

## **Funds Availability Policy Disclosure**

### **Purpose of this Disclosure**

The information here describes the Bank's policy of holding deposited items in an account before funds are made available to you for withdrawal. This is the Bank's Funds Availability Policy. In summary, the Bank's policy is to make your funds available on the day the Bank receives the deposit. Please refer to the section "Determining the Availability of a Customer's Deposit" for the complete policy.

For purposes of this disclosure, the terms "you" and "your" refer to the customer (consumer and business unless otherwise stated) and the term "Bank" refers to The National Grand Bank of Marblehead." The term "account" includes any demand deposit, negotiable withdrawal order account, savings deposit or other asset account.

### **Your ability to withdraw funds at National Grand Bank**

The length of the delay varies depending on the type of deposit and these specifics are detailed below. When the Bank delays a customer's ability to withdraw funds from a deposit, the customer may not withdraw the funds in cash, and the Bank does not pay checks a customer has written on his/her account by using these funds. Even after the Bank has made funds available to a customer and the customer has withdrawn the funds, the customer is still responsible for checks the customer deposits that are returned to the Bank unpaid and for any other problems involving the customer's deposit.

When the Bank delays a customer's ability to withdraw funds, the length of the delay is counted in business days from the day of the deposit. The term "business day" means any day other than a Saturday, Sunday or federally declared legal holiday. The term "banking day" means that part of any business day on which the Bank is open to the public for carrying on substantially all of the Bank's banking functions.

If a customer makes a deposit before the close of business on a business day that the Bank is open, the Bank considers that day to be the day of the customer's deposit. However, if a customer makes a deposit after the close of business or on a day that the Bank is not open, the Bank considers the deposit is made on the next business day the Bank is open.

### **Availability Schedule**

#### **Same Day Availability:**

- Funds from electronic direct deposits to a customer's account are available on the day the Bank receives the deposit.
- In addition, if funds are deposited via the following methods, the funds are available on the day of deposit.
  - Funds from deposits of cash (if made in person to an employee of the Bank).
  - Wire transfers.
  - U.S. Treasury checks (if payable to the customer and deposited into his/her account).
  - U.S. Postal Service Money Orders (if payable to the customer and deposited into his/her account and the deposit is made in person to an employee of the Bank).
  - Federal Reserve Bank or Federal Home Loan Bank checks (if payable to the customer and deposited into his/her account, and the deposit is made in person to an employee of the Bank).
  - State or local government checks (if payable to the customer and deposited into his/her account, and the deposit is made in person to an employee of the Bank).
  - Cashier's, certified or teller's checks (if payable to the customer and deposited into his/her account, and the deposit is made in person to an employee of the Bank).
  - Checks drawn on the Bank.

If a customer does not make his/her deposit in person to a Bank employee (i.e., mails the deposit), funds from these deposits are available no later than the second business day after the day of the customer's deposit.

If a business customer makes a deposit via ATM, funds from these deposits are available no later than the second business day after the day of the business' deposit.

**Other Check Deposits:** Funds from all other check deposits are available on the second business day after the day of your deposit. The first \$275 of the customer's deposits, however, are available on the first business day after the day of the deposit.

### **Holds on Other Funds for Check Cashing**

If the Bank cashes a check for a customer that is drawn on another financial institution, the Bank may withhold the availability of a corresponding amount of funds that are already in the customer's account. Those funds are available at the time funds from the check the Bank cashed would have been available if the customer had deposited it and the Bank decided to delay availability on the deposit.

The Bank does not cash checks made payable to its business customers.

### **Holds on Other Funds in Another Account**

If the Bank accepts for deposit a check that is drawn on another financial institution, the Bank may make funds from the deposit available for withdrawal immediately but delay the customer's availability to withdraw a corresponding amount of funds that the customer has on deposit in another account with the Bank. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this policy for the type of check that the customer deposited and the Bank decided to delay availability on the deposit.

### **Longer Delays May Apply – Delayed Availability**

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

- If the Bank believes a check a customer deposits is not going to be paid.
- If the customer re-deposits a check that has been returned unpaid.
- If the customer has overdrawn his/her account repeatedly in the last six months.
- If an emergency condition arises that would not enable the Bank to make the funds available to the customer (e.g., failure of computer or communications equipment).

The Bank does notify a customer if the Bank delays the customer's availability to withdraw funds for any of the reasons stated above and the Bank does inform the customer when the funds are going to be available. Generally, the funds are available no later than the fifth business day after the day of the customer's deposit. If the customer needs the funds from a deposit immediately, the customer should ask the Bank when the funds are going to be available.

### **Special Rules for New Accounts**

If a customer is a new customer, the following rules apply during the first 30 days his/her account is open and the customer makes a deposit.

#### **Same Day Availability:**

- Funds from electronic direct deposits.
- Cash (if made in person to an employee of the Bank).
- Wire transfers made to the account are available on the day the Bank receives the deposit.
- The first \$6,725 of a day's total deposits of U.S. Treasury checks (if payable to the customer and deposited into his/her account).
- U.S. Postal Service Money Orders (if payable to the customer and deposited into his /her account and the deposit is made in person to an employee of the Bank).
- Federal Reserve Bank or Federal Home Loan Bank checks (if payable to the customer and deposited into his/her account, and the deposit is made in person to an employee of the Bank).
- State or local government checks (if payable to the customer and deposited into his/her account, and the deposit is made in person to an employee of the Bank).
- Cashier's, certified or teller's checks (if payable to the customer and deposited into his/her account, and the deposit is made in person to an employee of the Bank).
- Traveler's Checks (if payable to the customer and deposited into his/her account, and the deposit is made in person to an employee of the Bank).
- Checks drawn on the Bank.

If the customer does not make his/her deposit in person to a Bank employee (i.e., mails the deposit), funds from these deposits are available no later than the second business day after the day of the customer's deposit. The excess over \$6,725 is available on the fifth business day after the day of the deposit.

For consumer customers, funds from all other check deposits are available on the fifth business day after the day of your deposit.

If a business makes a deposit via ATM, funds from these deposits are available no later than the second business day after the day of the business' deposit.

**Other Check Deposits (For business customers only):** Funds from all other check deposits are available on the second business day after the day of your deposit. The first \$275 of the business' deposits, however, are available on the first business day after the day of the deposit.

### **Deposits at Automated Teller Machines**

If a customer makes a deposit at the automated teller machine ("ATM") located in the front vestibule at 91 Pleasant Street in Marblehead, which is owned and operated by the Bank, before 3:00pm Eastern Standard Time ("EST") on a business day that the Bank is open, the Bank does consider the deposit made that day. However, if a customer makes a deposit at this ATM after 3:00pm EST or on a day that the Bank is not open, the Bank considers the deposit made on the next business day the Bank is open.

If a customer makes a deposit at any of the other ATMs owned and operated by the Bank before 12:00pm Eastern Standard Time ("EST") on a business day that the Bank is open, the Bank does consider the deposit made that day. However, if a customer makes a deposit at any of these ATMs after 12:00pm EST or on a day that the Bank is not open, the Bank considers the deposit made on the next business day the Bank is open.

### **Additional Deposit Information**

Certain payroll checks available to the customer are available on the same day. To determine if a customer's payroll check qualifies for immediate availability, a teller supervisor or the retail branch manager can assist.

The Bank, at its discretion, may pay checks on uncollected funds and charge a customer an applicable fee. Refer to the Bank's personal service fee schedule.