

# Funds Availability Policy and Collection of Checks

(Regulation CC)

The Expedited Funds Availability Act Regulation CC, was enacted to ensure prompt availability and use of the funds you deposit with banks. It also operates to expedite the collection and return of unpaid checks through the national payments mechanism.

The Bank's policy is generally to make funds from your deposit available to you on the first business day after we receive your deposit. Electronic direct deposit funds 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.

The Bank's Funds Availability Policy does not apply to deposits of items payable in a medium other than United States funds or to deposits of checks drawn on a bank office located outside the United States. The availability of funds from these types of deposits may be delayed.

## Determining the Availability of a Deposit

For determining the availability of your deposits, every day is a business day, except Saturday, Sunday, and federal holidays. If you make a deposit before the posted closing time or posted "cutoff" time on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit on a day we are not open or after the posted cutoff time, we will consider that the deposit was made on the next business day we are open. The cutoff time may vary by banking center. If the cutoff time is earlier than the banking center closing time, the cutoff time will be posted in the banking center.

If you make a deposit in a Bank Resource Center ATM **AFTER** 12:00 p.m. (noon) or on a business day we are not open, we will consider that the deposit was made on the next business day we are open.

If you make a deposit in a Bank night depository **AFTER** 12:00 p.m. (noon) or the cutoff time otherwise posted, or on a business day we are not open, we will consider that the deposit was made on the next business day we are open.

The Bank may refuse any item to be deposited.

Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

Funds from the following deposits are available on the first business day after the day of your deposit:

- cash
- wire transfer
- United States checks payable to the depositor

## Longer Delays May Apply

In some cases, we will not make all the funds you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that 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 first business day.

If we are not going to make all of the funds from your deposit available on the first business day after the day of your deposit, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide it is necessary to take this action after you have left the premises, we will mail you the notice by the day after we received your deposit, or on the business day we learn of the reason requiring the delay.

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

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

- if we believe a check you deposit will not be paid
- when you deposit checks totaling more than \$5,000 on any one (1) day

- when you redeposit a check that has been returned unpaid
- when you have overdrawn your account repeatedly in the last six (6) months
- if there is an emergency (such as failure of communications or computer equipment)

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 seventh business day after the day of your deposit.

## Holds on Other Funds (Check Cashing)

If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

## Special Rules for New Accounts

If you are a new customer, the following special rules could apply during the first thirty (30) days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's and federal, state, and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions – for example, the checks must be payable to you. The excess over \$5,000 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit. Funds from all other check deposits less than \$5,000 will be available on the fifth business day after the day of your deposit.

## Check Endorsement Standards

You should be aware of special endorsement standards stated in Regulation CC of the Federal Reserve System. Failure to comply with these endorsement standards may make you responsible for loss resulting from a delay in return caused by endorsements that are not legible due to placement of endorsement, or due to other printed or written text or numbers appearing on the back of the check. Check endorsements are to be wholly contained on the back of the check confined to the area within 1 1/2" from each item's trailing edge; i.e., the left edge of an item as you are looking at it from the front.

## Collection of Checks Policy

You appoint the Bank as your agent for the collection of checks, drafts, and other orders for the payment of money, including orders for payment in clearinghouse funds and wire transfers that the customer deposits with us. We will make the proceeds of these items available to the customer in accordance with our availability policy currently in effect.

All credits for non-cash items received for deposit are provisional subject to final settlement. The Bank or any of its correspondents, as your agent for the customer, may accept the draft or credit of any bank or other payor in lieu of cash.

The Bank will exercise ordinary care in the handling of items of deposit and withdrawal per the standards and procedures established for the transaction involved.

## Deposited Check Returns

The Bank can charge back to your account any item deposited that is returned unpaid. We may do this even if you have made withdrawals against those deposited checks.

We may, at our discretion, send checks for collection one or more times when they have been deposited to your account and returned unpaid. We have no liability for resubmitting these checks without notice to you.

**STRONG. STABLE. LOCAL. PERSONAL.**

