

Important Information about Overdraft Protection

Opting-In to Overdraft Protection

Once your ODP limit is set, the following conditions apply:

- You agree to keep your checking account deposit relationship with Kleberg Bank **in good standing** during the entire period that the ODP is in effect.
- "In good standing" means that you are making regular deposits, bringing your account to a positive balance and paying all bank fees charged to your account.
- ODP will be immediately terminated by the Bank if you fail to maintain your account in good standing. Whether your overdrafts will be paid is discretionary and we reserve the right not to pay.
- Overdrafts may include checks, withdrawals in person, from ATM machines, point of sale (POS) machines, CheckCard transactions, or other electronic transactions.**
- We pay items at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction. If we do not authorize and pay an overdraft, your check will be returned or your transaction will be declined.
- Each overdraft item paid or returned will be subject to the Bank's current overdraft/ return item fee of \$25, and the fees will be included in your ODP limit. For example, if you have an overdraft of \$250 and a check of \$200 is presented for payment, your account will be overdrawn \$225.
- **Transactions are processed with electronic items processed first then checks. Electronic items are processed with the smallest amounts paid before larger ones and then checks are processed in check number order with lower check numbers being paid first. This means items may not be processed in the order issued.**
- **If the smallest items are paid first, you may have fewer overdraft and/ or return item fees, but the largest --and perhaps most important -- items (such as rent or mortgage payments) might not be paid.**
- You will be notified of each overdraft item that is paid or returned. However, we have no obligation to notify you before we pay or return any item.
- Each overdraft, including the overdraft fee, must be paid in full within thirty (30) days after the overdraft first occurs in order to keep your account in good standing.
- Kleberg Bank reserves the right to use other related accounts to cover the charges.

Your overdraft limit is \$_____. Overdraft Protection costs you nothing unless you use it. It is a convenient way to guard against the embarrassment and costs associated with returned checks or declined transactions. However, if you ever want to have ODP removed from your account, please contact us in Kingsville at (361) 592-8501 or in Corpus Christi at (361) 850-6800. Please note that cancelling your participation in ODP does not affect the Bank's rights to collect the amount you may owe for current outstanding overdrafts or charges.

(Please see reverse side for additional information)

Opting-Out of Overdraft Protection

ATM and Debit Card Transactions

- If you choose to opt-out of Kleberg Bank paying overdrafts for ATM and debit card transactions, the transaction will be declined.

Checks, ACH, Recurring Debit Card Transactions

- Each NSF item paid or returned will be subject to the Bank's current overdraft or return item fee of \$25. For example, if a check of \$200 is presented for payment and we pay the check, your account will be overdrawn \$225.
- You will be notified of each overdraft item that is paid or returned. However, we have no obligation to notify you before we pay or return any item.

**Agreement is subject to change based on Legislative and Regulatory updates.