

FARMERS BANK OVERDRAFT PRIVILEGE POLICY

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

An insufficient balance may result from: (a) the payments of checks, electronic funds transfers or other withdrawal requests; (b) payments authorized by you; (c) the return, unpaid, of items deposited by you; (d) the imposition of bank service charges; or (e) the deposit of items 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 COLLECTED FUNDS. However, if you maintain your account in good standing, defined as: (a) making regular deposits; (b) bringing the account to a positive balance every thirty days or less; and (c) there are no legal orders outstanding, we will approve your reasonable overdrafts as a non-contractual courtesy. Generally, we will not approve an overdraft for you in excess of: \$300 for "Free Checking" Checking accounts open more than thirty (30) days, or \$500 for other Personal Checking accounts open more than thirty (30) days. These limits include our Non-Sufficient Funds and/or Overdraft (NSF/OD) Charge(s).

WE MAY REFUSE TO PAY AN OVERDRAFT FOR YOU AT ANY TIME, EVEN THOUGH WE MAY HAVE PREVIOUSLY PAID OVERDRAFTS FOR YOU. You will be notified by mail of any non-sufficient funds items paid or returned that you 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 and/or Overdraft (NSF/OD) Charge(s) that you owe us shall be due and payable upon demand. If there is an overdraft paid by us on an account with more than one (1) owner on the signature card, 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 and/or Overdraft (NSF/OD) Charge(s).

LIMITATIONS: Available only to consumer accounts (excluding Money Market accounts) for personal and household use and we may limit the number of accounts eligible for Automatic Overdraft Privilege to one account per household. Additionally, we reserve the right to not approve any overdrafts against your account until we can verify that your account is being maintained in good standing, as defined above.

ACCOUNT FEES: Whether we pay or return a Non-Sufficient Funds item, a flat per-item handling fee of \$30.75 will be charged to your account as a Non-Sufficient Fund Charge.

NEW OVERDRAFT RULES FOR DEBIT CARDS AND ATM CARDS: If you have opted-in, please be aware that the available balance shown at the ATM does not include your Overdraft Privilege but any transaction at the ATM or the Point of Sale is subject to use of your Overdraft Privilege and will result in a Non-Sufficient Funds charge. If you have not opted-in, your account will not be overdrawn at the ATM or Point of Sale regardless of whether you otherwise have Overdraft Privilege for checks and other withdrawals not subject to the Reg E Opt-in and opt-out Provisions.

More detailed information is available upon request, so if you have any questions about our Overdraft Privileges or other Farmers Bank Services, please call (479)996-4171 or (479)649-3000. THANK YOU.