

Notice of Our Policy Regarding Payment Order of Items

The order in which items are paid is important if there is not enough money in your account to pay all the items that are presented. The payment order can affect the number of items overdrawn or returned unpaid and the amount of the fees you may have to pay. To assist you in managing your account we are providing you with the following information regarding how items are processed.

Each business day, items are processed lowest item amount to highest item amount:

- First—checks cashed at Farmers State Bank, point of sale transactions, foreign and ATM transactions
- Second—Money Market withdrawals
- Third—Reoccurring point of sale transactions
- Fourth—Automated Clearing House transactions
- Fifth—other checks and similar items

If a check, item or transaction (other than an ATM or everyday debit card transaction) is presented without sufficient funds in your account to pay it, we may, at our discretion, pay the item (creating an overdraft) or return the item for insufficient funds (NSF). The amounts of the overdraft and NSF fees are disclosed elsewhere, as are your rights to opt in to overdraft services for ATM and everyday debit card transactions, if applicable. The maximum limit of NSF fees charged in one day will be six. Farmers State Bank encourages you to keep careful records and practice good account management. This will help you avoid fees from creating items without sufficient funds and potentially incurring the resulting fees.



A Tradition of Trust