

FIRST NORTHERN BANK

UNDERSTANDING AND AVOIDING OVERDRAFT (OD) FEES AND NONSUFFICIENT FUNDS RETURNED ITEM (NSF) FEES

First Northern Bank recommends that you do not overdraw your account. However, to protect against an occasional, inadvertent overdraft, we offer certain overdraft services. This document contains basic information on: (1) our automated discretionary overdraft services, Standard ODP and Full ODP; and (2) our alternative overdraft services that may be less expensive for you. For more information and terms and conditions for Standard OP and Full ODP, refer to the attached document entitled "First Northern Bank Overdraft (ODP) Service Policy."

Generally – The information in this section is being provided to help you understand what happens if your account is overdrawn. Understanding these concepts is important and can help you avoid being assessed fees or charges. You can also set balance alerts in online or mobile banking to help you avoid being assessed fees or charges.

Availability of Financial Education – It is important you understand how your Deposit Account works. The Federal Deposit Insurance Corporation (FDIC) Money Smart Program is a valuable tool for adults and teens alike. Go to playmoneysmart.fdic.gov/resources.

Question: What is an Overdraft? What is a NSF (non-sufficient funds)? **Answer:** Here is a chart with some basic information:

Key Term	Overdraft Fee	Returned Item NSF Fee
Definition	An overdraft occurs when you do not have enough money in your account's AVAILABLE BALANCE to cover a transaction, but we pay it anyway. Typically, when we pay a transaction into overdraft, we charge you an Overdraft Fee .	Generally, a NSF occurs when you do not have enough money in your account's AVAILABLE BALANCE to cover a transaction, and we do not pay (or cover) the transaction. Instead, the transaction is rejected and the item or requested payment is returned to the person or business to which it is payable. Typically, when we return a transaction for non-sufficient funds, we charge you an NSF Returned Item Fee .
What does the Bank charge for this service?	Overdraft Fee - \$32 per transaction*	NSF Returned Item Fee - \$32 per transaction**
Important Terms for this Service	*For Standard ODP or Full ODP coverage (see below), we charge a \$32 Overdraft Fee for each transaction we pay that overdraws your account. For information on the specific types of transactions covered by these services, refer to the "Standard ODP" and "Full ODP" sections below. We pay transactions into overdraft in our discretion meaning whatever overdraft coverage option that you have (either Standard ODP, Full ODP, or No ODP coverage), we may return or reject, rather than pay transactions if there are non-sufficient funds available in your account, or if the amount of an attempted transaction is larger than your available overdraft limit. Each time we return rather than pay a check, ACH or recurring debit card transaction, we charge you a \$32 NSF Returned Item Fee .	**A transaction may be presented multiple times by the merchant or other payee until it is paid. We do not monitor or control the number of times a transaction is presented for payment. You agree that we may charge you a \$32 NSF Returned Item Fee each time a transaction is presented if the amount of money in your account is not sufficient to cover the transaction, regardless of the number of times the transaction is presented. This means that the same transaction might result in multiple NSF Returned Item Fees if re-presented to us for payment. You authorize us and agree we may impose the same fees multiple times (such as multiple NSF Returned Item Fees and/or Overdraft Fees) in connection with a single transaction that has been returned or presented multiple times.

If you have any questions, please call 1-877-362-6000 or visit one of our branches.

Alternative Overdraft Options. As alternatives to our Standard ODP or Full ODP coverage options, we offer our Savings Account overdraft transfer service and our Reserve Account Line of Credit. **These alternatives may better serve your particular needs and could save you money.** Additional terms and conditions apply. For more information, or to apply, call 1-877-362-6000 or visit one of our branches. Here is a brief summary of these services:

Savings Account Overdraft Transfer Service	Reserve Account Line of Credit
If you elect this service, we will automatically transfer funds from your designated FNB Statement Savings or Combined Statement Savings Account to avoid an overdraft in your checking account. Transfers are made in increments of \$20. This service provides overdraft coverage for the following transaction types: checks, ACH and recurring debit card transactions .	This is a line of credit for which you must apply and is subject to credit approval. In the event your checking account becomes overdrawn as a result of transaction of a check, ACH, recurring debit card transaction, ATM withdrawal and/or one time debit card transaction available funds will be transferred in increments of \$50. Annual Percentage Rate = 18%, 2% of total amount advanced charged as Transfer Fee for each transfer made. This is not a commitment to lend. Subject to credit approval and additional terms and conditions apply.

Question: What are the basic terms of Standard and Full ODP? **Answer:** Here is some basic information on these services.

Overdraft Coverage Option	What are the Basic Terms of this Option?
Standard ODP	<ul style="list-style-type: none"> Provides discretionary overdraft coverage for the following transaction types: checks, ACH and recurring debit card transactions. For each of these transactions that we pay into overdraft, you will be charged a \$32.00 Overdraft Fee. Your ATM and everyday (one-time) debit card transactions will be declined rather than paid. We do not charge a fee for declining these transactions. Your account is automatically enrolled in Standard ODP. You can opt out at any time.
Full ODP	<ul style="list-style-type: none"> Provides discretionary overdraft coverage for checks, ACH and recurring debit card transactions, plus ATM and everyday (one-time) debit card transactions. For each of these transactions that we pay into overdraft, you will be charged a \$32.00 Overdraft Fee. To obtain Full ODP, you must first opt in. You can opt in by reviewing and completing the form entitled "What You Need to Know About Overdrafts and Overdraft Fees" and returning it to us. You can opt out of Full ODP at any time. Please note: Full ODP is not an option that is offered or intended to reduce your payment of NSF Returned Item Fees or Overdraft Fees.
No ODP	<ul style="list-style-type: none"> You can opt out of Standard ODP or Full ODP at any time. If you opt out, you will have No ODP (unless, when opting out of Full ODP, you tell us you want Standard ODP instead). Except for the transaction types listed below for which we charge a \$32 NSF Returned Item Fee, generally your transactions will be declined rather than paid. We do not charge a fee for declining these transactions. Your checks, ACH and recurring debit card transactions will be returned rather than paid. Each time we return one of these types of transactions for non- insufficient funds, we charge a \$32 NSF Returned Item Fee.

- You can opt out of Standard ODP or Full ODP at any time by calling 1-877-362-6000 or visiting one of our branches**
- Non-Sufficient Funds and Overdraft Fees under Standard ODP and Full ODP are capped at \$192 per day (which equals a daily cap of six Overdraft/NSF Returned Item Fees). Also, we do not charge the \$32 Overdraft Fee or NSF Returned Item Fee if: (1) after all transactions presented to your consumer checking account on any given day are paid or returned, your account balance is overdrawn by \$10 or less (if you are a Consumer) or; (2) the amount of the transaction itself does not exceed \$10 if you are a Consumer or \$5 if you are a Business.
- We pay overdrafts under Standard ODP or Full ODP in our discretion, meaning we reserve the right to decline to pay any transaction into overdraft. Each time we decline to pay a check, ACH or recurring debit card transaction due to non-sufficient funds in your account and instead we return the transaction, we charge a **\$32 NSF Returned Item Fee**.
- Standard ODP, Full ODP and No ODP are subject to our ODP Policy (which is also enclosed), including (but not limited to) our use of the "Available Balance" method for purposes of calculating your account's balance, our policies on Good Standing for purposes of enrollment in Standard ODP or Full ODP, "Force Pay Transactions" and our "Transaction Posting Order." For more information on these and other topics, refer to the ODP Policy.

OPT OUT ELECTION: STANDARD ODP OR FULL ODP

You can use this tear-away to **opt out of Standard ODP or Full ODP**. If you wish to opt out using this form, cut off this bottom portion, complete it and then bring it to one of our branches or mail it to us at First Northern Bank, Overdraft Services, P.O. Box 547, Dixon, CA 95620.

You can also opt out at any time by calling us at 1-877-362-6000 or visiting one of our branches.

- I do not wish to be enrolled in Standard ODP. Please opt me out of this service.
- I do not wish to be enrolled in Full ODP. Please opt me out of Full ODP and Standard ODP.
- I do not wish to be enrolled in Full ODP, but I would like to be enrolled in Standard ODP. Please opt me out of Full ODP but enroll me in Standard ODP.

Please Complete

Account Number	
Printed Name	
Date	