

**What You Need to Know About Overdrafts and Overdraft Fees
Consumers Only**

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 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 a First State Bank representative about our 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
- ACH transactions
- Automatic bill payments

Beginning August 15, 2010, we will not authorize and pay overdrafts for the following type of transaction unless you ask us to (see below):

- Everyday debit card transactions
- ATM 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 First State Bank pays my overdraft?

Under our standard overdraft practices:

- We will charge you up to \$35 per Overdraft Fee each time we pay an overdraft.
- We will charge you up to \$35 per Overdraft Fee for 7 items or less per day.
- There will be no charge for an overdraft of \$5 or less.

What if I want The First State Bank, Louise to authorize and pay overdrafts on my everyday debit card and ATM card transactions?

If you want us to authorize and pay overdrafts on everyday debit cards and ATM transactions, please let us know:

- By mail – complete the authorization below and return to The First State Bank
- In person – stop by your nearest branch location

I want The First State Bank, Louise to authorize and pay overdrafts on my everyday debit card and ATM transactions for the checking account(s) listed below.

Checking Account Number: _____; _____; _____

Customer's Name: _____ (please print)

Customer's Signature: _____ Date: _____

Image form after branch processing is complete. No further action required