

Farmers National Bank Discretionary Overdraft Privilege Policy

It is the policy of Farmers National Bank to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards.

The Deposit Account Agreement and Disclosure provided to you at the time you opened your account with us controls the duties, obligations and rights of the Depositor, the Authorized Signatories and Farmers National Bank with regard to your checking account. The Deposit Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Discretionary Overdraft Privilege Policy and the Deposit Account Agreement and Disclosure. A copy of the verbiage contained in the Deposit Account Agreement and Disclosure is available to you on request from your Farmers National Bank branch office.

Farmers National Bank is not obligated to pay any item presented for payment if your account does not contain sufficient available funds, and any discretionary payment (or other negotiation or processing) by Farmers National Bank of any non-sufficient fund check or checks (or other item) does not obligate Farmers National Bank to pay any additional non-sufficient fund check or item or to provide prior notice of its decision to refuse to pay any additional non-sufficient fund check or item.

Payees or merchants may present an item multiple times for payment if the initial or a subsequent presentment is unpaid due to insufficient funds or other reason (re-presentment). Each presentment is considered an item and will be charged accordingly. For these purposes, an item is considered to be a check, pre-authorized draft, ATM or Debit card transaction, ACH (electronic) transaction or other withdrawal, transfer, payment or debit. As a result, we will charge you a Paid Overdraft Item Fee or NSF Return Item Fee each time an item is presented which would overdraw or further overdraw your account if the item were paid, or if we decline to pay the item and return the item unpaid.

Pursuant to Farmers National Bank's commitment to always provide you with the best level of customer service, now and in the future, if your consumer account (primarily used for personal and household purposes) has been open for at least forty five (45) days, or if your commercial account has been open for at least sixty (60) days and thereafter you maintain your account in good standing, which includes at least:

- A) Depositing an amount equal to the amount of discretionary Overdraft Privilege extended to you or more in your account within each thirty (30) day period;
- B) Bringing your account balance to a positive balance within every thirty (30) day period;
- C) You are not in default on any loan or other obligation to Farmers National Bank and
- D) You are not subject to any legal or administrative order or levy.

Farmers National Bank will consider, as a discretionary courtesy and not a right or obligation, approving your reasonable overdrafts. This privilege for consumer checking accounts will generally be limited to a maximum of \$100/\$200/ \$300/\$500/\$750/\$1000/\$1500 overdraft (negative) balances. This privilege for commercial accounts will generally be limited to a maximum of \$1,500 overdraft (negative) balance. Of course, any and all fees and charges, including without limitation the non-sufficient funds fees, overdraft fees or commercial fees and services charges (as set forth in our fee schedules and deposit account agreement and disclosure), will be included.

Farmers National Bank of Canfield typically will not pay overdrafts for ATM or everyday debit card transactions for our consumer customers unless the notice required by section 205.17(b) of Regulation E has been provided to you and you have opted in to the payment of these overdrafts.

The total of the discretionary Overdraft Privilege (negative) balance, including any and all fees and charges, is due and payable upon demand, and Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all such amounts, as described in the Deposit Account Agreement and Disclosure.

Again, approval of payment of reasonable overdrafts by Farmers National Bank on accounts in good standing (as described above) is a discretionary courtesy, and not a right or obligation. It is within Farmers National Bank's sole and absolute discretion, and can cease at any time without prior notice of reason or cause. The Overdraft Privilege is not a line of credit.

In addition, for both consumer and commercial accounts, you may opt out of Overdraft Privilege services at any time by contacting our Overdraft Department at 330 544-7447 or Toll free 1-866-857-5995.

December 1, 2021

IMPORTANT DISCLOSURE *Please Read and Keep.*