

ACCOUNT NUMBER	CUSTOMER(S)	DEPOSIT AMOUNT

ELIGIBILITY REQUIREMENTS. A minimum of \$25 is required to open the account.

Limitations- only one Main Street Rewards account per tax identification number and two accounts per household.

RATE INFORMATION. The interest rate on your account is 0.010000% with an annual percentage yield of 0.00%.

Your interest rate and annual percentage yield may change.

Determination of Rate. At our discretion, we may change the interest rate on your account.

Frequency of Rate Changes. We may change the interest rate on your account at any time.

Limitations on Rate Changes. There are no maximum or minimum interest rate limits for this account. The interest rate for your account will be based on the Rewards level achieved during each statement cycle.

**See Rewards disclosure below for account terms and conditions and current rates.

COMPOUNDING AND CREDITING. Interest will be compounded monthly and will be credited to the account monthly. If you close your account before interest is credited, you will not receive the accrued interest.

MINIMUM BALANCE REQUIREMENTS. No minimum balance requirements apply to this account.

DORMANT/INACTIVE ACCOUNT INFORMATION. A dormant account fee of \$7.00 per statement cycle will be charged after 12 months of inactivity.

BALANCE COMPUTATION METHOD. We use the daily balance method to calculate interest on your account. This method applies a daily periodic rate to the principal in the account each day.

ACCRUAL ON NONCASH DEPOSITS. Interest begins to accrue on the business day you deposit noncash items (for example, checks).

TRANSACTION LIMITATIONS. No transaction limitations apply to this account.

ADDITIONAL INFORMATION REGARDING YOUR ACCOUNT. A paper statement fee of \$5.49 will be assessed on this account every monthly statement cycle. The paper statement fee will be refunded monthly if the account holder receives their account statement electronically.

OVERDRAFT FEES.

Fees may be assessed for any item which creates an overdraft on your account whether the item is a check, in-person withdrawal, ATM withdrawal, or other electronic means. We will assess a \$35.00 NSF paid item(s) charge if applicable for each item presented against insufficient funds that we pay that creates or increases an overdraft on your account. We will also assess a \$35.00 NSF returned item(s) charge if applicable for each item presented against insufficient funds that we return unpaid regardless of the type of item including represented items sent for payment which may result in multiple fees for the same item. Checks and other items are generally paid in the following order: Electronic transactions first, followed by checks, which are paid in serial number order..

Overdraft Privilege Policy

It is the policy of First State Bank to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards.

The Deposit Account Agreement and Disclosure provided to you at the time you opened your account with us controls the duties, obligations and rights of the Depositor, the Authorized Signatories and First State Bank with regard to your checking account. The Deposit Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Discretionary Overdraft Privilege Policy and the Deposit Account Agreement and Disclosure. A copy of the Deposit Account Agreement and Disclosure is available to you on request from your First State Bank officer.

An **overdraft** occurs when you do not have enough money (non-sufficient funds) in your account to cover a transaction, but we pay it anyway.



A **non-sufficient balance** may result from: A) The payment of checks, electronic funds transfers, or other withdrawal requests you initiate; B) Payments authorized by you; C) Items deposited by you which have been returned, unpaid; D) Charging your account applicable service charges and fees; or E) The deposit of items to your account which, according to the Bank's Funds Availability Policy, are treated as not yet "available" or finally paid.

We are not obligated to pay any item presented for payment if your account does not contain sufficient available funds. However, rather than automatically return items unpaid because of non-sufficient funds, **we will consider, without obligation on our part, approving a reasonable overdraft limit on an eligible personal or business account as long as the account is maintained in good standing.** "Good standing" means: (a) You make regular monthly deposits into the account; (b) You bring your account to a positive balance (not overdrawn/negative) immediately, or as soon as possible and at least once every thirty (30) days; (c) By avoiding excessive overdrafts suggesting use of the overdraft privilege as a continuing line of credit; (d) You are not in default on any loan obligation to the Bank; and (e) Your account is not the subject of any legal or administrative order or levy, such as bankruptcy or a tax lien.

Bounce Protection is the overdraft privilege service offered to eligible checking account customers of First State Bank and is not a line of credit. Should you inadvertently overdraw your account, we will have the discretion to cover your overdrafts up to an amount that includes the amount of the overdraft fee(s), subject to your assigned Bounce Protection limit. Payment of overdrafts by First State Bank is a discretionary courtesy and not a right of the customer or an obligation by the Bank. Items will be paid and posted to your account in the following order: Electronic transactions (ACH, AFT, ATM, Debit Card, Online Banking, Telephone Banking etc.) first and then checks in serial number order. When your items are paid, the overdraft privilege service will help save you the embarrassment and inconvenience of a return item as well as the fee normally charged to you by merchants for items returned to them.

All eligible checking accounts in "good standing" will be approved for a Bounce Protection limit based upon the account type. Bounce Protection for consumer accounts will generally be limited to a maximum of either **\$500** or **\$750** and commercial accounts will be limited to a maximum of **\$1,000**. Of course, any and all fees and charges, including without limitation the non sufficient funds fees (see current fee schedule), will be included as part of this maximum amount. It may be possible that your account will become overdrawn in excess of the overdraft privilege amount as a result of the assessment of a fee.

Bounce Protection should not be viewed as an encouragement to overdraw your account. As always, we encourage you to manage your finances responsibly. You may always decline this service. If you would like to have this service removed from your account, please call **574-825-2166**.

We may refuse to pay an overdraft for you at any time, even though your account is in good standing and even though we may have previously paid overdrafts for you. You will be notified by mail or e-mail of any non-sufficient funds items paid or returned that you may have; however, we have no obligation to notify you before we pay or return any item. The amount of any overdrafts plus our non-sufficient funds item charge(s) that you owe us shall be due and payable immediately. If there is an overdraft paid by us on an account with more than one (1) owner, each owner, and agent if applicable, drawing/presenting the item creating the overdraft, shall be jointly and severally liable for such overdrafts plus our non-sufficient funds item charge(s).

Other overdraft protection options available for checking account customers: (1) **Negative Balance Protection service** – automatically transfers funds from your savings account, home equity line of credit, or business line of credit to a qualifying checking account to prevent overdrafts from occurring. A current fee of \$5.00 per transfer applies. The number of these transfers allowed per month is limited by Banking Regulations. (2) Apply for a **Ready Reserve Account** line of credit, a loan that will automatically transfer funds to a qualifying checking account to prevent overdrafts from occurring up to an approved loan limit. A current fee of 2% of the transferred amount with a maximum of \$5.00 per transfer applies. Interest accrues on the amount(s) advanced and payments are due monthly (see First State Bank rate sheet for the current interest rate that applies). If you select the Negative Balance Protection or are approved for the Ready Reserve Account line of credit, you may save money on the total fees you pay for overdraft protection.

Regulatory Requirements: First State Bank will not pay items that cause an overdraft from ATM or everyday Debit Card transactions unless we have provided you with the notice required by section 205.17(b) of Regulation E and you have **"Opted In"** to the payment of these overdraft items. Consumer checking account customers who attempt ATM or everyday Debit Card transactions that exceed their Available Checking Account balances will have those transactions declined unless they have Opted In as described above. If you want First State Bank to authorize and pay overdrafts on your ATM and everyday Debit Card transactions call 574-825-2166, complete the attached form and present it at any of our branch locations, or complete the attached form and mail it to: First State Bank, P.O. Box 69, Middlebury, IN 46540. You may revoke the authorization at any time by notifying the bank and "Opting Out".

Always a Discretionary Service: Our Bounce Protection 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. This service represents a purely discretionary courtesy or privilege that we may provide you from time to time and which may be withdrawn or withheld by us at any time without prior notice or reason or cause.

****ADDITIONAL TERMS AND CONDITIONS FOR MAIN STREET REWARDS CHECKING**

Your Annual Percentage Yield ("APY") and amount of ATM Fee Refunds are based on the number of qualifying VISA Debit Card transactions completed each monthly statement cycle. To receive the APY and ATM Fee Refunds disclosed you must complete the corresponding minimum



number of VISA Debit Card transactions each monthly statement cycle, and have a monthly direct deposit or automated clearing house ("ACH") credit. Interest will be compounded monthly and credited to your account at the end of each monthly statement cycle. Interest is calculated using the daily balance method which applies a daily periodic rate to the principal in the account each day. The Base Level and Bonus Levels interest rates and APYs are effective as of January 2, 2025, and are variable and subject to change at any time at our discretion. Fees could reduce earnings.

The Base Level pays an interest rate of 0.15% with an APY of 0.15% on all balances up to \$10,000 and will refund \$5.00 of ATM Fees paid by you and will pay a \$0.10 rebate for each signature based VISA Debit Card transaction completed for each statement cycle in which between 15 and 24 qualifying VISA Debit Card transactions are completed. Bonus 1 Level pays an interest rate of 0.75% with an APY of 0.75% on all balances up to \$10,000 and will refund \$10.00 of ATM Fees paid by you and will pay a \$0.10 rebate for each signature based VISA Debit Card transaction completed for each statement cycle in which between 25 and 44 qualifying VISA Debit Card transactions are completed. Bonus 2 Level pays an interest rate of 4.25% with an APY of 4.33% on all balances up to \$10,000 and will refund \$15.00 of ATM Fees paid by you and will pay a \$0.10 rebate for each signature based VISA Debit Card transaction completed for each statement cycle in which at least 45 qualifying VISA Debit Card transactions are completed. Balances above \$10,000 regardless of Base Level or Bonus Levels, will earn interest at the rate of .10% with an APY of .10% for any statement cycle in which a minimum of 15 qualifying VISA Debit Card transactions are completed. Interest will be paid at a rate of .01% with an APY of .01% and no ATM Fees will be refunded and no rebates will be paid for signature based transactions for any statement cycle in which less than 15 qualifying VISA Debit Card transactions are completed. Qualifying VISA Debit Card transactions include all debit card transactions except ATM transactions. There is a \$5.49 monthly fee for paper statements. \$25 minimum deposit required to open account. Personal accounts only. Limit one account per tax identification number and two accounts per household. Only qualifying VISA Debit Card transactions that have been posted to the account will be counted toward the number of transactions required to determine the account Level for interest rate and APY purposes and for payment of the rebate for signature based transactions. Only ATM transactions that have been posted to your account will qualify for the ATM Fee Refunds. All terms and conditions are subject to change at any time.

FEES AND CHARGES. Please refer to the separate Fee Schedule provided to you with this disclosure for information about fees and charges associated with this account. A Fee Schedule will be provided to you at the time you open an account, periodically when fees or charges change, and upon request.

