

Notes and Disclosures for Checking Accounts

Notes 1, 2, 4, 5 & 6 apply to all Checking Accounts

Notes 3 & 7 apply to all Interest Bearing Checking Accounts

1. All LCNB Checking Accounts require a \$50 deposit to open – except our LCNB Student checking which requires \$20 to open.
2. For all LCNB checking accounts, special service charges may apply; i.e. stop payments, NSF's, etc. Any account closed by the account holder within 180 days of opening is subject to a \$25 service charge.
3. The current APY (Annual Percentage Yield) and interest rate are included on a separate rate sheet. Current rate sheets are available at all of our locations. The rate is based on a 365-day year. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day. Interest is compounded monthly and paid monthly on the day the statement cycles.
4. Our policy is to make funds from your deposit available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. At that time, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before 5 p.m. Mon-Thu, and 6 p.m. Fri we will consider that day to be the day of your deposit. However, if you make a deposit after those hours, we will consider that deposit made on the next business day.

In some cases, we will not make all of the funds you deposit by check available at the times shown above. Depending on the check you deposit, funds may not be available until the second business day after the day of your deposit. However, the first \$200 of your deposit will be available on the next business day.

If we are not going to make all of the funds from your deposit available on the next business day, we will notify you at the time you make your deposit. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

LONGER DELAYS MAY APPLY

Funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposited will not be paid.
- A check you deposited was previously returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- The checks you deposited on this day exceed \$5,000.
- An emergency, such as failure of communications or computer equipment has occurred.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the 7th business day after the day of your deposit.

If you make a deposit at one of our ATM's (automated teller machine) before 3 p.m. on a business day, we will consider that day to be the day of your deposit. However, if you make a deposit at one of our ATMs after 3 p.m. or on a non-business day or federal holiday, we will consider that deposit was made on the next business day.

ACCOUNTS NOT GOVERNED BY REGULATION CC: Money Fund, Savings, Club Accounts, Certificate of Deposit

5. Usage of LCNB or Money Pass ATMs will result in no charge to you. When you use your card at other machines and it results in a debit to your account, a \$2.00 service fee will be charged. This transaction fee will be posted separately on your monthly statement. You may be charged a surcharge by another bank when using your LCNB Gold Debit MasterCard at their ATM. For more information on participating MoneyPass ATMs, visit www.moneypass.com. An International Service Assessment Fee for multi-currency POS/ATM transactions will be 3% of the transaction amount.
6. This account automatically becomes dormant after two years of no customer initiated activity. If the account becomes dormant, a non-refundable monthly fee will apply. See Service Fees Brochure for details and amounts. For your protection a "Dormant Account Re-activation Request" form must be completed, along with a valid I.D. and a transaction, to allow the re-activation of a dormant account.
7. We may require not less than 7 days' notice in writing before each withdrawal from an interest-bearing checking account.

Additional HSA Info:

- Annual Contribution Limits: Prior year contributions can be made until April 15th and should be made in person. It is up to you to inform the teller of the tax year in which you would like it applied. You are subject to IRS penalties if you over contribute. LCNB National Bank will monitor and inform you if you over contribute and are in excess. It is your responsibility to fix this problem.
- HSAs are for medical use only. You can be subject to income tax and penalties for non-medical use. It is your responsibility to keep receipts in case of an IRS audit. Medical reimbursements to your HSA account should be made in person.
- An HSA cannot be overdrawn. An overdrawn balance in your HSA will be considered a Prohibited Transaction. Per IRS section 4975, if you engage in any prohibited transaction throughout the year, **your HSA ceases to be classified as an HSA retroactive to January of the current year.** This means all of your contributions and distributions made throughout the year will not be reported to the IRS as such. **This may result in severe tax implications for you.** To determine the tax implication of such changes, please contact your tax advisor