

# Overdraft Privilege Program Disclosure

Texas National Bank offers Overdraft Privilege Program (ODP) on qualified checking accounts. If your account qualifies for the ODP, we will consider, without obligation on our part, paying items for which your account has insufficient or unavailable funds, instead of automatically returning those items unpaid.

## Types of transactions that May Qualify for ODP

An overdraft occurs when you do not have money in your account to cover a transaction. Most overdrafts result from the following:

- Electronic presentment of checks, electronic funds transfer, checks cashed in the lobby, debit card transaction, or other withdrawal requests in an amount that exceeds the amount of funds available in your account;
- Deposited items returned unpaid;
- The imposition of Bank service charges and or fees; or
- The deposit of items which according the Bank's Funds Availability Policy, are treated as not yet "available" or "collected".

ODP applies to a variety of transactions, including checks, and other transactions made using your checking account number, automatic bill payments, ATM transactions, and everyday debit card transactions; however, we will not include ATM and everyday debit card transaction within our overdraft service without first receiving your affirmative consent to do so. Absent of your affirmative consent, ATM and everyday debit card transaction generally will not be paid under ODP.

Participation in ODP is not mandatory. You have the right to "opt out" of the overdraft service at any time by notify the bank in writing. Furthermore, you may revoke your affirmative consent to have ATM and everyday debit card transactions considered for payment under our overdraft service with removing other items from the service. Simply, inform us of your preference.

Texas National Bank is not obligated to pay any item presented for payment if your account does not contain sufficient collected funds. Therefore, a continual evaluation of all accounts is performed to determine if it is financially sound to honor items that may cause an overdraft situation for a particular account. Continual evaluation determines if an accounts to be considered to be in good standing. Your account is in good standing, if:

- You demonstrate responsible account management such as making regular deposits to bring your account to a positive balance at least once every 30 days;
- You are not in default on any loan obligations to Texas National Bank;
- You avoid excessive overdrafts suggesting the use of ODP as a continuing line of credit; or,
- Your account is not the subject of any legal or administrative order or levy.

## Fees

We retain full discretion to pay or return any item under ODP. This means we can refuse to pay any item that may cause an overdraft for any reason. If we do not authorize and pay an overdraft, your transaction will be declined and we may assess NSF fees on your account in accordance with your account agreement and the fee schedule in effect at the time of the overdraft. TNB will not charge an overdraft or NSF fee on consumer accounts if the available balance in the account is overdrawn by \$10.00 or less after posting all transactions after the end of the business day. More than one NSF or Overdraft fee may be charged against your account per day but not to exceed 8 NSF/Overdraft fees.

## Transaction Order

The order in which transactions will be processed are subject to standards to ensure that transaction processing is not solely designed or generally operated to maximize your fee. Texas National Bank

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processes transactions in the following order: deposits in order received, EFT/POS in order received, and finally checks in ascending (smallest to largest) dollar amount order.

For each overdraft we pay or NSF we return, we will charge the standard \$35.00 per item as set forth in our fee schedule. In addition, we will charge your account interest on the overdrawn balance at 18% APR. The interest is calculated using the average daily overdrawn balance for the given statement cycle period. We will notify you by mail if we pay or return any item on your account; however we have no obligation to notify you before we pay or return any item. You will need to subtract the total fees when balancing your checkbook. The amounts of any overdrafts, including our fees, are due and payable immediately or on demand.

If you fail to bring your account to a positive balance during the timeframe allowed, we may suspend your account and take other steps to recover the funds. To help manage your account, please monitor your account using our telephone banking solution or logging into your account on your computer or mobile device. All fees assessed on your account during the current month and for the year to date, will be reflected on your monthly statement.

The best way to avoid overdrafts and returned check fees is to manage your account so you do not overdraw it. However, if a mistake occurs, Texas National Bank offers additional ways to cover overdrafts in addition to ODP such as overdraft protection linked to another account of your with us, such as a savings account. If you establish this optional service, you may save money on the total fees you pay us for overdraft protection services.

### Accounts Eligible for ODP

ODP is a discretionary service and is generally limited to eligible checking accounts. Please note that both per item overdraft fees and overdraft interest charges count toward your ODP Limit. We may in our sole discretion limit the number of accounts eligible for ODP to one account per household or per taxpayer identification number. Further, ODP is usually extended only to accounts that meet the eligibility criteria, but is not limited to, the following characteristics:

- Account has been opened for more than 60 days;
- Account has to maintain an average year to date balance of \$300.00;
- Account has less than 25 NSF items in a year;
- Account owner is current on all loan obligations;
- Account is not subject to levy, or administrative order or levy, such as bankruptcy or tax lien.

The ODP does not constitute an actual or implied agreement between you and the Bank, nor does it constitute an actual or implied obligation of or by the Bank. The service represents a purely discretionary courtesy or privilege that the Bank may provide to you from time to time which may be withdrawn or withheld by the Bank at any time without prior notice or reason or cause.

Overdraft should not be used to pay ordinary or routine expenses and you should not rely on overdrafts as a means to cover these expenses. If at any time you feel you need help with your financial obligations, please contact one of our customer service representatives at 1-855-862-1920.