

REGULATION CC FUNDS AVAILABILITY ACT

Your Ability to Withdraw Funds

As used in this document the words “we,” “our,” and “us” mean the financial institution and the words “you” and “your” mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. However, this agreement does not intend, and the terms “you” and “your” should not be interpreted, to expand an individual’s responsibility for an organization’s liability. If this account is owned by a corporation, partnership or other organization, individual liability is determined by the laws generally applicable to that type of organization. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural, and the plural includes the singular.

This policy statement applies to all deposit accounts. The Bank’s general policy is to make funds from your cash and electronic direct deposits available to you on the business day we receive your deposit. Check deposits are generally available to you on the second business day. Every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit at a Locality Bank banking center during regular business hours on a business day, we will consider that day to be the day of your deposit. Deposits made to the Bank’s night depository may be subject to delays based upon when your deposit was made. If the deposit was made after 8:30 AM, it will be credited on the next business day.

Same Day Availability:

(1) ACH Direct Deposits (such as payroll direct deposits or payments from other third parties to you) that are initiated by the person paying you, (2) funds transferred from another one of your Locality Bank accounts, so long as those funds were free of any holds when transferred; and (3) wire transfers.

Next Day Availability:

(1) US Treasury checks payable to the account holder will be available the next business day, (2) US Postal Service money orders, (3) Federal Reserve Bank and Federal Home Loan Bank checks, (3) state or local government checks, (4) cashier’s, certified, or teller checks, (5) checks drawn on an account held by your institution (on-us checks). Electronic payments (ACH credits) that are subject to NACHA rule such as deposits for payroll or federal entitlements such as social security will be available on the business day of deposit. The Expedited Funds Availability Act requires up to the first \$225 of a “non-next-day” check to be made available the next business day.

Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid. Your transaction, including checks and other items, is subject to verification. Your account may be adjusted if the funds are not collectable, or an error is discovered. If we cash a check for you or accept a check for deposit and provide immediate availability of those funds, we may place a hold on an equal amount that you have in any of your other accounts at Locality Bank. The hold will last the same amount of time as described within the notice for the type of check cashed or deposited and made available.

LONGER DELAYS MAY APPLY

Case-by-Case Delays: In some cases, we will not make all the funds that you deposit by check available to you on the same day we receive your deposit. Depending on the type of check you deposit, funds may not be available until the first or second business day after the day of your deposit. If we delay availability until the second business day, the first \$225 of your deposits will be available the day of your deposit.

If we are not going to make all of the funds from your deposit available on the next business day after we receive your deposit, we will notify you in writing of the delay. If your deposit is not made directly to one of our employees, or if we decide to place a hold on your funds after you have left the premises, we will mail you the notice no later than the next business day after we receive your deposit.

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

Safeguard Exceptions. In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,525 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of computer or communications equipment.
- You are a new customer, and your account has been opened for less than 30 days.

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 ninth business day after the day of your deposit.