

(GCB/NCB, we, us, or Bank)

This brochure contains the Bank's "Funds Availability Policy", which discusses check deposits and holds, and when funds you deposit to your Bank account will be available for withdrawal or payment of check presented against your account and also explains so-called Check 21 "substitute checks" and your rights as a consumer.

### Check 21

On October 28, 2004 Congress passed a law called "Check Clearing for the 21st Century Act" or "Check 21". The intent is to further automate the check processing system and to collect checks "electronically". It also has consumer protection provisions for correcting errors and against unauthorized transactions. Many banks will now collect checks electronically, which means they will clear much faster, and you will have less "float" time to cover a check after you have written it.

### "Playing the Float"

It has always been the law that you are not supposed to write checks against uncollected funds in your account. With Check 21, this stays the same. But, you will now have little if any "float", so this is especially true. Remember not to write a check for any amount until the funds are available in your account, or you could inadvertently bounce a check and incur fees and penalties. Since you won't know which banks submit checks electronically, it is wise to presume the check you write will be collected electronically by the other person's bank.

## Section I - Funds Availability Disclosure

### A. Your ability to withdraw funds

Depending upon the type of funds deposited, we will make funds available according to the following schedule. At time of availability, the funds will be available for cash withdrawal, to write checks, or for debit card transactions. The length of any delay in making funds available depends on the type of deposit and is explained below. To determine the availability of your deposit, we treat every day as a business day EXCEPT Saturdays, Sundays, and Federal holidays. If you will need funds from a deposit right away, please ask us when the funds will be available. If you have questions after reading this brochure, please call us at (877) 682-0334, or ask one of our branch staff for more information. If you make a deposit in person with a Bank teller before the end of a business day, we will consider that day to be the day of your deposit. However, if you make a deposit (i) at a branch on a Saturday, or (ii) at a GCB/NCB ATM after 2:00 P.M. or (iii) any day the Bank is not open, or (iv) an electronic deposit is received by us after 4:00 p.m. or (v) via Mobile Check Deposit after 4 P.M., we will treat the deposit as if it were made on the next business day that we are open.

### B. Funds Availability

The following chart will help you to determine when the funds you deposit are available for cash withdrawal, to write checks, or for debit card transactions.

## FUNDS AVAILABILITY

- Cash Deposit or a GCB/NCB check payable to you, deposited in person to a Bank teller (Mon.-Fri. excluding holidays), funds can be withdrawn the same day
- Electronic Direct Deposit or Wire Transfer, electronically received at GCB/NCB before 4 PM (Mon.-Fri. excluding holidays), funds can be withdrawn the same day
- U.S. Checks\*, deposited (i) In person to a Bank teller or (ii) At a GCB/NCB ATM before 2 PM (Mon.-Fri.) or (iii) via Mobile Check Deposit before 4 PM (Mon.-Fri.), funds can be withdrawn the next business day

\*Any check drawn on a Bank in the United States ("U.S."), payable in U.S. dollars and with a valid U.S. Bank Routing number. This will include the District of Columbia, Puerto Rico, American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the U.S. Virgin Islands.

PLEASE NOTE: that for deposits made (i) to a Bank teller on a Saturday or (ii) at the GCB/NCB Automated Teller Machine ("ATM") after 2 P.M. on Monday-Friday, or anytime on a Saturday, Sunday, or holiday (iii) for any electronic deposit received after 4:00 p.m., (iv) via Mobile Check Deposit after 4 p.m. on Monday-Friday, or anytime on a Saturday, Sunday or holiday, YOU MUST ADD ONE BUSINESS DAY TO THE ABOVE SCHEDULE.

### C. Definition of Checks

The delay for check deposits depends on whether the check is drawn on a United States (U.S.) bank or is a foreign check (from outside the U.S.). Here is how we define these terms:

- United States Check (U.S. Check)

Any check drawn on a Bank in the United States ("U.S."), payable in U.S. dollars and with a valid U.S. Bank Routing number. This will include the District of Columbia, Puerto Rico, American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the U.S. Virgin Islands.

- Canadian Check Payable in U.S. Funds

Any check payable through a Canadian Bank payable in U.S. Funds. The first \$225 of these checks will be available on the first (1st) business day after the day of your deposit. Generally, all of the remaining funds will be available on the fifth (5th) business day after the day of deposit for checks deposited (i) In person to a Bank teller or (ii) at a GCB/NCB ATM before 2 PM (Mon-Fri.) or (iii) via Mobile Check Deposit before 4 PM (Mon.-Fri.)

- Foreign Checks (from outside U.S.)

Please note that this Funds Availability policy applies only to checks drawn on financial institutions located in the United States. Checks drawn on foreign countries (for example, Canada) must be submitted for collection and may take longer to clear. Please ask a Bank representative for details and fees regarding the collection process.

#### **D. Same Day Availability**

Funds from the following deposits are available for withdrawal on the day of deposit if you make the deposit in person to a Bank teller:

- Cash (U.S. currency only)
- Wire Transfers payable to you received before 4 PM (local time)
- Checks drawn on GCB/NCB, payable to you

#### **E. Next Day Availability**

Funds are available on the first (1st) business day after the day of your deposit if the checks are made payable to you and the deposit is made in person to a Bank teller.

#### **F. Longer Delays May Apply**

In some cases, we will not make all of the funds that 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 fifth business day after the day of your deposit. The first \$225 of your deposits, however, may 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, 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 to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

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

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 (6) months.
- There is an emergency, such as failure of computer or communications 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 fifth (5th) business day after the day of your deposit.

#### **G. Returned Checks**

Even after the Bank has made these funds available to you, and you withdraw them, you are still responsible for any checks you cashed or deposited that are returned unpaid for any reason. In those circumstances, you must reimburse us the amount of the check, plus a minimal handling fee (see our fee schedule for the current fee). The Bank may collect any amounts due as provided by law through the right of charge-back, the right of set-off, or collect the sums directly from you.

#### **H. Interest Accrual**

If you deposit a check into an interest bearing account, the deposit will begin to earn interest the next business day (which is usually when the Bank receives provisional credit for your deposit from the Federal Reserve Bank or other correspondent Bank). Any delay in us receiving this provisional credit will lead to a reduction in the interest earned on that deposit.

#### **I. Special Rules for New Accounts**

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

- I) Funds from deposits made in person to a Bank teller of cash, a GCB/NCB check made payable to you, wire transfers, U.S. Treasury checks, and the first \$5,525 of a day's total deposits of cashier's, certified, bank, teller, travelers, and state and local government checks and U.S. Postal money orders will be available on the first (1st) business day after the day of your deposit if the check(s) are made payable to you. If the deposit does not meet these conditions, the first \$5,525 will be available on the 2nd business day after deposit. Generally, the excess over \$5,525 will be available on the fifth (5th) business day after the day of your deposit.
- II) Funds from all other U.S. check deposits will be available on the fifth (5th) business day after the day of your deposit.

#### **Section II - Check 21 Disclosure**

To make check processing faster, federal law permits banks to clear checks electronically and/or to replace original checks with "substitute checks". These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check". You may use a substitute check as proof of payment just like the original check.

### **A. What is a substitute check?**

Some or all of the checks you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

### **B. What are my rights regarding substitute checks?**

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The loss you may attempt to recover under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law. If you use this procedure, you may receive up to \$2,500.00 of your refund (plus interest if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 days after we received your claim. We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

### **C. How do I make a claim for a refund?**

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at: GCB/NCB Customer Service, P.O. Box 1345, 63 Federal Street, Greenfield, MA 01302 or you may call a customer service representative at 877 682-0334. You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We may extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include:

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check and/or the following information to help us identify the substitute check: (identifying information, for example, the check number, the name of the person to whom you wrote the check, the amount of the check.)

## **Section III - Check Cashing Guidelines**

### **A. Identification**

Under Federal Bank "know your customer" regulations, and for your security and ours, you will be required to show one form of identification acceptable to GCB/NCB when you cash a check.

Examples of acceptable forms of identification can include, but are not limited to:

- Valid Massachusetts Driver's License
- U.S. Passport
- Massachusetts Firearms Identification Card
- Student ID (school in close proximity to your branch)
- Welfare ID
- U.S. Military ID

### **B. Other Checks not drawn on GCB/NCB and Holds on other funds**

When cashing any other check not drawn on GCB/NCB, you need to have sufficient funds in a GCB/NCB checking or savings account to cover the amount of the check or money order. If the Bank cashes a check for you that is drawn on another bank, we may have to withhold your ability to withdraw funds from one of your other GCB/NCB accounts. We will hold only an amount equal to the amount of the check you are cashing. Those funds would then become available using the same timetable we use for deposited checks. For example, if we cashed a \$500 check for you, \$500 of funds in your other GCB/NCB account would not be available for withdrawal until the next business day after we cashed the check. Certain exceptions may apply.

### **C. Post Dated Checks**

Please note that the Bank cannot accept post-dated checks. If you accept a post-dated check, you must wait until the date written on the check before the Bank can accept it for cashing or deposit.

### **D. Miscellaneous**

This disclosure is subject to the Bylaws of the Bank, the terms of your account and both Massachusetts and Federal Law. These guidelines may be amended as provided by law.

