

FIRST STATE BANK

ELECTRONIC FUND TRANSFER ACT

The following disclosure is provided pursuant to the Electronic Fund Transfer Act and Regulation E.

Consumer Liability: Tell us AT ONCE if you believe your card or code has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within 2 business days after you learn of the loss or theft of your card or code, you can lose no more than \$50 if someone used your card or code without your permission.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your card or code, and we can prove we could have stopped someone from using your card or code without your permission if you had told us, you could lose as much as \$500. Also, if your statement shows transfers that you did not make, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed or made available to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

If you believe your card or code has been lost or stolen or that someone has or may transfer money from your account without your permission, call 877-203-0063 or 402-337-0323, or write to us at:

FIRST STATE BANK
P.O. BOX 725
RANDOLPH, NE 68771-0725

You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.

If the card is a Visa debit card, your liability for unauthorized use will be as follows:

Unless you have been grossly negligent or have engaged in fraud, you will not be liable for any unauthorized transactions using your lost or stolen card. This additional liability does not apply to ATM transactions, to transactions using your Personal Identification Number which are not processed by Visa, or to commercial cards.

Business days, for purposes of these disclosures, are Monday through Friday. Holidays are not included. Our banking hours are Monday through Friday 9:00 A.M. to 4:00 P.M. and Saturday 8:30 A.M. to 11:00 A.M.

Transfer types:

Account access: You may use your card or code to:

- Withdraw cash from your checking or savings account
- Make deposits to your checking or savings account
- Transfer funds between accounts held at our bank
- Make inquiries for the balance in your checking or savings accounts
- Pay for purchases at places that have agreed to accept the card or code
- Pay bills directly from your checking account by telephone in the amounts and on the days you request
- To initiate a transaction online via a computer
- To review and download account history
- To make a payment to a loan held at our bank

Some of these services may not be available at all terminals.

You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases and/or bills.

You may authorize a merchant or other payee to initiate an electronic fund transfer to collect a charge in the event a check is returned for insufficient funds.

Limitations: The following limitations apply to your card or code.

You may withdraw up to \$300 from terminals each day.

You may make purchases up to \$2000 for goods or services each day.

Your Savings and/or Money Market will be limited to 6 preauthorized withdrawals or transfers per month or statement cycle of at least four weeks.

When you use an ATM not owned by us, you may be charged a fee by the ATM operator (or any network used). You may be charged a fee for balance inquiry even if you do not complete a fund transfer.

Confidentiality: We will disclose information to third parties about your account or the transfers you make:

- Where it is necessary for completing transfers.
- In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant.
- In order to comply with government agency or court orders.
- If you give us your written permission.

Documentation: You can get a receipt at the time you make any transfer to or from your account using an ATM or Point of Sale terminal. If you have arranged to have direct deposits to your account at least once every 60 days from the same person or company, the person or company making the deposit will tell you when they make the transfer, or you can call us to find out whether or not the deposit has been made.

Periodic Statements: You will receive a monthly checking account statement, unless there are no transfers in a particular month. In any case you will receive your statement at least quarterly. When you bring your savings account passbook to us, we will record any electronic deposits that were made to your account since the last time you brought in your passbook.

Preauthorized Payments: You may have funds deposited directly to your accounts from the same person or company on a regular basis. You may have bills paid from your account in the amounts and on the days you have authorized.

You have the right to stop payment. If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Call us or write us, in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. We will charge your account \$25.00 for each stop-payment order you give.

If these regular payments may vary in amount the person you are going to pay will tell you, 10 days before each payment, when it will be made and the amount it will be. You may choose instead to get this notice only when the payment will differ by more than a certain amount, or when the amount falls outside certain limits you set. If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

Financial Institution Liability: If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are exceptions. We will not be liable, for instance:

- If, through no fault of ours, you do not have enough money in your account to make the transfer
- If the transfer would go over the credit limit of your overdraft line
- If the ATM machine where you are making the transfer does not have enough cash
- If the terminal was not working properly and you knew about the breakdown when you started the transfer
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken
- There may be other exceptions stated in our agreement with you.

Error Resolution: In case of errors or questions about your electronic transfers telephone us at 877-203-0063 or 402-337-0323, or write to us at:

FIRST STATE BANK
P.O. BOX 725
RANDOLPH, NE 68771-0725

Call or write us as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and account number.
- Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days. We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint in writing and we do not receive it within 10 business days, we may not credit your account.

For errors involving new accounts, point of sale, or foreign initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

We will tell you the results within 3 business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

If you report a lost or stolen Visa Debit Card we will investigate promptly and we will tell you the results of our investigation within 5 business days. If we need more time we may take up to 90 days to investigate your complaint or question. If we decide to do this, we will re-credit your account within 5 days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation.

AVAILABILITY OF FUNDS

Expedited Funds Availability Act and Regulation CC.

Our policy is to make funds from your deposits, into transactional accounts, available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays and federal holidays. If you make a deposit before 3:00 P.M. on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 3:00 P.M. or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

Longer Delays May Apply: In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until second business day after the day of your deposit.

However, the first \$200 of your deposits will be available on the first business day. If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you left the premises, we will mail you the notice by the day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available. In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.

- There is an emergency, such as failure of communications or computer equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit.

Deposits at Automated Teller Machines: Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we do not own or operate will not be available until the fifth business day after the day of your deposit. All ATMs we own or operate are identified as our machines. First State Bank ATMs do not accept deposits.

Special Rules for New Accounts: If you are a new customer, the following special rules will apply during the first thirty days your account is open.

Funds from electronic direct deposit to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and first \$5,000 of day's total deposits of cashiers, certified, teller's checks, traveler's checks, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000 will be available on the ninth business day after the day of your deposit.

If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available on the ninth business day after the day of your deposit.

MAINTAINING CUSTOMER SECURITY- USA PATRIOT ACT **Important information regarding procedures for opening new accounts.**

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What This Means to You: Whether you're a new customer or a long time account holder, the law now requires financial institutions to collect – at a minimum – the following information:

- Name
- Address (for individuals) or Principal place of business (for organizations)
- Date of birth
- Tax identification number (for non-U.S. persons, other government issued documents evidencing nationality or residence)

In addition to obtaining the preceding information financial institutions must have procedures in place to verify the identity of any person seeking to open an account. For corporation, partnerships, trusts, and persons other than individuals this means providing documentation showing the existence of the entity. When you open a new account (including a trust, investment, safe deposit box, loan or deposit account) your financial institution is required to obtain this identifying information from you. Your financial institution must retain this information for five years after an account is closed. **In all cases, protection of customer identity and confidentiality is our pledge to you.** Thank you for your understanding, if you have a question, please feel free to contact us.

UNLAWFUL INTERNET GAMBLING NOTICE

Restricted transaction as defined in Federal Reserve Regulation GG are prohibited from being processed through this account or relationship. Restricted transactions generally include, but are not limited to, those in which credit, electronic fund transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with the participation by others in unlawful Internet gambling.