

Funds Availability Disclosure - Regulation CC American National Bank & Trust

Regulation CC requires banks to disclose their funds availability policy to their depositors. To comply, all new depositors are provided with the Bank's funds availability disclosure at account opening. Receipt of the disclosure is acknowledged by the customer signing the signature cards. Changes to ANB&T's funds availability policy and related disclosures will be distributed to all applicable account holders.

Deposits made by mobile deposit do not fall under this regulation. Please see the Digital Banking Terms and Conditions for information regarding availability of funds from mobile deposits.

For determining the availability of a deposit, every day is a business day, except Saturdays, Sundays, and federal holidays. We have different deposit cut-off hours for different facilities. Our cut off hours are as follows:

- 6:00 pm Main Bank (Midwestern Pkwy) & Elmwood Drive Thru
- 4:00 pm All Other Locations
- 3:00 pm Mobile Deposits & ATM Deposits

Funds are considered to be deposited when received at a staffed facility, ATM, received by ANB&T if mailed, or removed from a night drop facility or lockbox. Funds to be made available on a business day must be available by the later of 9:00 a.m. local time or when ANB&T's teller facilities are available for customer withdrawals.

Regulation CC allows ANB&T to:

1. Shorten the time funds are held before withdrawal;
2. Reject or accept a check for deposit;
3. Revoke a settlement made by ANB&T and charge back the customer's account;
4. Open or make facilities available at its discretion;
5. Limit the cash withdrawals on any one day from accounts if the limitation is:
 - A. Not dependent on the length of time the funds have been deposited;
 - B. Applied without discrimination to all ANB&T customers; and
 - C. Related to security, operations or bonding requirements.
6. Use calculated availability for non-consumer deposits if, on average, availability is as prompt as Regulation CC requirements.

NEXT-DAY AVAILABILITY - DEPOSITED IN-PERSON

The following types of deposits must be made available on the next business day:

1. Cash Deposits. If made in person to a Bank Employee; if not made in person to a Bank Employee, then by the second business day after deposit.
2. Electronic Payments. Must be made available the next business day after the effective payment date is received; payment is received when the Bank receives both the payment notification and effectively dated collected funds which includes the information on the account to be credited..
3. Certain Checks.
 - A. Checks drawn on the U.S. Treasury and deposited in the payee's account;
 - B. U.S. Postal Service money orders deposited in person to a Bank Employee and into the payee's account;
 - C. Checks drawn on a Federal Reserve Bank or Federal Home Loan Bank, deposited in person to a Bank Employee and into the payee's account;
 - D. Checks drawn by a state or local government in the same state as the Bank, deposited in person to a Bank Employee to the payee's account;
 - E. Cashier's Checks, certified checks, or teller checks deposited in person to a Bank Employee and into the payee's account;
 - F. \$225.00* or the aggregate of any deposit made by the customer, whichever is less that is not subject to next-day availability; and
 - G. Checks deposited in a branch of the depository bank and drawn on the same or another branch of the same bank.

****New threshold effective July 1, 2020 and adjusted every five years thereafter for inflation***

NEXT-DAY AVAILABILITY – NOT DEPOSITED IN-PERSON

Items that are subject to next-day availability but are not deposited in person must be available for withdrawal on the **second business day** after the day the funds are deposited. This includes checks deposited at a proprietary ATM.

SECOND-BUSINESS DAY AVAILABILITY

The following items must be available for withdrawal by the second business day following the banking day on which the funds are deposited:

1. Checks drawn on the U.S. Treasury that is not subject to next-day availability.
2. Checks drawn on the U.S. Treasury and deposited at a proprietary ATM.
3. U.S. Postal Service money orders not subject to next-day availability.
4. Checks drawn on Federal Reserve Banks, Federal Home Loan Banks, and state and local governments and cashier's, certified, and teller checks deposited at a proprietary ATM.

EXTENSIONS OF TIME FOR CASH WITHDRAWALS

1. **ANB&T** may extend the availability time period for cash or other similar withdrawals on deposits of local and non-local checks by one business day.
2. Up to \$450.00** of the deposited funds must be available by 5:00 p.m. on the day that the funds would be made available under the schedule.
3. Cash withdrawals over this amount (that is, over the initial \$450.00**) can be delayed until the next business day.
4. **ANB&T** may continue to limit withdrawals on ATMs to amounts under \$450.00**.

****New threshold effective July 1, 2020 and adjusted every five years thereafter due to inflation.**

OTHER TIME EXTENSIONS

ANB&T may have a one-day extension for any time period on deposits that are by a check drawn on or payable through a bank not located in the same state as the depository bank (does not apply to no-hold items).

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EXCEPTIONS

ANB&T reserves the right in certain instances not to follow the time schedules for funds availability as set forth in Regulation CC. In addition, ANB&T has reserved the right to invoke exception holds for periods in excess of the time limits mentioned above in the following circumstances:

1. New Accounts. An account is new if it has been open 30 days or less, unless each of the customers on the account has other transaction accounts at ANB&T that have been open at least 30 days.
 - A. Cash and electronic deposits into new accounts must be made available by the next business day.
 - B. The first \$5,525.00*** of deposits into the payee's account of checks drawn on the U.S. Treasury must be made available on the next business day; amounts over \$5,525.00*** must be made available no later than on the ninth business day following the banking day of the deposit.
 - C. The first \$5,525.00*** of in-person deposits into the payee's account of checks drawn on Federal Reserve Banks, Federal Home Loan Banks, and state and local governments, and cashier's, certified, teller, and traveler's checks must be made available on the next business day and the remaining portion of the deposit must be made available no later than on the ninth business day following the banking day of the deposit.
 - D. Local and non-local check deposits to new accounts are not subject to the other availability time schedules, nor are subject to the \$225.00 cash withdrawal requirement.
2. Large Deposits. The schedules do not apply to deposits of checks that may be held and that aggregate more than \$5,525.00*** in any one day.
 - A. The first \$5,525.00*** is subject to the availability schedules; amount over can be held for only a reasonable time.
 - B. An extension of up to five business days for local checks and six business days for non-local checks is deemed reasonable; ANB&T has the burden of proving the reasonableness of longer extensions.
 - C. The normal availability requirements for cash and electric payments will apply to large deposits.
3. Redeposited Checks. Checks that have been returned unpaid and redeposited are not subject to the hold schedule unless:
 - A. The check was returned for a missing endorsement and the endorsement has been obtained; or
 - B. The check was returned because it was postdated, and it is not postdated when redeposited.
4. Repeated Overdrafts. Time schedules do not apply to an account that has been repeatedly overdrawn. To be subject to this exception an account must have had:
 - A. A negative balance (or would have had a negative balance if checks had been paid) for six or more banking days within the preceding six months; or
 - B. A negative balance of \$5,525.00*** or more (or would have had a negative balance of such amount) for two or more banking days within the preceding six months.

An account retains its repeated overdrafts status for six months from the last overdraft.

Time periods for holding funds may be extended for a reasonable period of time on such accounts, but cash and electronic deposits that are subject to next-day availability are not included in such holds.

An extension of up to five business days for local checks and six business days for non-local checks is deemed reasonable; ANB&T has the burden of proving the reasonableness of longer extensions.

5. Items Where There is Reasonable Cause to Doubt Collectability. If there is reasonable cause to doubt the collectability of an item, the hold schedules for local and non-local checks do not apply.
 - A. The next-day availability requirements for U.S. government checks, checks drawn on a Federal Reserve Bank or Federal Home Loan Bank, Certified, Cashier's, and Teller Checks, U.S. Postal Service Money Orders, and checks not deposited in person do not apply.
 - B. Cash and electronic payments must receive next-day availability.
 - C. If ANB&T extends time for funds availability owing to doubts about the collectability of an item and does not give the depositor a hold notice at the time of the deposit, it may not assess a fee for overdrafts if the overdrafts would not have occurred except for the delayed availability of funds, and if the check was paid by the paying bank.
 - D. Extension of time must be reasonable. ANB&T has the burden of proving the reasonableness of longer extensions.
 - E. ANB&T is required to keep records for two years of the notice provided to the customer and a statement of the facts that supports ANB&T's reason to doubt the collectability of the item.
6. Emergency Conditions. In the event of an emergency, holds may be placed on funds until a reasonable time after the emergency has passed. Emergencies are defined as:
 - A. Interruption of communications of computer or other equipment;
 - B. Suspension of payments by another bank;
 - C. War; or
 - D. Emergencies beyond the control of ANB&T.

❖ **NOTE: ANB&T may refuse to accept items for deposit which it feels may place ANB&T at risk of loss. ANB&T may also choose to accept items for collection rather than for deposit.**

DELAYED AVAILABILITY NOTIFICATION

Regulation CC requires ANB&T to give its customers written notice when a hold is placed. To comply, ANB&T customers must be provided with a HOLD NOTICE.

When placing a hold, ANB&T must give the depositor a written notice (exception to new accounts customers) entitled HOLD NOTICE, which states:

1. The customer's account number.
 2. The date and amount of the deposit.
 3. The amount of the deposit being delayed;
 4. Reason exception was invoked (exception holds only); and
- The day the funds will be available for withdrawal, except when, as a result of emergency conditions, **ANB&T** does not know the day the funds will be available.

TIMING

Employees placing holds must advise the person making the deposit at the time of the deposit. If for some reason disclosure cannot be made at the time of the deposit (i.e., night drop or customer has left the window) a notice must be mailed or delivered to the customer as soon as possible but no later than the close of the next business day.