

A Clear and Concise Guide<sup>1</sup> to the  
**HIGH YIELD CHECKING ACCOUNT**

BASIC TERMS AND CONDITIONS			
Account Opening and Usage	Minimum Deposit Needed to Open Account	\$0	
	Monthly Maintenance Fee	\$0	
	Gold Key ATMs (ATMs we own)	Free	For transactions using Gold Key ATMs.
	Non-Gold Key ATMs (ATMs we do not own)	\$0*	We waive our fee for using non-Gold Key ATMs. *ATM or terminal owner/operator fees and other network fees still apply.
	Non-Sufficient Funds (NSF) Fee	\$34	Per item we return because you do not have enough money in your account. An item may be presented more than once for payment and we will charge you an NSF fee each time we return the item. Additional merchant fees may apply.
	Overdraft Fee	\$34	Per item we pay even though you do not have enough money in your account.
	Other Service Fees		Please consult the Banking Services/Fee Schedule for a list of additional service fees.

AccountTRANSFER OVERDRAFT PROTECTION PLAN		
AccountTRANSFER Overdraft Protection allows you to use the money you put aside in a separate designated "transfer from" account as protection against overdrafts in other accounts.		
AccountTRANSFER Overdraft Protection (you must request this additional service)	Free	AccountTRANSFER Overdraft Protection transfers are made for the exact amount required to cover the overdraft. If your designated "transfer from" account does not have enough available funds to cover the necessary amount, we will not make a transfer and our normal per item NSF/OD fee up to \$34 will apply. We will make one (1) transfer per day.

WHAT YOU NEED TO KNOW ABOUT OVERDRAFTS AND OVERDRAFT FEES				
We pay overdrafts at our discretion, which means we do not guarantee we will always authorize and pay any type of transaction. An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway.				
Overdraft Fees and Overdraft Options	Option A: No Overdraft Privilege (you must request this option)	No Overdraft Privilege Service	If you choose not to opt into any kind of overdraft privilege, then all transactions that will cause an overdraft will be declined or returned. However, even if you choose not to opt into any kind of overdraft privilege, your account may still become overdrawn.	
		Non-Sufficient Funds (NSF) Fee	\$34	You will be charged an NSF fee for each check, ACH transaction and automated bill payment that is returned because you do not have enough money in your account. An item may be presented more than once for payment and we will charge you an NSF fee each time we return the item. We will not charge this fee if the item we return is \$5 or less. Additional merchant fees may apply.
		Maximum Number of NSF Fees per Day	3	We limit the number of NSF fees you will be charged to three (3) per banking day. A "banking day" is every day except Easter Sunday, Thanksgiving Day and Christmas Day.

## WHAT YOU NEED TO KNOW ABOUT OVERDRAFTS AND OVERDRAFT FEES

<b>Overdraft Fees and Overdraft Options Cont.</b>	<b>Option B: Partial Overdraft Privilege</b> <u>(This is the standard overdraft service that comes with the account)</u>	Partial Overdraft Privilege Service		We may, at our discretion, authorize and pay overdrafts for checks, ACH transactions and automated bill payments.
		Overdraft Fee/ Non-Sufficient Funds (NSF) Fee	<b>\$34</b>	If we choose not to pay these types of items for you, you will be charged an NSF fee for each item we return. An item may be presented more than once for payment and we will charge you an NSF fee each time we return the item. Additional merchant fees may apply. If we choose to pay these types of items for you, you will be charged an Overdraft fee for each item we pay. We will not charge you a fee: <ul style="list-style-type: none"> <li>• For each item of \$5 or less, or</li> <li>• Any time after we've paid an item, including fees, if your resulting account balance is \$12 or less overdrawn.</li> </ul>
		Maximum Number of Overdraft Fees/ NSF Fees per Day	<b>3</b>	We limit the combined number of per item Overdraft fees and NSF fees you will be charged to three (3) per banking day. A <i>"banking day"</i> is every day except Easter Sunday, Thanksgiving Day and Christmas Day.
	<b>Option C: Full Overdraft Privilege</b> <u>(you must request this option)</u>	Full Overdraft Privilege Service		We may, at our discretion, authorize and pay overdrafts for all types of transactions: ATM, everyday debit card transactions, recurring debit card transactions, checks, ACH transactions and automated bill payments.
		Overdraft Fee/ Non-Sufficient Funds (NSF) Fee	<b>\$34</b>	If we choose not to pay these types of items for you, you will be charged an NSF fee for each item we return. An item may be presented more than once for payment and we will charge you an NSF fee each time we return the item. Additional merchant fees may apply. If we choose to pay these types of items for you, you will be charged an Overdraft fee for each item we pay. We will not charge you a fee: <ul style="list-style-type: none"> <li>• For each item of \$5 or less, or</li> <li>• Any time after we've paid an item, including fees, if your resulting account balance is \$12 or less overdrawn.</li> </ul>
		Maximum Number of Overdraft Fees/ NSF Fees per Day	<b>3</b>	We limit the combined number of per item Overdraft fees and NSF fees you will be charged to three (3) per banking day. A <i>"banking day"</i> is every day except Easter Sunday, Thanksgiving Day and Christmas Day.

## WHAT YOU NEED TO KNOW ABOUT OUR PROCESSING POLICIES

<b>Processing Policies</b>	<p>Posting Order</p> <p><i>The order in which withdrawals and deposits are processed</i></p>	<p>We start with the account balance in your account at the beginning of the banking day, subtract holds from your account balance and make any adjustments from prior days. Next, we add credits and then subtract debits from your account balance. The following is a summary of how we generally post items and examples of some of our categories and the more common transactions we assign to each category.</p> <ul style="list-style-type: none"> <li>• First, your deposits and credits are added to your account balance.</li> <li>• Then, withdrawals made at our teller windows, transfers made with our 24-Hour Account Information Hotline, online and mobile banking systems, online and mobile banking bill payments and outgoing wire transfers are subtracted from your account balance in lowest to highest dollar amount.</li> <li>• Then, card transactions and ATM transactions are subtracted from your account balance in date and time order.</li> <li>• Then, ACH debits without a check number are subtracted from your account balance before other checks you wrote with a check number, in highest to lowest dollar amount. When we receive a check number, checks will be subtracted from your account balance in sequential check number order.</li> <li>• Finally, most fees and service charges in lowest to highest dollar amount.</li> </ul> <p>Keep in mind that we may process transactions in a different order than you made them. This may impact the total amount of fees you incur per banking day. A <i>“banking day”</i> is every day except <i>Easter Sunday, Thanksgiving Day and Christmas Day.</i></p>
	<p>Deposit Hold Policy</p> <p><i>When funds deposited to your account are available</i></p>	<ul style="list-style-type: none"> <li>• <b>Electronic direct deposit</b> <ul style="list-style-type: none"> <li>○ Typically the same day we receive your deposit. In some instances, we may receive your direct deposit in advance of the release/settlement date authorized by the sender. In such cases, the direct deposit will be made available no later than the release/settlement date.</li> </ul> </li> <li>• <b>Cash deposit with teller</b> <ul style="list-style-type: none"> <li>○ Same banking day. A <i>“banking day”</i> is every day except <i>Easter Sunday, Thanksgiving Day and Christmas Day.</i></li> </ul> </li> <li>• <b>Check deposit with teller</b> <ul style="list-style-type: none"> <li>○ Usually the next banking day. A <i>“banking day”</i> is every day except <i>Easter Sunday, Thanksgiving Day and Christmas Day.</i> In some situations, we may notify you after your deposit is made that your funds will not be available for up to seven (7) business days after the business day of your deposit. The first \$225 of that deposit may be made available the next business day after the business day of your deposit depending on the type of hold placed.</li> <li>○ If you are a new customer, within the first thirty (30) days after your account is opened, we may notify you after your deposit is made that your funds will not be available for up to nine (9) business days after the business day of your deposit.</li> </ul> </li> </ul> <p>A <i>“business day”</i> is a non-holiday weekday.</p>

## WHAT YOU NEED TO KNOW ABOUT OUR RATE INFORMATION

The interest rate and Annual Percentage Yield (APY) on this account are subject to change at any time, without notice.			
<b>Rate Information</b>	Minimum Daily Balance to Receive the APY	<b>\$10,000*</b>	See the Personal Banking Rate Sheet for the current APY and interest rate for this account. *Converts to Checking with Interest base rate if balance drops below the minimum daily balance requirement any day of the statement cycle.
	Determining the Interest Rate		The interest rate and APY for this account is dependent upon the applicable tier and are subject to change at any time, without notice, after the account is opened.
	Frequency of Interest Rate Changes		We may, at any time, change the basis of payment for interest or the rate of interest.
	Compounding and Crediting		Interest is compounded daily and credited monthly. Interest earned but not credited will be paid upon closeout of the account.
	Balance Computational Method		We use the daily balance method to calculate interest. This method applies a daily periodic rate to the ending balance in your account, including any accrued but unpaid interest, using a 365 day year.
	When Interest Begins to Accrue		Interest begins to accrue on the business day you deposit cash or non-cash items (for example, checks).

This Guide highlights some of the terms of the High Yield Checking Account we offer. It is not the governing terms and conditions of the High Yield Checking Account. For the governing terms and conditions of the High Yield Checking Account, please see the Deposit Agreement and Account Disclosure. For more information about our overdraft fees and options, and other services we offer, please see the *What You Need to Know about Overdrafts and Overdraft Fees* disclosure and the *Banking Services/Fee Schedule*. For more information about our deposit hold policy, please see the Funds Availability Policy. Please be advised that different or more favorable deposit and lending products may be available at FHNB-branded branches or at [www.fhnb.com](http://www.fhnb.com).



# ACCOUNT DISCLOSURE

## HIGH YIELD CHECKING

**Minimum Required to Open the Account: \$0**

**Minimum Balance to Avoid a Minimum Balance Fee: None**

**Rate Information:**

- See the Personal Banking Rate Sheet for the annual percentage yield (APY) and interest rate for this account.
- The interest rate and APY on this account are subject to change at any time, without notice, after the account is opened.
- This is a tiered rate account. The interest rate and APY for your account depends upon the applicable tier. The daily account balance will determine the interest rate.
- We may, at any time, change the basis of payment for interest or the rate of interest.
- The minimum daily balance to obtain the disclosed APY is \$10,000. The interest rate converts to the Checking with Interest base rate if the balance drops below the minimum daily balance requirement.
- Interest is compounded daily and credited monthly. Interest earned but not credited will be paid upon closeout of the account.
- Interest begins to accrue on the business day you deposit cash or non-cash items (for example, checks).
- We use the daily balance method to calculate interest. This method applies a daily periodic rate to the ending balance in your account, including any accrued but unpaid interest, using a 365 day year.

**Account Fees:**

- **Non-Sufficient Funds (NSF) and Overdraft fees of \$34.00 per item apply. Avoid NSF/OD fees with AccountTRANSFER. See a personal banker for details.**
- See the Banking Services/Fee Schedule for other fees applicable to this account.

