

## Funds Availability Policy Disclosure

### Introducing Our Funds Availability Policy

When you deposit checks and other non-cash items to your Peoples Bank account, you expect us to make the funds available for your use as quickly as possible. Our Funds Availability Policy ("Policy") is designed to do just that. Depending on the type of non-cash deposit you make, your funds may be available as soon as the next business day. Of course, depending on the amount, type and source of your non-cash deposit, there are situations when your deposit will take longer to become available for your use.

This Policy provides detailed information about when funds you deposit will become available for your use. This Policy is in effect for all Peoples Bank deposit accounts, both consumer and business. Please take a moment to review this Policy. By understanding how we make your deposits of non-cash items available, it will be easier for you to manage your account.

### Determining Availability of a Deposit

We determine funds availability by counting the number of business days from the business day of your deposit. Every day except Saturday, Sunday and a federal holiday is a business day.

If you make a deposit in any banking center on a Business Day that the banking center is open, we will consider that day to be the day of deposit. However, if you make a deposit on a day that is not a business day, or after the cut off time, we will consider the deposit to have been made on the next business day. Our Business Day Cut-off time is 7 p.m. Eastern Time for Peoples Bank ATM's, mobile deposit or remote deposit capture. Deposits made at a night depository are considered received when we remove them from the night depository, we will remove deposits no later than the next business day. Availability varies depending on the type of deposit and is explained below. Please note that checks drawn on banks located outside of the United States are not subject to this availability Policy. Please inquire regarding availability at the time you make such deposits.

### Same-Day Availability\*

Funds from the following deposits are available on the same business day as the day of their deposit:

- Cash
- Wire Transfers
- Checks or money orders drawn on Peoples Bank and checks or money orders not drawn on Peoples Bank.
- Electronic deposits via Automatic Clearing House (ACH)

\*A *Word on Same-Day Availability*: Depending on the method by which we receive or process your deposit, these items may not be immediately available for card and online purchases, or be shown in your available balance until the following day. However, these deposits will post to your account that night before any debits are posted.

### Longer Delays May Apply

In some cases, we may not make all of the funds that you deposited by check available by the first business day after the day of your deposit. Funds may not be available until the second business day after that day of your deposit. However, the first \$275 of these deposits will be available on the first business day after the day of your deposit, unless we delay availability for one of the circumstances listed below.

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

- We believe a check you deposited will not be paid.
- You deposit checks totaling \$6,725 or more on any one business 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 communications or computer equipment.

We will notify you of the delay in your ability to withdraw funds for any of the reasons listed, and we will tell you when the funds will be available. If we decide to delay availability of your funds after you complete your deposit, we will mail you a deposit notice by the business day after we decide to take that action. In most cases, funds from the deposit of checks will be available no later than the seventh business day after the business day of your deposit.

### Special Rules for New Accounts

If you are a new customer, the following special rules will apply during the first 30 days your accounts 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 \$6,725 of a business 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 will be available for withdrawal no later than the seventh business day after the day of your deposit. If your deposit of these checks ( other than U.S. Treasury checks) is not made with a banker at a branch, the first \$6,725 will not be available until the second business day after the day of your deposit;
- Funds from all other check deposits will be available no later than the seventh business day after your deposit.

**Deposits at Non-Peoples Bank ATMs**

If you make a deposit at an ATM that we do not own or operate, which are those not branded as Peoples Bank, funds from any deposits (cash or check) will be available five business days after the day of your deposit. This rule does not apply at ATMs that we own or operate.

**Refusal of a Deposit**

We continue to reserve the right not to accept deposits. In some circumstances, items unacceptable for deposit, such as a mutilated check, may be processed as collection items, which means your account will not be provisionally credited with the deposits, and the funds will not be available to you, until Peoples Bank has received final payment of the checks from the banks on which the checks are drawn.

**Your Responsibility**

You agree that Peoples Bank may deduct the amount of a deposited check that had been credited to account from your account balance if Peoples Bank receives notice that the check has not been or will not be paid. Peoples Bank may make this deduction even if the unpaid check has not yet been returned to Peoples Bank. You agree that Peoples Bank may charge a Return Deposited Item fee against your account even if Peoples Bank could claim reimbursement for the check from the bank on which the check was drawn or from some other bank. You agree that Peoples Bank may charge a check back even if the charge results in an overdraft.

If you have any further questions about this Funds Availability Policy, please contact your local branch or call us at 1-800-374-6123.

Member

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**Peoples Bank (w/logo)**® and **Working Together. Building Success.**®, individually, are federally registered services marks of Peoples Bank.

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## Understanding Your Account Balance for Overdrafts and the Return of Transactions Presented for Payment

Your checking account has two kinds of balances: the ledger balance and the available balance. The ledger balance is the balance you see on the statement of account that you receive in the mail or that is delivered to you electronically. You can also review your ledger balance at a branch or by calling 1-800-374-6123. You can review your available balance when you review your account online, at an ATM, through our 24 hour touchtone banking service, by phone or at a branch. Peoples Bank uses your available balance when determining whether a transaction will cause your account to overdraw. An overdraft occurs, and an Overdraft Fee is charged to your account, when you don't have the necessary Available Balance in your account to cover transactions you have made, but we pay a transaction on your behalf. If we choose to return any of the transactions you have made and don't have the necessary Available Balance in your account, an NSF or Insufficient Funds Fee is charged to your account.

The information below explains how your checking account balance works – including the differences between your ledger balance and your available balance. Examples are used to help explain when we may charge an overdraft fee or an insufficient funds (NSF) fee due to an insufficient available balance.

### Your Ledger (Statement) Balance

Your ledger balance is the amount of money that is actually in your account at any given time. Your ledger balance reflects transactions that have "posted" to your account but it does not include transactions that have been authorized and are pending. While it may seem that the ledger balance is the most up-to-date display of the funds that you can spend from your account, this is not always the case. Your account may have purchases, holds, fees, other charges, or deposits made on your account that have not yet posted and, therefore, will not appear in your ledger balance.

### Examples of Ledger Balance

If you have a \$100.00 ledger balance and you wrote a check for \$60.00, then your ledger balance will show \$100.00 because the ledger balance does not include the pending check transaction which has not yet posted. While your ledger balance is \$100.00, you have already spent \$60.00.

### Your Available Balance

Your available balance is the amount of money in your account that is available to you without incurring an overdraft fee. Your available balance takes into account holds that have been placed on deposits and pending transactions (such as pending debit card transactions) that we have authorized but that have not yet posted to your account.

Deposits will increase your Available Balance as described in our Funds Availability Policy Disclosure – not all deposits are available immediately.

### Example of Available Balance

If your ledger balance and available balance are both \$100 and you present your debit card for payment at a restaurant for \$35, the merchant processes an authorization request for payment. We will approve the authorization and place a "hold" on your account for \$35 because you have sufficient funds available for the purchase at the time the transaction was completed. Your ledger balance is still \$100 because the debit card transaction has not yet posted to your account; however, your available balance would be \$65 because you have already authorized the \$35 payment to the restaurant. When the restaurant submits the transaction for payment (which could be a few days later and could be for a different amount if you have added a tip), we will post the transaction to your account and your ledger balance will be reduced.

### Example of Overdraft or NSF Fee for Insufficient Available Balance

If your ledger balance and available balance are both \$100 and you swipe your debit card at a restaurant for \$35, a hold is placed on your account and your available balance will be reduced to \$65. Your ledger balance is still \$100 because the transaction has not yet posted to your account. If a check that you had previously written for \$75 clears through your account before the restaurant charge is sent to us for processing – you will incur an overdraft fee. This is because your available balance was \$65 when the \$75 check was processed by the bank, even though your ledger balance is still \$100. In this case, we may pay the \$75 check and we will charge you the applicable overdraft. The overdraft fee, will also be deducted from your account, further reducing your balance. If we return the check to the depositor, the amount of the check will be added back to your ledger and available balance, and we will charge you the applicable NSF fee.

### Reliability of Your Available Balance

You can review your available balances when you review your account online, through mobile banking, at an ATM, through our 24 hour touchtone banking service, by phone or at a branch. However, it is important to understand that you may still overdraw your account even though the available balance appears to show there are sufficient funds to cover a particular transaction. This is because your available balance may not reflect all your outstanding checks and automatic bill payments that you have authorized (or other outstanding transactions) that have not yet posted to your account. Additionally, your available balance may not reflect all of your debit card transactions due to circumstances outside of our control. As demonstrated by the examples below, the best way to know how much money you have available (including all prior checks and authorizations) is to record and track all of your transactions closely.

### Examples of Transactions Not Reflected in Your Available Balance

**Outstanding Checks and Bill Payments:** If you have written checks from your account or have set up automatic bill payments, those transactions will not be reflected in your available balance when authorized. Rather, these transactions will be reflected in your ledger balance and available balance when the transactions post to your account.

**Debit Card Holds:** If a merchant obtains our authorization but does not submit a one-time debit card transaction for payment within three days of authorization, or up to seven days for merchants like Rental Car Companies, Hotels, etc., we may release the authorization hold on the transaction. Since the hold has been released, your available balance would not reflect this transaction until the transaction has been received by us and paid from your account.