

FIRST NORTHERN BANK OF DIXON

Consumer Accounts Disclosure

Classic Free Checking

Our **Classic Free Checking** account is available to individuals, joint tenants, tenants in common, community property, estate, trust, custodian or Totten trust (pay-on death) accounts

- The minimum opening deposit is \$50.
- There is no minimum balance requirement, no monthly service charge or maintenance fee, and no per check charge.
- Free eStatement

Classic Checking

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- The minimum opening deposit is \$50.
- There is no minimum balance requirement, no per check charge.
- Paper Statement
- Monthly maintenance fee of \$3.00

50+ Free Interest Checking

Our **50+ Free Interest Checking** account is available to individuals, joint tenants, tenants in common, community property, estate, trust, custodian or Totten trust (pay-on death) accounts when one signer on the account is age 50 and over.

- The minimum opening deposit is \$50.
- There is no minimum balance requirement, no monthly service charge or maintenance fee, and no per check charge.
- Competitive interest rates with no minimum balance requirements

Direct Deposit Free Interest Checking

Our **Direct Deposit Free Interest Checking** account is available to individuals, joint tenants, tenants in common, community property, estate, trust, custodian or Totten trust (pay-on death) accounts when one account owner on the account has direct deposit.

- The minimum opening deposit is \$50.
- There is no minimum balance requirement, no monthly service charge or maintenance fee, and no per check charge.
- Competitive interest rates with no minimum balance requirements
- Free eStatement

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- The minimum opening deposit is \$50.
- There is no minimum balance requirement and no per check charge.
- Competitive interest rates with no minimum balance requirements
- Paper Statement
- Monthly maintenance fee of \$3.00

Premier Interest Checking

Our **Premier Interest Checking** account is available to individuals, joint tenants, tenants in common, community property, estate, trust, custodian or Totten trust (pay-on death) accounts.

- The minimum opening deposit is \$50.
- There is a maintenance fee of \$8.00 if the balance of the account falls below \$1,000.00. There is no per check charge.
- Higher interest rates with balances of \$2,500 or more

Health Savings Account (HSA)

The **Health Savings Account** is an alternative product to traditional health insurance; it is a savings product that offers a different way for consumers to pay for their health care.

- The minimum opening deposit is \$50.
- There is a one time set-up fee of \$25.00, waived with a First Northern checking account.
- There is a maintenance fee of \$5.00 if the minimum daily balance falls below \$500.00 anytime during the calendar month.
- Maintenance fee is waived with monthly automatic transfer (\$5.00 minimum) from a First Northern checking, regardless of the balance.
- Corrected IRS filing fee is \$10.00

Money Market Investment Account (MMIA)

The **Money Market Investment** account is a personal savings account available to individuals, joint tenants, tenants in common, community property, estate, trust, custodian or Totten trust (pay-on death) accounts. Account earning money market interest rates.

- The minimum opening deposit is \$2,500.
- If your minimum daily balance falls below \$2,500 during the statement cycle, a maintenance fee will be assessed on the statement cycle date.
- **Specific Withdrawal Rules which apply to Money Market Investment Accounts:**
 - Withdrawals may be made by personal checks or by preauthorizing the Bank to make automatic transfers from your account to another account in your name, by instructing the Bank by telephone to make such a transfer, by authorizing others to draw drafts on your account, or by initiating electronic transfers from your account.
 - Federal regulations limits the number of these transfers and checks to six (6) per monthly statement cycle.
 - Checks payable to you and cashed at our offices do not count toward this restriction
 - The Bank will use the date the check is paid by the Bank.
 - A service charge applies on a "per debit" basis when the number of allowable debits (6) is exceeded during the monthly statement cycle.

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- If you were to repeatedly violate the restrictions on the number of checks or preauthorized transfers, federal law may require the Bank to close your account or to transfer the balance to an account that allows this type of activity.
- Personal Withdrawals payable only to you also may be made in person, by mail, by messenger, or by using a First Northern MINIBANKsm. There is no limit on the number of these types of withdrawals.

Statement or Combined Statement Savings

- A Statement or Combined Statement Savings** account is a personal savings account to be used for individual, joint tenants, tenants in common, community property, estate, trust, custodian or Totten trust (pay-on death) accounts.
- The minimum opening deposit is \$50.00.
 - If one of the joint tenants is a minor (*under 18 years of age*) or if the beneficiary of the trust, custodian or pay-on-death (*Totten trust*) account is a minor, the minimum opening deposit is \$25.00.
 - **A Statement Savings** account will receive a quarterly statement of account activity at the end of each calendar quarter.
 - **A Combined Statement Savings** account will be combined with your First Northern Bank monthly checking account statement and is based on the statement cycle of that checking account.
 - The **Statement or Combined Statement Savings** account has no maturity requirements and no early withdrawal penalty.
 - **Specific Withdrawal Rules which apply to Statement Savings or Combined Statement Savings Accounts:**
 - Preauthorized Transfers, including Overdraft Transfers, Telephone Transfers, or withdrawals by third party debit are limited by Federal regulations to six (6) withdrawals per calendar month.
 - If you were to repeatedly violate the limit, Federal law may require the Bank to close your account or to transfer the balance to an account that allows this type of activity.
 - Unlimited withdrawals of intra-account transfers are allowed if initiated by mail, by messenger, in person at the Bank, to pay loans at this Bank, by telephone, but only if the withdrawal is via check payable and mailed directly to you. Or at a First Northern Bank MINIBANKsm ATM (*Must have a First Northern personal checking or personal savings account in order to qualify for an ATM card*)

Withdrawal Fee If you maintain a minimum daily balance of \$500 or greater, you may make unlimited withdrawals or transfers without charge.

- If the minimum daily balance falls below \$500 anytime during the quarter:
 - You may make three withdrawals or transfers each month without charge; however, you will be charged a withdrawal fee for the fourth and each subsequent withdrawal.
 - This charge will be assessed at the end of each calendar month.

- If you close your account prior to the end of the quarter, you will be assessed the applicable charge at that time.
- Also, if your account is closed within the first ninety (90) days, there will be an early closure fee.

Monthly Maintenance Fee -

For Statement Savings Account: There will be no maintenance fee for any calendar month during which you maintain a minimum daily balance of \$500.00 or more. (*The minimum daily balance is your lowest balance on any day during the calendar month.*)

- If your minimum daily balance falls below \$500.00 any day during the calendar month, we will charge a maintenance fee at the end of that calendar month.
- If you close your account prior to calendar month end, this minimum daily balance review will be performed at that time.

For Combined Statement Savings Account: There will be no maintenance fee, regardless of your balance, for any calendar month when you have established an automatic transfer (minimum amount \$25) from your First Northern Checking Account to your Combined Statement Savings Account.

- If an automatic transfer is NOT processed during the calendar month, and if your minimum daily balance falls below \$500.00 any day during the calendar month, a maintenance fee will be assessed at the end of that calendar month.
- If one of the joint tenants is a minor or is the beneficiary of the trust, custodian or pay-on-death (*Totten trust*) account is a minor; there is no maintenance fee regardless of the minimum daily balance.

Savings Overdraft Protection for Personal Checking Account Customers

This service is available to personal checking account customers who also have a personal Statement Savings account. When checks are presented for payment and overdraw your checking account, we will automatically transfer enough to cover the overdraft in increments of \$20.00 from your savings account to your checking account. Account owners on both accounts must be the same (Uniform transfer to Minors and Business accounts are not eligible).

- If the balance in your savings account is \$20.00 or less, no transfer will be made (you may specify a higher minimum balance to be maintained in your savings account if you like).
- A transfer fee will be assessed against the checking account for each transfer.
- Overdraft Transfers are considered a "Preauthorized Transfer"- refer to the "Specific Withdrawal Rules" for the limitations on these times of withdrawals.

Holiday Savings

The **Holiday Savings** account can be opened any time during the year by an individual or joint tenants.

- Holiday Savings deposits will be automatically deducted from your designated checking account.

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- You may choose to have the 12 monthly or 24 semi-monthly deposits. If your payment date falls on a non-business day, the deduction will be made on the business day before the payment date.
- You may choose to receive a monthly Combined Statement on your designated checking account or an annual Statement of Account Activity.
- All Holiday Savings accounts mature November 1st and interest is paid annually on October 31st.
- The account balance plus interest earned will be paid to you by automatic credit to your designated checking or savings account on November 1st or by check, which will be mailed to you at your designated address. (Fee applies if Check Disbursement elected. Refer to Schedule of Fees & Charges.)
- **Partial withdrawals are not permitted.** If you close your Holiday Savings account prior to November 1st, no interest will be paid.
- Your Holiday Savings account will be renewed each year unless you tell us to cancel it.

50+ Free Interest Checking, Direct Deposit Free Interest Checking, Direct Deposit Interest Checking, Premier Interest Checking, Health Savings, Money Market Investment, Statement Savings, Combined Statement Savings and Holiday Savings Accounts

Interest Rates. The above accounts are variable interest rate accounts.

- At the Bank's discretion, the interest rate and Annual Percentage Yield ("APY") payable on the above accounts is subject to change at any time. A current interest rate and APY will be provided when you open your account and upon your request. Your funds will earn interest based on your daily collected balance.
- Interest rates for the **Premier Interest Checking** account are based on balance levels. The levels are:

\$0.01 - \$2,499.99
\$2,500.00 - \$99,999.99
\$100,000.00 and more.

- Interest rates for the **Money Market Investment and Health Savings** accounts are based on balance levels. The levels are:

\$0.01 - \$2,499.99
\$2,500.00 - \$9,999.99
\$10,000.00 and more.

- A different interest rate may be paid for each balance level with higher balances earning at a higher rate. The balance level at which your funds will earn interest is based on your daily collected balance.

Calculating, Compounding, and Crediting of Interest.

- 50+Free Interest Checking, Direct Deposit Free Interest Checking, Direct Deposit Interest Checking, Premier Interest Checking, Health Savings and Money Market Investment Account interest will be calculated daily, compounded and

- credited monthly on the last day of each monthly statement cycle.
- Statement and Passbook Savings interest will be calculated daily, compounded and credited quarterly on the last day of each calendar quarter.
- Holiday Savings interest will be credited at maturity. Interest is compounded on the basis of a 365-day year (*366 days in the case of a leap year*) and actual days elapsed.
- Interest will be calculated using the daily balance method. This method applies a daily periodic rate to the collected balance in the account each day.
- Your account balance will be considered to have been at \$0 for each day on which your account is overdrawn.
- To obtain the annual percentage yield you must maintain a minimum balance of \$0.01 in the account each day.
- Until interest is credited to your account, interest earnings will not be available for withdrawal. If you close your account before an interest payment date, no interest will be paid for that interest period.

Collected Balance Calculation. Any item deposited that is not drawn on this Bank will begin earning interest on the date this Bank receives credit for that item.

- This credit can take from one to four business days, depending on the location of the financial institution upon which the item is drawn.
- If, for whatever reason, this credit is subsequently reversed, any interest earned on the item may also be reversed.
- Any items deposited in cash or checks drawn on this Bank will earn interest from the date of deposit.
- A schedule detailing the delayed credit period is available upon request from any of this Bank's branches.

Notice Regarding Payment of Items

Our policy is to pay items in the numeric sequence that they are received.

- Items processed at a branch will be paid before items coming from other banks.
- If an item is without a check number, it is generally paid before items presented with a check number.
- If an item is presented without sufficient funds (NSF) in your account, we may, at our discretion, pay the NSF item (creating an overdraft) or return the NSF item.
- The amount of the NSF fee is disclosed in the Schedule of Fees & Charges (Tel-8). We encourage you to carefully record all transactions and practice good account management to avoid incurring NSF fees.

All Accounts

Other Fees that may be assessed in connection with all accounts are included in the Schedule of Other Fees and Charges. (Tel-8)

Certificates of Deposit

FIRST NORTHERN BANK OF DIXON

Personal Accounts

Our Certificates of Deposit (“*certificates*”) have varying minimum deposit requirements, terms and interest rates. Rates remain fixed until maturity:

- We offer terms of seven (7) days through eighty-nine (89) days with a minimum opening deposit of \$2,500.00.
- We offer terms of ninety (90) days through fifty-nine (59) months with a minimum opening deposit of \$500.00.

Types of Certificates

1. **Fixed Term Certificates** – these earn interest through a specified maturity date. If your certificate matures on a non-business day, your maturity date will be extended to the next business day. You will continue to earn interest during this period. No interest will be paid thereafter.
2. **Automatically Renewable Certificates** – when these certificates mature, they are automatically renewed at the interest rate in effect at that time and for the same term, unless you redeem the deposit within the grace period or unless we notify you at least 30 days before maturity that we will not be renewing the deposit when it matures. If your certificate matures on a non-business day, your maturity date will be extended to the next business day. You will continue to earn interest during this period.

Penalty for Early Withdrawal. You may be subject to the **penalty** for early withdrawal on the amount withdrawn prior to maturity.

- **Certificates with a maturity of seven (7) to thirty-one (31) days.** The penalty amount will be the greater of (1) all interest earned on the amount withdrawn from the most recent of the deposit or renewal date, or (2) all interest that could have been earned on the amount withdrawn during a period equal to the greater of (a) seven (7) or (b) one-half the maturity period.
- **Certificates with an original maturity of thirty-two (32) to three hundred sixty-five (365) days.** The penalty amount will be one (1) month’s interest earned, or that could have been earned, on the amount withdrawn at the interest rate being paid on the deposit.
- **Certificates with an original maturity of more than one year.** The penalty amount will be three (3) months’ interest earned, or that could have been earned, on the amount withdrawn at the interest rate being paid on the deposit.

Where necessary to comply with this requirement, the penalty amount shall be deducted from the principal sum of the deposit.

A withdrawal of all or a portion of the deposit evidenced by a **Certificate of Deposit** prior to the maturity is (a) subject to these interest penalties and (b) not permitted without the Bank’s consent; however, in the event of a death or judicially-decided incompetence of the payee, the Bank will honor a request for premature withdrawal without penalty.

In all cases, interest penalties will be calculated based on the interest rate in effect for the deposit at the time of the original deposit or renewal.

Interest Calculation. Interest begins to accrue on the business day you deposit any noncash item (for example, a check). Interest is calculated on the basis of a 365-day year (366 days in the case of a leap year) and actual days elapsed. Interest will be

calculated on using the daily balance method. This method applies a daily periodic rate to the balance in the account each day. The annual percentage yield assumes that interest remains on deposit until maturity. A withdrawal of interest will reduce earnings.

Interest Payment. You may choose to compound your interest by having interest payments added to the certificate balance, or you may have the interest credited to a checking or a savings account, or you may have the interest sent to you in the form of a Cashier’s Check. These payments can be made monthly, quarterly, semi-annually, annually or at maturity. If you elect to have interest paid at maturity, the certificate must have a maturity of one year or less. For compound interest payments, the amount can be disbursed to you at anytime before the certificate renews. Once the grace period has elapsed and the certificate has renewed, the compound interest is considered part of the principal of the certificate.

Interest payments will be paid to the registered owners(s) as show on the **Certificate of Deposit** unless otherwise indicated.

Redemption. Upon maturity at the request of the registered owners(s), the Bank will withdraw the funds from the Certificate of Deposit for payment to the registered owners unless otherwise indicated.

Transaction Limitations. Withdrawals and deposits during the term of the certificate are not allowed.

Individual Retirement Accounts (“IRA”) Transaction Limitations. You may continue to make current or prior year contributions to your IRA account if the original term is twenty-four (24) months or less. Rollovers or transfers cannot be added to an existing IRA certificate. IRA interest payments are made only annually or at maturity.

Grace Period. The grace period is that period of time, commencing on the day after your certificate matures, during which you can make changes without penalty in Automatically Renewable Certificates.

- For certificates with original terms of seven (7) to thirty-one (31) days, the grace period is one (1) calendar day.
- For certificates with original terms of thirty-two (32) days through fifty-nine (59) months, the grace period is ten (10) calendar days.

If you make a change in term, a new certificate will be issued. The new term will begin on the date you notify us of the change. We will pay interest on the maturing deposit from the maturity date of the renewing certificate to the date of the change. If you withdraw all of your funds during the grace period, the certificate will cease to earn interest on the maturity date. If the last day of your grace period falls on a non-business day, the grace period is extended until the next business day.