**REGULATION CC** **FUNDS AVAILABILITY POLICY**

## Ability to Withdraw Funds

Our policy is to make funds from cash and check deposits available on the first business day after the day we receive the deposit. Electronic direct deposits will be available on the day we receive the deposit. The posting of International ACH Transaction (IAT) credits may be delayed or withheld if the posting of such transaction is suspected of violating or violates a U.S. law, regulation or OFAC sanction. If Frontenac Bank can verify that the transaction does not violate a U.S. law, regulation or OFAC sanction, the transaction will be posted on the business day that the investigation is completed. The posting of the transaction is still considered provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. Once available, funds can be withdrawn in cash and we will use the funds to pay checks as they are presented.

Although funds have been made available, the customer is still responsible for checks they have deposited that may be returned to us unpaid and for any other problems involving their deposits.

If we accept a deposit of a check drawn on another bank, we may make funds from the deposit available for withdrawal immediately but may enforce the right of off-set from another account owned by the same customer in our bank if the item is returned for any reason.

### Business Day

For determining the availability of deposits, every day is a business day, except Saturdays, Sundays, and federal holidays.

At our Earth City, Frontenac and St. Charles branches, if a deposit is made before 5 o'clock p.m. on a business day we are open, we will consider that day to be the day of deposit. However, if a deposit is made after 5 o'clock p.m. or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

At our Kirkwood branch, if a deposit is made before 5 o'clock p.m. on a Monday through Thursday business day that we are open, we will consider that day to be the day of deposit. However, if a deposit is made after 5 o'clock p.m. on a Monday through Thursday business day or on a day we are not open, we will consider that the deposit was made on the next business day we are open. If a deposit is made before 6 o'clock p.m. on a Friday business day that we are open, we will consider that day to be the day of deposit. However, if a deposit is made after 6 o'clock p.m. on a Friday business day that we are open or a Friday we are not open, we will consider that the deposit was made on the next business day we are open.

### Longer Delays May Apply

In some cases, we will not make all of the funds deposited by check available on the first business day after the day of deposit. Depending on the type of check deposited, funds may not be available until the seventh business day after the day of deposit. However, the first $200 of the deposit will be available on the first business day.

If we are not going to make all of the funds from a deposit available on the first business day, we will notify the customer at the time of deposit. We will also tell the customer when the funds will be available. If a

deposit is not made directly to one of our employees, or if we decide to take this action after the customer has left the premises, we will mail the customer the notice by the day after we receive the deposit.

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

In addition, funds deposited by check may be delayed for a longer period under the following circumstances:

- We believe a check deposited will not be paid.
- The customer deposits checks totaling more than $5,000 on any one day.
- The customer re-deposits a check that has been returned unpaid.
- The customer has overdrawn their account repeatedly in the last six months.
- There is an emergency, such as failure of computer or communications equipment.

We will notify the customer if we delay their ability to withdraw funds for any of these reasons, and we will tell the customer when the funds will be available. They will generally be available no later than the 7th business day after the day of deposit.

**Special Rules for New Accounts**

If the customer is new to the bank, the following special rules will apply during the first 30 days the account is open:

- Funds from electronic direct deposits to the new account will be available on the day we receive the deposit.
- Funds from deposits of cash, wire transfers, and the first $5,000 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 deposit if the deposit meets certain conditions. For example, the checks must be payable to the customer (and they have used a special deposit slip). The excess over $5,000 will be available on the seventh business day after the day of their deposit. If the deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first $5,000 will not be available until the second business day after the day of deposit.
- Funds from all other check deposits will be available on the 5th business day after the day of the deposit.