

OVERDRAFT COVERAGE DISCLOSURE: OVERDRAFT PRIVILEGE AND OVERDRAFT PRIVILEGE PLUS OPTIONS

Life happens! Home State Bank understands that unexpected overdrafts occur from time to time – Overdraft Coverage can help.

Overdraft Coverage Options

The choice is yours. Consider these ways to cover overdrafts:

Service	Cost
Overdraft line of credit ^{1, 2}	\$9.39 fee per transfer + APR ³
Overdraft Privilege	\$33.74 overdraft fee per item not to exceed six in a business day ⁴

¹Contact us at (815) 459-2000 or come by a branch to sign up or apply for these services; ²Subject to credit approval;

³Annual Percentage Rate (subject to 12 C.F.R. § 1026.16(b)); ⁴Applies to personal accounts only.

Overdraft Protection services apply to all types of transactions and allow you to link other sources, such as a line of credit, at Home State Bank to your checking account to pay an overdraft transaction for a fee or finance charge. Please note that overdraft lines of credit are subject to credit approval.

Overdraft Privilege allows you to overdraw your account for a fee in order to pay a transaction.

Transactions Covered with Overdraft Privilege	Overdraft Privilege (No action required)	Overdraft Privilege Plus (Your consent required)*
Checks	X	X
ACH - Auto Debits	X	X
Recurring Debit Card Payments	X	X
Online Bill Pay Items	X	X
Internet Banking Transfers	X	X
Telephone Banking	X	X
Teller Window Transactions	X	X
ATM Withdrawals		X*
Everyday Debit Card Purchases		X*

If you would like to select Extended Coverage for future transactions:

- complete the “Opt In” form, or
- call us at **(815) 459-2000**, or
- submit the online consent form found at www.homstateonline.com, or mail it to 40 Grant St, Crystal Lake, IL 60014, or
- send us a secure email, or
- visit any branch

*If you choose Overdraft Privilege Plus, all the transaction types listed in Overdraft Privilege are included, along with **ATM withdrawals and everyday debit card transactions**. Business accounts automatically have Overdraft Privilege Plus.

You can discontinue the Overdraft Privilege in its entirety by contacting us at (815) 459-2000 or sending us an e-mail at support@homstateonline.com. If you already have Overdraft Privilege Plus coverage, it is not necessary to request it again.

What Else You Should Know

- The order in which transactions are posted may impact the total amount of overdraft or return fees assessed. It is our practice to post all over the counter and incoming credits to your account first followed by ATM / Debit Card charges, internal transfers/withdrawals, Electronic Bill Pay / ACH Debits and then checks in serial number order.
- A line of credit is a less expensive option than an overdraft.
- Good account management is the best way to avoid overdrafts. Use our mobile banking, Internet banking, and telephone banking services to keep track of your balance.
- The \$33.74 fee is the same fee that would be charged if a check was returned as unpaid. If multiple items would overdraw your account on the same day, each item would be assessed an appropriate Overdraft fee or a Return fee of \$33.74. All fees and charges will be included as part of the Overdraft Privilege limit amount. Your account may become overdrawn in excess of the Overdraft Privilege limit amount as a result of a fee.
- Even if you have overdraft protection, Overdraft Privilege is still available as secondary coverage if the other protection source is exhausted.
- Although under payment system rules, Home State Bank may be obligated to pay some unauthorized debit card transactions, Home State Bank will not authorize debit card or ATM transactions unless there are available funds (including Overdraft Coverage Options) to cover the transactions and any fee(s).
- Giving us your consent to pay every day debit card and ATM overdrafts may result in you incurring overdraft fees for transactions that we would otherwise be required to pay without assessing an overdraft fee. However, by giving us your consent we will strive to pay items that normally would be returned and may also help you avoid overdrafts in excess of your available funds that could result in restriction of your debit card.
- Except as described in this letter, Home State Bank will not pay items if your account does not contain available funds (including the Overdraft Privilege limit) to cover the item(s) and the amount of any fee(s).
- We may restrict your debit card use if you incur overdrafts in excess of the available funds in your account, including any Overdraft Privilege limit.
- Home State Bank will place a hold on your account for any authorized debit card transaction until the transaction settles (usually within two business days) or as permitted by payment system rules. In some cases, the hold may exceed the amount of the transaction.
- Overdraft Privilege is not a line of credit; it is a discretionary overdraft service that can be withdrawn at any time without prior notice.
- Overdraft Privilege may be discontinued if you default on any loan or other obligation to us, your account becomes subject to any legal or administrative order or levy, or if you fail to maintain your account in good standing by not bringing your account to a positive balance within thirty days for a minimum of one business day.
- Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all overdraft and fee amounts, as described in the deposit account agreement and disclosure. The total (negative) balance, including all fees and charges, is due and payable upon demand.

If you have any questions about Overdraft Protection or Overdraft Privilege, please call us at (815) 459-2000 or visit a branch.