

## IMPORTANT ACCOUNT INFORMATION FOR OUR CUSTOMERS

from

### COLEMAN COUNTY STATE BANK

118 WEST PECAN ST

P O BOX 940

COLEMAN, TX 76834-0940

(325)625-2172

### SENIOR CHECKING

**Minimum balance to open** - The minimum balance required to open this account is \$100.00.

**Deposit limitations** - You may make an unlimited number of deposits into your account.

**Additional Terms** - The following additional terms apply to this account: No monthly maintenance fee applies. Owner must be 65 years of age or older to qualify for this account.

Unlimited check writing is available on this account. Two free Debit cards are available, some restrictions apply.

**DISCRETIONARY OVERDRAFT PRIVILEGE:** You are expected to maintain sufficient available funds in any account to cover payment of all withdrawals and debits. If there are non-sufficient available funds to cover some of the withdrawals or debits presented against your account, we may pay one or more of the withdrawals or debits (as we may select) creating an overdraft of your account. The bank pays items from the smallest dollar amount to the highest dollar amount. For a personal account we may pay overdrafts up to \$300.00. In the event we pay a withdrawal or debit which results in an overdraft of your account, you are expected to deposit sufficient funds within 30 days into your account to cover the overdrawn amount. If we pay a withdrawal or debit which results in an overdraft of your account, such payment shall not be a loan, and you agree to pay the non-sufficient funds fee as established by the Bank for the overdraft privilege. Authorized overdraft fees are \$25.00 per item, Nonsufficient Funds Paid and Nonsufficient Funds Returned will be charged \$25.00 per item.

We may refuse to honor any withdrawal or debit which would result in an overdraft of your account at any time without notice to you, subject to your right to overdraw your account up to \$300.00, which right may be terminated by us at any time upon reasonable notice. Authorized overdraft fees are \$25.00 per item, Nonsufficient Funds Paid and Nonsufficient Funds Returned will be charged \$25.00 per item. For all accounts, we specifically reserve the right to refuse to honor, without notice to you, any withdrawal or debit which would result in an overdraft of your account in the following circumstances:

- (a) you fail to pay any payment due and owing on any obligation to us;
- (b) you die;
- (c) you violate any provision of any agreement with us;
- (d) you file for bankruptcy or other insolvency relief, or an involuntary petition under the provisions of the Federal Bankruptcy Act is filed against you;
- (e) you default on any obligation or agreement with us; or
- (f) you have an excessive number of overdrafts on your account.

You agree to hold us harmless for refusing to honor any check drawn on your account, which if honored, would create an overdraft.

Optionally:

The bank will allow you access to your overdraft protection funds for an ATM transaction and Point of Sales

transactions. You could overdraw your account thru a Check card transaction, or ATM withdrawal up to your Overdraft limit.

The fees associated with overdraft protection will be imposed for covering overdrafts created by check, in-person withdrawal, ATM withdrawal, debit card transactions of any kind, or other electronic means. Payment of overdrafts is discretionary, and Coleman County State Bank may refuse to pay an overdraft at any time, without prior notification. You will not receive any prior notification at the time of a Point of sale transaction. You will be reminded that a withdrawal could overdraw your account if you use one of CCSB's ATM's.

If you do not wish to utilize this Overdraft Privilege, you may opt out by calling 1-325-625-2172.

Overdraft Privilege is not a line of credit. This program is intended to pay accidental or unintended overdrafts on customer checking accounts. We offer a variety of less expensive services to customers looking for extended credit such as secured and unsecured loans, revolving and non-revolving lines of credit, etc., subject to approval by the bank. Feel free to contact the bank for more information if you feel that one of these services will serve you better. However, if you over-draw your account, we will normally pay the overdraft, subject to the limit of your overdraft privilege. The normal overdraft limit for personal checking accounts is \$300.00. Authorized Overdraft Fees are \$25.00 per item, Non-sufficient Checks Paid are \$25.00 per item, and Non-sufficient Checks Returned unpaid are \$25.00 per item. These fees count against the balance of the disclosed overdraft protection dollar limit. The bank will pay all overdraft and non-sufficient items in order of the smallest dollar amount to the largest dollar amount.

**REQUIREMENT OF MORE THAN ONE (1) SIGNATURE.** If you (the depositor) require more than one (1) signature to authorize withdrawals by check or other debit from your deposit account, we may honor any such check or debit from the Deposit Account, even if the check or debit is executed by only one Authorized Individual. We are not liable for, and you agree to hold us harmless for, payment on any properly presented check or debit which contains only one (1) authorized signature, or is otherwise approved by only one Authorized Individual, and you agree to indemnify us for any and all cost or liability incurred, including attorney's fees, court costs and any other costs, as a result of our payment of a check or debit which is executed or approved by at least one (1) Authorized Individual.

### **NOTICE OF NEGATIVE INFORMATION**

Federal law requires us to provide the following notice to customers before any "negative information" may be furnished to a nationwide consumer reporting agency. "Negative information" means information concerning delinquencies, late payments, insolvency, or any form of default.

This notice does not mean that we will be reporting such information about you, only that we may report such information about customers that have not done what they are required to do under our agreement.

After providing this notice, additional negative information may be submitted without providing another notice.

**We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.**

### **YOUR ABILITY TO WITHDRAW FUNDS**

This policy statement applies to all deposit accounts.

Our policy is to make funds from your cash and check deposits 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 the funds are available, you can withdraw them in cash and we will use the funds to pay checks that you have written.

Please remember that even after we have made funds available to you and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

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. If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your accounts. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

If we accept for deposit a check that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in the account to which the deposit is made, or any other account you may have with us. The funds in the account would then not be available for withdrawal until after the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

### **Longer Delays May Apply**

**Case-By-Case Delays** - 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 the second business day after the day of your deposit. The first \$100 of your deposits, however, 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 after we receive your deposit, 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 have 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.

**Safeguard Exceptions** - 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 re-deposit 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 computer or communications 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.

### **Special Rules for New Accounts**

If you are a new customer, the following special rules will apply during the first 30 days your account is open. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000.00 of a day's total deposits of cashier's certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposits if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$ 5,000.00 will be available on the ninth business day after the day of the 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 \$ 5,000.00 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 eleventh business day after the day of your deposit.

## SUBSTITUTE CHECKS AND YOUR RIGHTS

As our customer we think it's important for you to know about substitute checks. As a result, we want to advise you that you may begin to see differences when you receive your account statement with copies of your checks, view your account information online, or request a copy of your original check for proof of payment. The following Substitute Check Disclosures provides information about substitute checks and your rights.

### **What is a substitute check?**

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

### **What are my rights regarding substitute checks?**

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500.00 of your refund (plus interest if your account earns interest) within 10 business day(s) after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar day(s) after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

### **How do I make a claim for a refund?**

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at:

COLEMAN COUNTY STATE BANK  
118 WEST PECAN ST  
P O BOX 940  
COLEMAN, TX  
76834-0940  
Phone: (325)625-2172

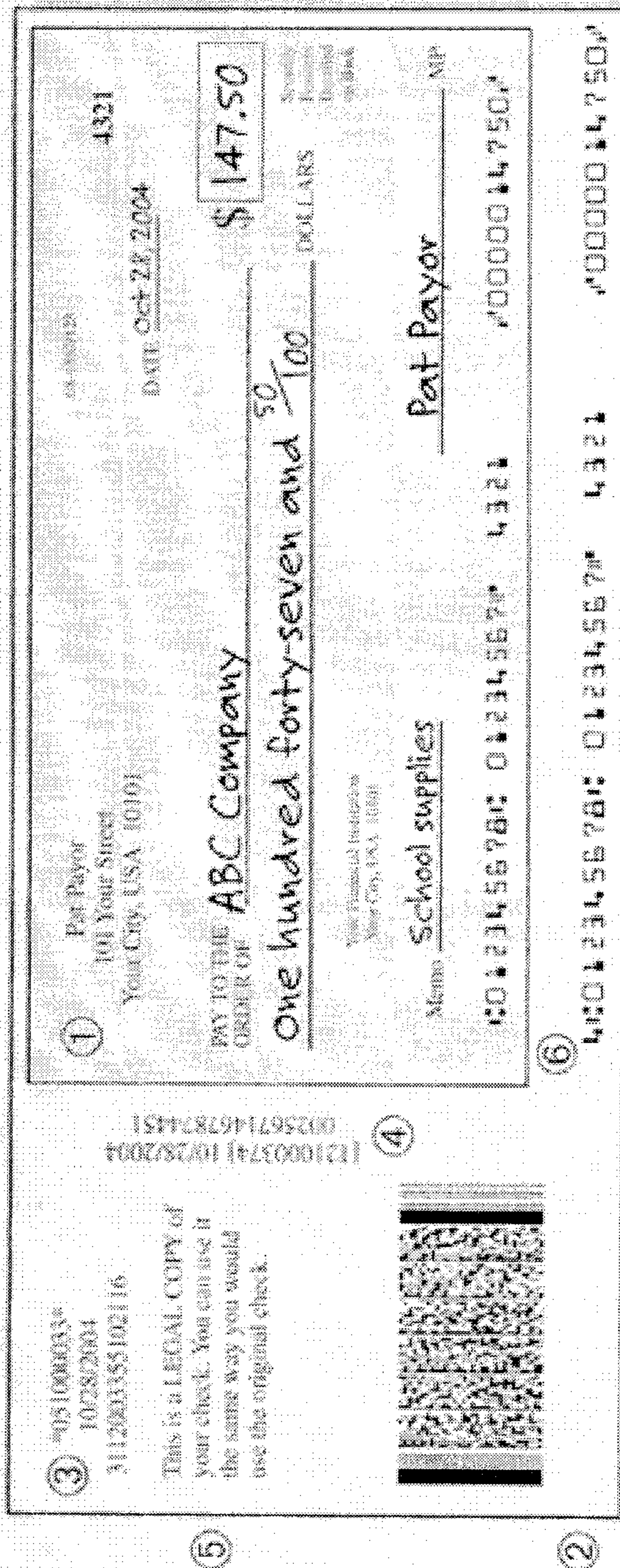
You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include--

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;

- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check and/or the following information to help us identify the substitute check: the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later.

**Substitute check image:**



1. An image of the original check appears in the upper right-hand corner of the substitute check.
2. A substitute check is the same size as a standard business check.

3. The information in asterisks relates to the "reconverting bank" - the financial institution that created the substitute check.
4. The information in brackets (appears sideways facing check image) relates to the "truncating bank" - the financial institution that took the original check out of the check processing system.
5. The Legal Legend states: *This is a legal copy of your check. You may use it the same way you would use the original check.*
6. The MICR lines at the bottom of the image of the original and at the bottom of the substitute check are the same except for the "4" at the beginning of the substitute check number, which indicates that it is a substitute check being moved forward for collection purposes. It is also possible for a substitute check number to begin with a "5" if the item is being returned. The rest of the MICR line is the same as the original check to ensure that it is processed as though it were the original.

### ELECTRONIC FUND TRANSFERS YOUR RIGHTS AND RESPONSIBILITIES

Indicated below are types of Electronic Fund Transfers we are capable of handling, some of which may not apply to your account. Please read this disclosure carefully because it tells you your rights and obligations for the transactions listed. You should keep this notice for future reference.

**Electronic Fund Transfers Initiated By Third Parties** - You may authorize a third party to initiate electronic fund transfers between your account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearing House (ACH) or other payments network. Your authorization to the third party to make these transfers can occur in a number of ways. For example, your authorization to convert a check to an electronic fund transfer or to electronically pay a returned check charge can occur when a merchant provides you with notice and you go forward with the transaction (typically, at the point of purchase, a merchant will post a sign and print the notice on a receipt). In all cases, these third party transfers will require you to provide the third party with your account number and financial institution information. This information can be found on your check as well as on a deposit or withdrawal slip. Thus, you should only provide your financial institution and account information (whether over the phone, the Internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic fund transfers. Examples of these transfers include, but are not limited to:

- **Preauthorized credits** - You may make arrangements for certain direct deposits to be accepted into your checking, savings or Direct Payment Accounts.
- **Preauthorized payments** - You may make arrangements to pay certain recurring bills from your checking, savings or Direct Payment Accounts.
- **Electronic check conversion** - 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 or pay bills.
- **Electronic returned check charge** - You may authorize a merchant or other payee to initiate an electronic funds transfer to collect a charge in the event a check is returned for insufficient funds.

**Teller 24 Card transactions** - types of transactions - You may access your account(s) by ATM at any Pulse or Cirrus ATM

118 West College - Coleman, TX

2206 Commercial Avenue - Coleman, TX

4609 Southwest Drive - Abilene, TX using your Teller 24 Card and your personal identification number (PIN) to:

- withdraw cash from checking or savings
- get balance information about checking or savings
- No more than two Debit cards per account will be issued.  
Debit cards will not be issued to Direct Payment account holders.

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

