

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 one or more overdraft protection plans, such as a link to another 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 using your checking account number
- ◆ Automatic bill payments
- ◆

We DO NOT authorize and pay overdrafts for the following types of transactions unless you ask us to:

- ◆ 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 First State Bank and Trust Company pays my overdraft?**

Under our standard overdraft practices:

- ◆ We charge a fee of Each time we pay an overdraft

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- ◆ Customers are only charged for a maximum of 4 overdrafts (\$140) per day.
Customers are not charged for purchases that overdraw their accounts \$5 or less.

◆ **What if I want First State Bank and Trust Company 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, complete the Election Form below, detach it at the dotted line, and present it to us.