

**If You Want to Keep the Overdraft Coverage on your Debit Card,
You Must Respond. Please read this letter and return the Opt-In form.**

Dear Customer:

Your Citizens State Bank debit card has a special feature called Overdraft Privilege that may provide a safety net in the event there are not enough funds in your account at the time of your debit card purchase or ATM withdrawal.

Recently, the Federal Reserve issued a regulation requiring banks to give customers the choice of Opting In to allow overdrafts to continue to be paid on ATM or debit card transactions or Opting Out, which means overdrafts would not be paid on ATM or debit card transactions.

IF YOU OPT IN:

Your debit card will work as it currently does. If we authorize reasonable debit card transactions that cause your account to fall into a negative balance, you will incur our normal paid item (OD) fee of \$23.00 as set forth in our Service Fee Schedule—the same as if we returned your check unpaid. Opting In means you will continue to have a safety net up to your available Overdraft Privilege limit that may save you from the embarrassment of having a transaction declined if you have made a mistake in balancing your account or are short on cash. There is NO FEE to keep the Overdraft Coverage on your account and NO FEE if you never use it.

IF YOU OPT OUT:

If you choose to Opt Out, as of August 15, 2010, we will no longer be able to provide Overdraft Privilege coverage automatically for any ATM or everyday debit card transaction that would cause your account to reach a negative balance. If there are insufficient funds in your account, the debit card or ATM transaction will be declined.

HOW THIS CHOICE COULD IMPACT YOU

Here is a simple example of the ramification of the choice to “Opt Out”: You are in the grocery line waiting to check out with \$100 worth of groceries. Your account balance is \$60.00. You swipe your debit card and the transaction is declined due to insufficient funds. Opting out avoids an overdraft fee. It does not avoid the inconvenience and embarrassment of having to return the groceries.

LET US HEAR FROM YOU

If you want to keep Overdraft Privilege for your debit card, you must Opt In by completing the enclosed form and mailing it back to us by August 1, 2010. Or, you can bring it to the branch nearest you.

If you Opt Out or we don't hear from you, as of August 15, 2010, your everyday debit card or ATM transaction will be declined if there is not enough money available in your account to cover a purchase or withdrawal.

Thank you for your business and the confidence you have placed in us.

Sincerely,

Fred Schrag
President

Please see the enclosed Opt-In form, required by Federal law, containing information about The Citizens State Bank's overdraft practices.

What You Need to Know about Overdrafts and Overdraft Fees

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts in two different ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as linking your account to another account with us or an overdraft line of credit, which may be less expensive than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains our standard overdraft practices.

What are the standard overdraft practices that come with my account?

We do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number
- Automatic bill payments

We do not authorize and pay overdrafts for the following types of transactions unless you ask us to (see below):

- ATM transactions
- Everyday debit card transactions

We pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction.

If we do not authorize and pay an overdraft, your transaction will be declined.

What fees will I be charged if The Citizens State Bank pays my overdraft?

Under our standard overdraft practices:

We will charge you a fee of **\$23** each time we pay an overdraft.

There is no limit on the total fees we can charge you for overdrawing your account.

What if I want The Citizens State Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions?

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, call one of our locations, visit our web site www.thecsb.com, or complete the form below. Please return this form to any one of our locations or mail to:

The Citizens State Bank
PO Box 869
Hesston, KS 67062

I want The Citizens State Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Printed Name(s) : _____

Signature(s): _____

Date: _____

Account Number(s): _____