**OVERDRAFT COVERAGE OPTIONS:**

**OVERDRAFT PROTECTION AND Overdraft Privilege**

Life happens! Western Bank understands that unexpected overdrafts occur from time to time – Overdraft Coverage can help.

**Overdraft Coverage Options**

The choice is yours. Consider these ways to cover overdrafts:

|  |  |
| --- | --- |
| **Service** | **Cost** |
| **Overdraft Protection Link to Another Account you have at Western Bank**1 | **$5.00 fee per transfer** |
| **Overdraft Privilege** | **$29.95 Overdraft Fee per item.**  |

1Call us at (877) 301-2262, email us at support@westernbank.com, or come by a branch to sign up these services.

**Overdraft Protection** applies to all transactions and may help prevent overdrafts by automatically transferring funds to your checking account from another account you may have at Western Bank.

**Overdraft Privilege** allows you to overdraw your account up to the disclosed limit for a fee to pay a transaction. Even if you have Overdraft Protection, Overdraft Privilege is still available as secondary coverage if the other protection source is exhausted. Please review the **“What Else You Should Know”** section included with this disclosure for other important information.

|  |  |  |  |
| --- | --- | --- | --- |
| **Transactions Covered with Overdraft Privilege** | **Standard Coverage (No action required)** | **Extended Coverage****(Your consent required on consumer accounts) \*** | **If you would like to select Extended Coverage for future transactions**:* call us at **(877) 301-2262**
* complete the online consent form found at www.westernbank.com ([***VIEW HERE***](https://westernbank.com/wp-content/uploads/2019/03/Exhibit-C-A-9-Model-Consent-Form-for-Overdraft-Services-1005-17-03-14-19.docx))
* visit any branch
* complete a consent form and mail it to us at P.O. Box 1051 Lubbock, TX 79408
* e-mail us at support@westernbank.com
 |
| **Checks**  | **X** | **X** |
| **ACH - Automatic Debits** | **X** | **X** |
| **Recurring Debit Card Transactions** | **X** | **X** |
| **Online Bill Pay Items** | **X** | **X** |
| **Internet Banking Transfers** | **X** | **X** |
| **Telephone Banking** | **X** | **X** |
| **Teller Window Transactions** | **X** | **X** |
| **ATM Transactions** |  | **X\*** |
| **Everyday Debit Card Transactions** |  | **X\*** |

\*If you choose Extended Coverage on your consumer account, **ATM transactions and everyday debit card transactions** will be included with the transactions listed under Standard Coverage**.** If you already have Overdraft Privilege Extended Coverage, it is not necessary to request it again. Business accounts automatically have Extended Coverage.

You can discontinue Overdraft Privilege in its entirety by contacting us at (877) 301-2262 or sending us an e-mail at support@westernbank.com.

**What Else You Should Know**

* A link to another account may be a less expensive option than an overdraft. A single larger overdraft will result in just one fee, as opposed to multiple smaller overdrafts. Good account management is the best way to avoid overdrafts. Use our mobile banking, internet banking, and telephone banking services to keep track of your balance. For additional financial education resources, please visit [www.mymoney.gov](http://www.mymoney.gov).
* The $29.95 Overdraft Fee that is charged if you overdraw your account more than $10.00 is the same fee amount that is charged if a check is returned as unpaid. If your consumer account is overdrawn by $10.00 or less, the Overdraft Fee is $10.00. If multiple items overdraw your account on the same day, each item will be assessed an appropriate Overdraft Fee or a Returned Item Fee of $29.95. All fees and charges will be included as part of the Overdraft Privilege limit amount. Your account may become overdrawn more than the Overdraft Privilege limit amount because of a fee.
* If your account balance remains overdrawn for longer than one day, we will charge your account a daily Overdraft Interest Fee of 18% APR for each of the consecutive calendar days the account remains overdrawn, beginning on day 1. The daily Overdraft Interest Fee is an accrual that will be charged to your account at the end of the month.
* For consumer accounts, there is a limit of $120.00 per day we will charge. These exceptions do not apply to business accounts.
* Western Bank items are paid in the following order each night: credits before debits. force-paid items from prior day processing posted in time-stamp order, the following transaction are posted in order from low to high, automatic debit transactions, such as loan payments, outgoing wire transfers posted, cash withdrawals through an ATM, cash withdrawals through a branch. The following are posted time-stamp order, over-the-counter items, POS transactions, everyday debit card transactions and recurring debit card transactions, ACH debits in order of presentment, In-clearing checks in serial number order, fees and other miscellaneous items in various order, however, because of the many ways we allow you to access your account, the posting order of individual items may differ from these general policies. Holds on funds (described herein) and the order in which transactions are posted may impact the total amount of Overdraft Fees or Returned Item Fees assessed.
* Although under payment system rules, Western Bank may be obligated to pay some unauthorized debit card transactions, Western Bank will not authorize debit card or ATM transactions unless your account’s available balance (including Overdraft Coverage Options) is sufficient to cover the transactions and any fee(s).
* Giving us your consent to pay everyday debit card and ATM overdrafts on your consumer account (Extended Coverage) 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 balance that could result in suspension of your debit card. If you consent to Extended Coverage on your consumer account, it will remain on your account until you otherwise withdraw it.
* Western Bank authorizes and pays transactions using the available balance in your account. Western Bank may place a hold on deposited funds in accordance with our Deposit Account Agreement and Disclosure, which will reduce the amount in your available balance. The available balance for checks, ACH items, and recurring debit card transactions is comprised of the ledger balance, less any holds on deposited funds and any debit card holds, plus the amount of the Overdraft Privilege limit and any available Overdraft Protection. The available balance for ATM and everyday debit card transactions on accounts with Standard Coverage is the ledger balance, less any holds on deposited funds and any debit card holds, plus any available Overdraft Protection, but does NOT include the Overdraft Privilege Limit. For accounts with Extended Coverage, the Overdraft Privilege Limit is included in the available balance for authorizing ATM and everyday debit card transactions.
* Please be aware that the Overdraft Privilege amount is not included in your available balance provided through online banking, mobile banking or Western Bank’s ATMs.
* Western 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. When the hold ends, the funds will be added to the available balance in your account. If your account is overdrawn after the held funds are added to the available balance and the transaction is posted to the available balance, an Overdraft Fee may be assessed.
* Except as described herein, Western Bank will not pay items if the available balance in your account (including the Overdraft Privilege limit, if applicable) is not sufficient to cover the item(s) and the amount of any fee(s).
* Western Bank may suspend your debit card if you incur overdrafts in excess of the available balance in your account, including any Overdraft Privilege limit (as described herein). Debit cards on your account will remain suspended until you make sufficient deposits so that your available balance, taking into account any Overdraft Privilege limit, is positive and then you contact us.
* Western Bank may also suspend your debit card if your account is overdrawn more than 32 consecutive calendar days. Debit cards on your account will remain suspended until you make sufficient deposits so that your account balance is positive.
* Western Bank may also suspend your debit card if we are unable to contact you due to an incorrect mailing address or phone number(s). You must contact us with your correct mailing address and/or phone number(s) to have your debit card reinstated.
* We will charge a fee of $20.00 to reactivate your debit card if we suspend your debit card.
* If your debit card is suspended, you will be unable to use your debit card for purchases or to access your account at the ATM, and if you use your debit card for recurring payments, e.g., utilities, you are responsible to make other arrangements for your recurring debit payment(s).
* New consumer and business checking accounts will receive a $100.00 Introductory Overdraft Privilege limit at account opening that will be increased to $500 after 30 days in good standing for consumer accounts or to $700 after 60 days in good standing for business accounts.
* 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 32 days for a minimum of one business day. You must bring your account balance positive for at least one business day to have Overdraft Privilege reinstated.
* 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 Agreement and Disclosure. 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 (877) 301-2262 or visit a branch.