

Automatic Transfer Overdraft Protection and Overdraft Privilege Program For Consumer Accounts

Bank of Labor, hereinafter referred to as “the Bank” offers two options to assist you in managing your checking account, which are explained below. Customers can use one plan or a combination of the two.

- 1. Automatic Transfer Protection:** If you maintain another checking account or a savings account with the Bank, you may establish an automatic transfer link from that account to cover any overdrafts you may incur in your checking account, assuming you have sufficient funds in the other account. Any of our Bankers can establish this link for you.
How do I qualify and apply? The only qualifications for the Automatic Transfer Protection are that you are an owner and signer on both accounts within the transfer relationship. You do not need to apply for Automatic Transfer Protection, but our Bankers will have you sign a form providing us with account numbers and either exact or incremental amounts for the automatic transfers.
- 2. Overdraft Privilege** is a discretionary* service available to qualified checking accounts. With Overdraft Privilege, the Bank may pay items overdrawing qualified accounts up to a predetermined amount for eligible Personal Checking accounts and Personal NOW accounts.
- 3. Overdraft Privilege Fees** may be imposed for covering overdrafts created by check, in-person withdrawal, ATM withdrawal, or other electronic means. Here is an explanation of our fees:
 - We will charge you a fee of \$30 each time we pay an overdraft. We do not assess this fee if paying an overdraft results in an overdrawn account balance of \$10 or less.
 - The maximum total fees we will charge you each day for overdrawing your account is \$90.

Our fees will be included in and count against your assigned Overdraft Privilege limit. Transactions may not be processed in the order they occur and this can affect the total amount of overdraft fees incurred. Please refer to the Transaction Processing** methodology below.

Special Note: Overdraft Privilege is not intended for casual or everyday use, but rather for protection against inadvertent record keeping errors, or occasional timing issues related to deposits. The service should not be used for ordinary or routine expenses and you should not rely on overdrafts as a means to cover these expenses.

How do I qualify and apply? To apply for Overdraft Privilege, you will need to sign the application form included in this disclosure. Your account will be reviewed automatically, and if you qualify you will receive a letter approximately 30 days after opening your account. To qualify for Overdraft Privilege, checking accounts must be open a minimum of 30 days, have a positive balance, and meet certain minimum deposit requirements set periodically by the Bank. Additionally, customers may not be in default on any loan obligation to the Bank, or be subject to legal or administrative levy. The Bank reserves the right to limit the number of accounts eligible for Overdraft Privilege per account owner or household. *Your Overdraft Privilege Service will not be active until you receive the notification from the Bank indicating that you are enrolled in the Service.*

Once I sign up, can I later cancel my Overdraft Privilege? You always have the option to decline or cancel Overdraft Privilege. You may choose at any time to not participate in Overdraft Privilege by notifying one of our Bankers who will explain what this ("Opt-Out") means, and the potential consequences for you.

Special Rules for Overdrafts Caused by ATM Withdrawals or One-Time Debit Card Transactions (Overdraft Privilege Customers Only): In addition to opting in to the overall Overdraft Privilege program, consumer accountholders also need to expressly consent, or "Opt-in" before we can extend our Overdraft Privilege practices to everyday debit card transactions and ATM withdrawals.

If you choose not to "Opt-in" to Overdraft Privilege coverage for everyday debit card transactions and ATM withdrawals or if you use the Automatic Transfer Protection plan, we will not approve these transactions unless sufficient funds are available in your account at the time of the transaction.

**Automatic Transfer Overdraft Protection
and
Overdraft Privilege Program**

Additional Information Regarding Overdraft Privilege:

- **Repayment of Overdrafts:** The Bank reserves the right to require repayment of any overdraft on demand. Payment of overdrafts is discretionary, and the Bank may refuse to pay an overdraft at any time. For example, we typically do not pay overdrafts if you are not making regular deposits, or your account is otherwise not in good standing.
- **Eligible Account Types for Overdraft Privilege** are: Checking Accounts or NOW Accounts owned either individually or jointly. Accounts that are ineligible for Overdraft Privilege are Savings Accounts, Money Market Accounts, Public Fund/Charitable Organization Accounts, Certain Trust Accounts and Minor Accounts (not of legal age)
- **Always a Discretionary* Service:** Our Overdraft Privilege Service does not constitute an actual or implied agreement between you and us. Nor does it constitute an actual or implied obligation of or by us. Our Overdraft Privilege Service represents a purely discretionary courtesy or privilege that we may provide to you from time to time and which may be withdrawn or withheld by us at any time without prior notice or reason or cause.
- ****Transaction Processing Methodology:** The Bank will process transactions in the following order: 1) Internal bank transactions/transfers; 2) ATM and other Cash Withdrawals; 3) Debit Card Transactions; 4) ACH; and 5) Checks. All categories are posted from smallest to largest dollar amount except for checks, which are posted in sequential order.

Application for Enrollment in Overdraft Privilege Service

I wish to participate in the Overdraft Privilege Service offered by the Bank. I understand the potential costs associated with having any overdrafts automatically paid under this plan and acknowledge that certain account criteria must be met before I am enrolled in the Overdraft Privilege Service. I understand that Overdraft Privilege is a discretionary service, and that it may be cancelled at any time by the Bank or myself.

I do not wish to enroll in the Overdraft Privilege Service offered by the Bank at this time.

Accountholder Signature

Account Number

Joint Accountholder Signature

Date

Banker Signature

Telephone inquiries may be made by calling 913-321-4242. Note: If using the mail to submit this form, please sign and date and return to the Bank Operation Department, 756 Minnesota Ave, Kansas City, KS 66101.

Special Rules for Overdrafts Caused by ATM Withdrawals or One-Time Debit Card Transactions (Overdraft Privilege Customers Only)

What You Need to Know about Overdrafts and Overdraft Fees

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts in two different ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to a savings account, which may be less expensive than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains our standard overdraft practices.

What are the standard overdraft practices that come with my account?

We do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number
- Automatic bill payments

We will not authorize and pay overdrafts for the following types of transactions unless you ask us to do so by signing this form at the bottom of the page and returning this notice to us. *(See below for more information.)*

- ATM transactions
- Everyday debit card transactions

We pay overdrafts 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 transaction will be declined.

What fees will **I be charged** if the **Bank of Labor pays my overdraft**? Under our standard overdraft practices:

- We will charge you a fee of **\$30.00** each time we pay an overdraft. We do not assess this fee if paying an overdraft results in an overdrawn balance of \$10.00 or less.
- The maximum fee we will charge you each day for overdrawing your account is \$90.00. **What if I want the**

Bank of Labor to authorize and pay overdrafts on my ATM and everyday debit card transactions?

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, call 913-321-4242, visit www.BankofLabor.com or complete the form below and present it at any Bank location. This form can also be mailed to: Bank of Labor; Operations Department; 756 Minnesota Ave. Kansas City, KS 66101.

***** **Overdraft Notification**

Form

_____ I want the Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions. *** You have the right to revoke this authorization at any time and may do so by calling us at 913-321-4242.***

_____ I do not want the Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Printed Name: _____

Signature: _____

Date: _____

Account Number: _____