



January 29, 2010

Dear Sterling State Bank Customer,

Thank you for banking with Sterling State Bank. Enclosed is an important authorization form for all Sterling State Bank debit card holders.

Signing the enclosed form can allow Sterling State Bank to authorize debit card transactions that you wish to complete – even if these transactions overdraw your available account balance.

If you choose not to sign this form, every debit card transaction that exceeds your current available balance – regardless of how small the overdraft – will be declined at the point of sale.*

While highly unlikely, it is always possible that a debit card transaction will still overdraw your account. For example, purchases you make at a fuel pump are authorized before the final amount of the transaction is determined. In these and other instances your final purchase amount could end up being more than the available balance in your account.

If you have any questions about this authorization and what it means for your debit card, please do not hesitate to contact your Sterling State Bank personal banker today.

A copy of this form is available to you any time through www.sterlingstatebank.com. You may also revoke your authorization at any time. This revocation must be made using this form and include your signature. Return completed forms directly to your nearest Sterling State Bank branch or by mail to the bank address printed on your statement.

Sincerely,

Sarah McNeilus
Sterling State Bank

P.S. Access your account 24-hours a day with a convenient Sterling State Bank debit card. Contact your personal banker to order one today.

**Sterling State Bank does not guarantee that we will authorize or pay any type of transaction.*



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 a sweep from a savings account or a Line Of Credit Advance, 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 Sterling State Bank pays my overdraft?

Under our standard overdraft practices:

- We will charge you a fee of up to **\$35.50** each time we pay an overdraft.
- Also, if your account is overdrawn for 2 or more consecutive calendar days, we will charge an additional \$7.65 per day.
- There is no limit on the total fees we can charge you for overdrawing your account.

What if I want Sterling State Bank to authorize and pay overdrafts on my ATM and everyday debt card transactions?

If you want us to authorize and pay overdrafts on ATM and everyday debit card transactions, complete the form below and present it at your local branch office or mail to 102 S Broadway Rochester, MN 55904, or visit www.sterlingstatebank.com and submit it electronically.

___ I do not want Sterling State Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions.

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

Printed Name: _____

Date: _____

Signature: _____

Account #: _____

This confirms your consent to our authorization and payment of overdrafts on ATM and everyday debit card transaction the account listed above. Remember: *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.*

IMPORTANT NOTICE: IF YOU DO NOT SIGN & RETURN THIS FORM TO US WE WILL ASSUME THAT YOU DO NOT WISH TO AUTHORIZE OVERDRAFTS ON ATM AND DEBT CARD TRANSACTIONS.

To Revoke this agreement at any time, check the box and sign below, make sure your name and account number are legible on this form and bring to any office of the bank or mail to Sterling State Bank Operations Department 102 South Broadway Rochester, MN 55904, or visit www.sterlingstatebank.com and utilize our online banking system to send a secure message stating you wish to revoke your consent for payments of overdrafts. **Do not send confidential information such as your account number in an unsecure email message.** The bank will discontinue its payment of such overdrafts as soon as practicable after receiving notice of your revocation. **Any joint owner may revoke the agreement.**

I revoke the earlier consent for the payment of overdrafts on ATM and everyday debit card transactions on the account identified above.

Date: _____

Signature: _____