

Your Ability to Withdraw Funds

The purpose of this schedule is to describe Northeast Bank's check hold policy for transaction accounts. The bank's objective is to make funds available as expeditiously as good business practices mandate.

The availability of funds from your check deposits will be delayed as allowable by regulation and as described within this schedule. During the delay, you may not withdraw the funds in cash and we reserve the right not to pay these checks that you have written against these funds.

Determining the Availability of a Deposit

The length of the delay is counted in business days from the day of your deposit. Every day is a business day except Saturdays, Sundays, and federal holidays. If you make a deposit 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, we will consider that the deposit was made on the next business day we are open. The length of the delay varies depending on the type of deposit and is explained below.

Same-Day Availability

Funds from cash deposits, electronic direct deposits (ACH), checks drawn on Northeast Bank if funds are available in the account and wire transfers to your account will be available on the day we receive the deposit. If you make a cash deposit to your account in person at a staffed teller station during any business day the funds will be available on the day we receive the deposit. The first \$100.00 of a deposit made at an ATM will be available the same business day, the remaining amount of the deposit will be available the next business day.

Next-Day Availability

Funds from your deposits received in person at a staffed teller station during a business day will be available by the first (1st) business day after the day we receive the deposit.

Deposits that you mail to us will be considered deposited on the day we receive the deposit. Deposits that you place in a night depository after 8:30am will be considered deposited on the next business day. Deposits placed in an ATM after 3:00pm will be considered deposited on the next business day.

Interest On Deposits

For interest bearing checking accounts, interest will begin to accrue no later than the business day we receive credit for the deposit of non-cash items (for example checks).

Longer Delays May Apply

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 six times or more in the last six 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 seventh (7th) business day for checks.

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. 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 \$5,525 of a day's total deposits of cashier, certified, teller, travelers and federal, state and local government checks will be available on the first (1st) 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 \$5,525 will be available on the ninth (9th) business day after the day of your deposit. If your deposit of these checks (other than U.S. Treasury check) is not made in person to one of our employees, the first \$5,525 will not be available until the second (2nd) business day after the day of your deposit. Funds from all other check deposits will be available on the ninth (9th) business day after the day of your deposit.

Hold on Other Funds

If we cash a check for you that is drawn on another bank, we may withhold the availability of corresponding amount of funds that are already in your account. Those funds in your account will be available two (2) business days after the day the check is cashed.

Checks Returned Subsequent to Funds Being Made Available

If a check you deposited to your account is returned to us unpaid after the funds have been made available to you, the amount of the check will be charged to your account. If there are not sufficient funds in your account to cover the amount of the check, we reserve the right to demand payment directly from you and to charge you a non-sufficient funds fee. This fee is listed in our Schedules of Fees.

Checks Drawn on Financial Institution Outside of the United States

We reserve the right to send any checks drawn on a foreign financial institution (including Canadian institutions) for collection. For each item sent for collection, we will assess a collection fee (as listed in our Schedule of Fees) plus any collection charges assessed to us by the financial institution that processed the item. Funds from checks sent for collection will be available when credit is received from our correspondent bank.

Check 21 Substitute Check Policy Discloser

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." A substitute check is a reproduction (front and back) of the original check and

includes all of the information contained on the original check. The substitute check will be similar in size to the original check but will contain 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 substitute check is subject to the federal and state laws that apply to the original check. Some of all of the checks that 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.

Customer 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 losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as result of the withdrawal (for example, bounced check fees). The amount of your refund 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 laws. If you use this procedure, you may receive up to \$2,500 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 calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later able to demonstrate that the substitute check was correctly posted to your account.

Claim of 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 Customer Care at 800-284-5989, option 1 or visit your local branch. 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 will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Claim must be in writing and 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.

- ◆ A copy of the substitute check (and/or) the following information to help us identify the substitute check:
 - Check Number
 - Name of person to whom you wrote the check
 - Check Amount
 - Check Date
- ◆ Mail the information to the address below or drop it off at your local Branch.

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