advance you will be charged **\$35.00** per transaction.

If we do not pay the transaction with Overdraft Advance you will be charged **\$0.00** per transaction, but you may then be subject to penalties from the merchant.

1-800-237-5626 6 FAX 908-771-9349



Overdraft Services Opt-In option for ATM and one-time debit card transactions
Fax, bring or send this form to Advanced Financial FCU.
Effective Date: July 1, 2010

I do not want Advanced Financial to authorize and pay overdrafts on my ATM and everyday debit card transactions

I want Advanced Financial to authorize and pay overdrafts on my ATM and everyday debit card transactions

Signature: _____

Date: _____

Name: _____

Email: _____

Advanced Financial FCU
785 Central Ave
New Providence, NJ 07974
FAX 908-771-9349

Account Number(s):

