

What you need to know about Overdraft Practices and 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 a Standard Overdraft Program that can be assigned to your account.
2. We offer alternative overdraft protection such as a link to another account which may be less expensive than our Standard Overdraft Program.

This notice explains your options.

- **What is the Standard Overdraft Protection Program?**

With the Standard Overdraft Protection Program, we will strive to authorize and pay overdrafts for customers in good standing who do not have excessive account abuse 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 ATM and everyday debit card transactions unless you elect to "Opt In" to the Reg. E portion of the program as explained below.

- **What if I want First State Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions as explained above?**

If you elect to "Opt In" to the Reg. E portion of the Standard Overdraft Protection Program, we will strive to authorize and pay ATM and everyday debit card transactions up to your overdraft limit. By doing so, you could overdraw your account and incur fees for transactions paid that overdraw your account.

- **What fees will I be charged if First State Bank pays my overdraft?**

- We will charge you a fee of \$32.00 each time we pay an overdraft, but a consumer account can be charged no more than \$192.00 per day. The fee amount is subject to change.
- The overdraft fee will be waived for transactions that overdraw your account less than \$10.00.
- Multiple fees may be charged for any given item as multiple attempts may be made to submit a returned item for payment thus resulting in a fee regardless of the number of times the item is submitted for payment.

To make changes to your Overdraft Protection Program, you can call (903)676-1900, access our website at www.bankfsb.com, send an email to customerservice@bankfsb.com, or complete the form below and either present it at any of our branch locations or mail it to First State Bank, PO Box 471, Athens, TX 75751.

We strive to pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction. Your account must remain in good standing as defined above to remain in the Standard Overdraft Protection Program.

_____ I wish to participate in just the Standard Overdraft Protection Program.

_____ I wish to participate in the Standard Overdraft Protection Program, and I also want First State Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions.

_____ I do not wish to participate in any portion of the Standard Overdraft Protection Program, nor do I want First State Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Customer Signature: _____ Date: _____

Account Number(s): _____