

TRANSACT BANK, N.A.
FUNDS AVAILABILITY POLICY DISCLOSURE

Your Ability to Withdraw Funds

It is our policy to provide you with early access to your money within the guidelines of sound banking practice. Although we may delay the availability of certain funds deposited to your account, we strictly adhere to Federal Banking Regulations concerning such delays. Our policy is to make funds from your check deposits available to you on the first business day after the day that we receive your deposit, subject to the limitations discussed below. Cash and electronic direct deposits will be available the day we receive the deposit. Once the funds are available, you can withdraw them in cash and we will use them to pay checks that you have written.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and U.S. federal holidays. If you make a deposit in person before 5:00pm 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 after 5:00pm, we will consider the deposit to be made on the next business day that we are open.

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, whether it is payable to you or another party, and whether you deposit the check in person directly to one of our employees, your funds may be subject to delayed availability. This delay will normally be no longer than the second business day after the day of deposit for: U.S. Treasury Checks, U.S. Postal Service money orders, a check drawn on a Federal Reserve Bank or Federal Home Loan Bank, certain state and local government checks, cashier's checks, certified checks, teller's checks, and certain other checks. However, the first \$275.00.00 of your deposits will be available on the business day we receive the deposit.

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. 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 or otherwise deliver this notice to you not later than the business day following the day that we receive your deposit. The notice will be in writing in the form of a "Case-by-Case Hold Notice." We will also tell you when the funds will be available. Any funds from your deposit may be subject to delayed availability on a case-by-case basis depending on various circumstances surrounding your deposit. If we place a case-by-case hold on the availability of funds from your deposit, the length of time that your funds will be subject to delayed availability typically depends on a number of factors, such as the specific type of deposit and whether the deposit was made electronically or in person. However, if we place a case-by-case hold on your funds, your funds will generally be available to you no later than the seventh business day after the day of your deposit.

If you need funds 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 have reasonable cause to believe a check you deposit will not be paid.

- You deposit checks totaling more than \$6,725.00 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 a failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reason at the time you make your deposit. 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 or otherwise deliver the notice to you not later than (a) the business day after we receive your deposit, or (b) the business day after we receive knowledge of the facts that would justify the delay. The notice will be in writing in the form of an "Exception Hold Notice" and will indicate the reason for the delay. We will also tell you when the funds will be available. All types of checks are subject to holds resulting from the exception conditions described above. However, if we place an exception hold on your funds, your funds will generally be available no later than the seventh business day after the day of your deposit.

Special Rules in the Case of an Emergency

If the availability of your funds is delayed as a result of an emergency, such as the failure of communications or computer equipment, the funds will generally be available on the first business day after the end of the emergency condition. Funds that you deposit at any ATM may be delayed for a longer period under circumstances such as those described above and under the heading "Special Rules for New Accounts." Whenever applicable under this policy, we will notify you if we delay your ability to withdraw funds for any of these reasons.

Special Rules for New Accounts

If you are a new customer, the following special rules will apply during the first 30 days your account is open. However, the following special rules for new customers and accounts will not apply if: (a) you are opening a new account with us, and (b) you (and all of the persons on the new account, if you will not be the sole account holder) have maintained an active alternate account with us during the 30 day period prior to the establishment of the new account.

Funds from electronic direct deposits to your account will be available on the business day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$6,725.00 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 (and you may have to use a special deposit slip). The excess over \$6,725.00 and funds from all other check deposits (excluding funds deposited from a check with a total value of \$275.00 or less) may be subject to delayed availability. In the event your funds are subject to delayed availability, the excess over \$6,725.00 will generally be available on the ninth business day after the day of your deposit. We will notify you if we delay your ability to withdraw funds and we will tell you when the funds will be available. 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 \$6,725.00 will not be available until the second business day after the day of your deposit. The delay described above that may apply to the availability of your funds that exceed the first \$6,725.00 from these deposits does not apply to funds deposited from a check with a total value of \$275.00 or less, so funds deposited from a check with a total value of \$275.00 or less will generally

be available on the business day after the day of deposit.

The funds from all other check deposits will generally be available according to the time periods and conditions described elsewhere in this disclosure for the type of check you cashed or deposited.

Holds on Other Funds

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. Similarly, if we accept for deposit a check drawn on another bank and make the funds available for immediate withdrawal, we may withhold the availability of a corresponding amount of funds that you have on deposit in another account with us. If we delay the availability of other funds you have on deposit as described above, we will notify you of the reason and tell you when the funds will be available. The funds will generally be available according to the time periods described elsewhere in this disclosure for the type of check that you cashed or deposited.

General Information on Funds Availability

The above rules concerning the availability of deposited funds are applicable only to transaction accounts. If you have a question concerning the availability of funds you deposit to a non-transaction account, you should ask us at the time of your deposit.

The above rules apply to deposits of check payable through items that may be processed as cash items. They do not apply to deposits on non-cash items. The term “non-cash items” refers to payable through drafts and to checks with special instructions or attached documents, to checks payable in a foreign currency, and to checks with non-standard features which prevent automated handling. The availability of these items and other items that you deposit may be delayed until such time as we receive final payment. We have the right to refuse to accept any item for deposit. If we receive notice that an item you have deposited will be returned unpaid, we have the right to immediately charge your account for the item even if we have not yet received the item or been charged for it ourselves.

If a deposited cash item is returned unpaid, we have the right, but not the obligation, to present the item for payment a second time. We will not be liable for any adverse consequences which result from our processing an item a second time for payment. Any second presentment may lengthen the period during which the funds for the deposited item will not be available for drafts and checks. We will notify you if this is the case and will tell you when the funds will be available. A return item fee may be imposed each time the item is returned unpaid. We will not pay interest on account deposits which are subsequently reversed because a deposited check or item is returned to us unpaid.

If there are any special fees for collecting your deposit, you promise to pay them. We may make the money available to you before the item is collected. If we do, and the item does not clear, we may charge your account even if this creates an overdraft. We will also be entitled to obtain reimbursement from you, if necessary. We will not be responsible for the lack of care exercised by any other financial institution handling the collection and payment of deposited items.