

First Citizens National Bank's
Discretionary Overdraft Service Policy

It is the policy of First Citizens National Bank to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards.

The Deposit Account Agreement and Disclosure provided to you at the time you opened your account with us controls the duties, obligations and rights of the Depositor, the Authorized Signatories and First Citizens National Bank with regard to your checking account. The Deposit Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Discretionary Overdraft Service Policy and the Deposit Account Agreement and Disclosure. A copy of the Deposit Account Agreement and Disclosure is available to you on request from your First Citizens National Bank officer.

Should you inadvertently overdraw your account, we will have the discretion to pay the overdraft, subject to your account management history and in anticipation of an immediate deposit to the account. First Citizens National Bank is not obligated to pay any item presented for payment if your account does not contain sufficient available funds. Any discretionary payment by First Citizens National Bank of an overdraft check (or items, such as ATM withdrawals) does not obligate First Citizens National Bank to pay any other overdraft check (or item), or to provide prior notice of its decision to refuse to pay such check (or item).

Pursuant to First Citizens National Bank's commitment to always provide you with the best level of service, now and in the future, if your account has been open for at least thirty (30) days and thereafter you maintain your account in good standing, your account is eligible for our Discretionary Overdraft Service. Any such payment is a discretionary courtesy, and not a right of the accountholder or an obligation of First Citizens National Bank and First Citizens National Bank in its sole and absolute discretion can cease paying overdrafts at any time without prior notice of reason or cause. Should you prefer that we not provide discretionary payment of overdrafts on your account, please contact any of our Service Center Specialists at (731) 285-4410 or toll-free at (800) 321-3176, and request that we remove this service from your account. Please know that if you subsequently have items that create an overdraft, your items may be returned and applicable Non-Sufficient Funds (NSF) fees will be applied to your account.

NOTE: Account types excluded from receiving a Discretionary Overdraft Service limit are Student Checking Accounts, First Rate Accounts, Public Fund Accounts, Health Savings Accounts, IOLTA Accounts, Easy Access Accounts, Ready Reserve Accounts and Sweep Accounts.

Of course, any and all fees and charges, including without limitation the non-sufficient funds/overdraft fees (as set forth in our fee schedules and deposit account agreement and disclosure), will be included as part of the discretionary overdraft amount.

The total of the discretionary overdraft (negative) balance, which includes any and all fees and charges, including all non-sufficient funds/overdraft fees is due and payable upon demand, and Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all such amounts, as described in the Deposit Account Agreement and Disclosure. Our standard overdraft fee of \$35.00 will be imposed for overdrafts created by checks, ACH, ATM withdrawals, everyday debit card transactions, in-person withdrawals, or by other electronic means. Refer to the Processing Overdraft (OD) Items, Non-Sufficient Fund (NSF) Items and Associated Fees Disclosure regarding OD Fees and the order in which First Citizens National Bank processes transaction items on your account.

For our consumer account holders, First Citizens National Bank will not pay overdrafts for ATM or everyday debit card transactions after August 15, 2010 unless First Citizens National Bank has provided you with the applicable disclosure notice required by Regulation E and you have "**Opted In**" to the payment of these overdrafts. In order to avoid overdrafts due to ATM and everyday debit card transactions, First Citizens National Bank will place a hold on your account for any ATM or everyday debit card transaction authorized until the transaction settles. ATM and everyday debit card transactions usually settle within two business days after the transaction is authorized. The amount of the hold will be for the amount authorized, or as permitted under applicable payment network rules. Holds on authorized ATM and everyday debit card transactions will be removed prior to settlement where required by applicable payment network rules. In addition, you may opt out of the discretionary overdraft services for check, ACH, debit card, and bill payment transactions at any time by contacting any of our Service Center Specialists at (731) 285-4410 or toll-free at (800) 321-3176.

Processing Overdraft (OD) Items, Non-Sufficient Fund (NSF) Items, And Associated Fees

Payment Order Of Overdraft (OD) and Non-Sufficient Fund (NSF) Items

To assist you with properly managing your account, please take notice of the following information on how we process transaction items that you write (e.g. checks) or otherwise authorize for payment (e.g. debit). The first items paid are any checks cashed by our employees or checks you have written to the Bank. We next pay electronic transactions based on lowest to highest dollar amount per category in the following order: ATM withdrawals, debit card transactions, telephone transfers, preauthorized automatic transfers and ACH items. Finally, checks are paid in check number order on the date received (presentment to the Bank).

If your account has insufficient funds to pay an item when presented, we may, at our discretion, pay the item creating an overdraft item (OD) or return it creating an insufficient funds item (NSF). Refer to the Overdraft and NSF Fees section of this disclosure for the applicable fee amounts.

Applicable Overdraft (OD) and Non-Sufficient Fund (NSF) Item Fees

The following fees apply when your account has insufficient funds to pay items presented to the Bank for payment.

Non-Sufficient Funds (per item returned) \$35.00

Overdraft Fee (per item paid) \$35.00

De minimis transactions: (Consumer Accounts only): If the amount of any individual overdraft transaction item is \$5.00 or less, we will not assess a fee for the item. This does not apply to Non-Sufficient Fund items. (items being returned)

For Business Accounts Only: Accounts remaining in an overdraft status for five or more consecutive days will be charged a Daily Overdraft Fee. If the fifth day falls on Saturday, Sunday, or a bank holiday the charge will be deducted on the preceding business day.

Daily Overdraft Fee (Business Accounts only) \$6.00

Services Available To Prevent Overdrafts (OD) and Non-Sufficient (NSF) Items and Fees

We encourage you to keep careful records of transactions and practice good account management. This will help prevent incurring fees that may result due to insufficient funds in your account. However, mistakes happen resulting in an unexpected overdraft. First Citizens National Bank offers the following services designed to help you prevent an overdraft situation on your account.

Auto Transfer From Another Account – link your checking account to a secondary account such as a savings account. In the event an overdraft occurs in your checking account, funds will automatically be transferred from the secondary account to your checking account. This option will prevent an overdraft situation and you will avoid incurring any Overdraft (OD) and Non-Sufficient (NSF) fees.

Online Banking Alerts – through our Online Banking Service, you can create an alert that will notify you by email or send a text message when your checking account balance drops below a designated amount.

Good Check Protect – you can apply for a Good Check Protect line of credit just as you would apply for a regular loan. Should your checking account become overdrawn, available funds from the line of credit will be transferred to your checking account. Overall the cost for this service would be less than incurring normal Overdraft (OD) and Non-Sufficient Funds (NSF) fees. *A Credit Application And Credit Approval Is Required For This Service.*

Services Available to Help Limit Overdraft (OD) and Non-Sufficient Funds (NSF) Fees

Should you overdraw your account, depositing money into the account as soon as possible can help you limit the amount of Overdraft (OD) and Non-Sufficient Funds (NSF) Fees. First Citizens National Bank offers the following services that will assist you to quickly and conveniently transfer money to your overdrawn account.

Online Banking, Mobile Banking and Mobile Deposit – by utilizing our Online Banking and/or Mobile Banking services, you can transfers funds between your accounts. Utilization of Mobile Deposit services allows you to take a picture of a check and submit item for deposit. Transfers and deposits made prior to the 5:00 p.m. CST / 6:00 p.m. EST cut-off time will be credited to your account that same business day. Online Banking and Mobile services are available 24 hours a day, seven days a week.

First Connection – by utilizing our free automated telephone service, First Connection, you can call and transfer funds between your accounts. Transfers made prior to the 8:00 p.m. CST / 9:00 p.m. EST cut-off time, will be credited to your account that same business day. First Connection is available 24 hours a day, seven days a week.