

**HOW NEW REGULATIONS AFFECT YOUR ACCOUNT AND ACCESS TO OVERDRAFT PRIVILEGE FUNDS  
WITH YOUR HOME NATIONAL BANK VISA CHECK CARD**

<b>Sample Transaction Situation</b>	<b>Opt-In Form Signed &amp; Returned to HNB</b>	<b>Opt-In Form NOT Signed or NOT Returned to HNB</b>
<p>Checking account balance = \$ 120.00 Overdraft Privilege amount = \$1,000.00</p> <p>You need \$200.00 in cash and go to an ATM to make a withdrawal.</p>	<p>You can make the withdrawal for \$200.00. Your account will be charged a \$28.00 Overdraft Fee unless a deposit or transfer is made that same business day to cover the negative balance in your account.</p>	<p>The transaction will be denied due to non-sufficient funds. No Overdraft fee will be charged to your account. \$120.00 is the maximum amount that can be withdrawn.</p>
<p>Checking account balance = \$ 68.52 Overdraft Privilege amount = \$600.00</p> <p>You are making a purchase at a grocery store for \$79.28.</p>	<p>The purchase will be approved. Your account will be charged a \$28.00 Overdraft Fee unless a deposit or transfer is made the same business day to keep from accessing the Overdraft Privilege funds.</p>	<p>The transaction will be declined. The purchase will have to be paid for some other way. No Overdraft fee will be charged to your account from the declined Visa Check Card transaction.</p>
<p>Checking account balance = \$ 1.15 Overdraft Privilege amount = \$600.00</p> <p>You drive through a fast food restaurant for lunch and the amount is \$5.18.</p>	<p>The purchase will be approved. Your account will be charged a \$28.00 Overdraft fee unless a deposit or transfer is made to prevent accessing the Overdraft Privilege amount prior to the end of business that same day.</p>	<p>The transaction will be declined. The purchase will have to be paid for some other way. No Overdraft fee will be charged to your account from the declined Visa Check Card transaction.</p>
<p>Checking account balance = \$ 12.15 Overdraft Privilege amount = \$600.00</p> <p>You have given your health club your Visa Check Card number for your monthly membership dues of \$39.95.</p>	<p>The transaction will be approved. Your account will be charged a \$28.00 Overdraft fee unless a deposit or transfer is made to prevent accessing the Overdraft Privilege amount prior to the end of business that same day.</p>	<p>The transaction will be approved because it is a recurring payment. Your account will be charged a \$28.00 Overdraft fee unless a deposit or transfer is made to prevent accessing the Overdraft Privilege amount prior to the end of business that same day.</p>

<b>Situation</b>	<b>Opt-In Form Signed &amp; Returned to HNB</b>	<b>Opt-In Form NOT Signed or NOT Returned to HNB</b>
<p>Checking account balance = \$150.15 Overdraft Privilege amount = \$600.00</p> <p>You make a purchase of \$100.00 with your Visa Check Card on a Monday, but the merchant doesn't send the charge through to hit your account until Tuesday. Also on Monday, several checks that you have written clear your account which leaves a balance of \$25.00 in your account. When the \$100.00 Visa Check Card purchase is posted to your account on Tuesday, your account balance is overdrawn \$75.00</p>	<p>You will be charged a \$28.00 Overdraft Fee.</p>	<p>The regulation prohibits the bank from charging an Overdraft Fee on a one time point of sale transaction if the customer does not Opt-in. Your account can not be charged for this because you did not Opt-In.</p>
<p>Checking account balance = \$ 50.15 Overdraft Privilege amount = \$600.00</p> <p>You make a purchase of \$182.00 with your Visa Check Card plus 4 checks that you have written clear your account resulting in a negative (overdrawn) balance of (\$486.49).</p>	<p>You will be charged \$56.00 in Overdraft Fees per HNB's fee schedule of charging \$28.00 per item with a maximum of 2 item charges per day.</p>	<p>You will be charged \$56.00 in Overdraft Fees per HNB's fee schedule of charging \$28.00 per item with a maximum of 2 items charges per day.</p>

- These changes will be effective on July 1, 2010 for accounts that have returned the form prior to that. Not returning the form will be considered a "No Response" and the changes will be effective on those accounts on August 15, 2010.
- The new regulations only apply to transactions made with a Visa Check Card. They do not apply to transactions made by check, ACH or in person at a teller window.
- Please sign and return the enclosed form indicating your decision to Opt-in or Opt-out.
- Contact us at 765-436-2222 or 765-482-3600 with any questions.