

**THE FIRST STATE BANK
COLUMBUS, TEXAS**

What You Should Know About Overdraft Privilege

- We post items in the following order: 1) credits, 2) ATM and debit card transactions (in the order received), 3) Bill Pay Transactions (Paid in smallest amount to largest amount order), 4) Forced paid Checks, 5) All other paper debits (Paid in check number order), 6) ACH Transactions (Paid in smallest amount to largest amount order), 7) All other Electronic Items (i.e.; Return charge, Overdraft charge, Service charge, ATM fee, In-house transfer charge, Auto transfers, Auto loan payments, etc.). The order in which transactions are posted may impact the total amount of overdraft or return fees assessed. The Bank posts check in check number order. This posting sequence matches the order in which you, the account holder, issues and thus authorizes the payment of debits. We arrived at this order of payment because we believe it is equitable to the account holder and will result in the least potential for objection to posting order.
- A link to a savings account is a less expensive option than an overdraft.
- A single larger overdraft will result in just one fee, as opposed to multiple smaller overdrafts.
- For consumer accounts, there is a limit of 5 Overdraft fees (\$150.00) per day we will charge. We will not charge an overdraft fee if the amount of the item is less than \$10.00. These exceptions do not apply to business accounts.
- Good account management is the best way to avoid overdrafts. Use our Internet banking, and telephone banking services to keep track of your balance.
- The \$30 fee is the same fee that would be charged if a check was returned as unpaid. If multiple items would overdraw your account on the same day, each item would be assessed an appropriate Overdraft fee or a Return Item fee of \$30. All fees and charges will be included as part of the Overdraft Privilege limit amount. Your account may become overdrawn in excess of the Overdraft Privilege limit amount as a result of a fee.
- Even if you have overdraft protection, Overdraft Privilege is still available as secondary coverage if the other protection source is exhausted.
- Although under payment system rules, The First State Bank may be obligated to pay some unauthorized debit card transactions, The First State Bank will not authorize debit card or ATM transactions unless there are available funds (including Overdraft Coverage Options) to cover the transactions and any fee(s).
- Giving your consent to pay every day debit card and ATM overdrafts may result in you incurring overdraft fees for transactions that we would otherwise be required to pay without assessing an overdraft fee. However, this would allow us to authorize transactions up to the amount of your Overdraft Privilege limit and may also help you avoid overdrafts in excess of your available funds.
- Except as described in this document, The First State Bank will not pay items if your account does not contain available funds (including the Overdraft Privilege limit) to cover the item(s) and the amount of any fee(s).
- The First State Bank 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.
- An Overdraft Privilege limit of \$300 is available for eligible Personal Student Checking accounts opened at least 30 days in good standing.
- An Overdraft Privilege limit of \$500 is available for eligible Personal Checking accounts opened at least 30 days in good standing.
- An Overdraft Privilege limit of \$750 is available for eligible NOW Checking accounts and MMA Checking accounts opened at least 30 days in good standing.
- Overdraft Privilege limit of \$750 is available for eligible Business Checking accounts opened at least 60 days in good standing.
- Overdraft Privilege is not a line of credit; it is a discretionary overdraft service that can be withdrawn at any time without prior notice.
- Overdraft Privilege may be discontinued 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 thirty (30) days for a minimum of one business day.
- Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all overdraft and fee amounts, as described in the Deposit Account and Disclosure Agreement. The total (negative) balance, including all fees and charges, is due and payable upon demand.

If you have any questions about Overdraft Protection or Overdraft Privilege, please call us at 979-732-2332 or visit the bank.