

OVERDRAFT COVERAGE OPTIONS: OVERDRAFT PRIVILEGE

Life happens! First Option 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
Good account management	Free
Overdraft Privilege ¹	\$30.95 Overdraft Fee per item

¹Call us at (913) 755-3811, email us at support@firstoptionbank.com, or come by a branch to sign up for this service.

Good account management is the best way to avoid overdrafts. Use our Online Banking service to keep track of your balance. For additional financial education resources, please visit www.mymoney.gov

Overdraft Privilege allows you to overdraw your account up to the disclosed limit for a fee to pay a transaction. 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:
Checks	X	X	<ul style="list-style-type: none"> • call us at (913) 755-3811 • complete the online consent form found at www.firstoptionbank.com • visit any branch • complete a consent form and mail it to us at P.O. Box 277 Osawatomie, KS 66064 • e-mail us at support@firstoptionbank.com
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 (913) 755-3811 or sending us an e-mail at support@firstoptionbank.com.

What Else You Should Know

- 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.
- The \$30.95 Overdraft Fee that is charged if you overdraw your account more than \$5.00 is the same fee amount that is charged if an item is returned as unpaid. We do not charge a fee if your account is overdrawn by \$5.00 or less. 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 \$30.95. 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.
- For consumer accounts, there is a limit of (\$130.00) per day on the total fees we can charge you for overdrawing your account. These exceptions do not apply to business accounts.
- This describes the posting order for purposes of determining overdrafts. Our general policy is to post items throughout the day and to post credits before debits. We post items in the following order: Force-paid items from prior day processing (time-stamp order), Outgoing wire transfers, Cash withdrawals through a branch, Over-the-counter items (serial number order), Cash withdrawals through an ATM, PIN Point-of-Sale transactions (time-stamp order), Non-PIN Point-of-Sale transactions (time-stamp order), Recurring debit card transactions (time-stamp order), ACH Debits in order of presentment, In-clearing checks (serial number order), Automatic Debit Transactions, Fees and other miscellaneous items. 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, First Option Bank may be obligated to pay some unauthorized debit card transactions, First Option 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.
- First Option Bank authorizes and pays transactions using the available balance in your account. First Option Bank may place a hold on deposited funds in accordance with our Terms and Conditions of Your Account, 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. 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, 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 First Option Bank's ATMs.
- First Option 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, First Option 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).
- First Option 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.
- First Option Bank may also suspend your debit card if your account is overdrawn more than thirty-two (32) consecutive calendar days. Debit cards on your account will remain suspended until you make sufficient deposits so that your account balance is positive.
- First Option 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.
- 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 may be increased to \$500 after 32 days in good standing for consumer accounts or \$1,000 after 32 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 thirty-two (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 Terms and Conditions of Your Account. The total (negative) balance, including all fees and charges, is due and payable upon demand.

If you have any questions about Overdraft Privilege, please call us at (913) 755-3811 or visit a branch.

To access the online consent form click here: <https://www.firstoptionbank.com/pdf/OnlineConsentForm.pdf>