



## FUNDS AVAILABILITY POLICY DISCLOSURE

**PURPOSE OF THIS DISCLOSURE.** Our general policy is to allow you to withdraw funds deposited in a transaction account on the first Business Day after the day of deposit. Funds from electronic direct deposits will be available on the day we receive the deposit. In some cases, we may delay your ability to withdraw funds beyond the first Business Day after the day of deposit. Our complete policy is summarized below. For purposes of this disclosure, the terms “you” / “your” refer to the customers and the terms “our” / “we” / “us” refer to Farmers & Merchants Bank. Generally, transaction accounts are accounts which would permit an unlimited number of payments by check to third persons, and also an unlimited number of telephonic and preauthorized transfers to a third person or other account you may have with us.

**DETERMINING THE AVAILABILITY OF YOUR DEPOSIT.** The length of delay varies depending on the type of deposit and is explained below. When we delay your ability to withdraw funds from a deposit, you may not withdraw the funds in cash, and we will not pay checks you have written on your account by using these funds. Even after we have made funds available to you and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit. When we delay your ability to withdraw funds, the length of the delay is counted in Business Days from the day of your deposit. The term “Business Day” means any day other than a Saturday, Sunday or federally declared legal holiday, and the term “Banking Day” means that part of any Business Day on which we are open to the public for carrying on substantially all of our banking functions. In order to establish that a deposit is made on a particular Business Day, we establish a cut-off time. You must make your deposit before the cut-off time in order for it to be considered to have been made on that Business Day.

### Location Business Day (s) Cut-off Time

All F&M Bank Branch Locations Monday thru Friday, Close of Business

However, if you make a deposit after the cut-off time shown above or on a day that we are not open, we will consider the deposit made on the next Business Day we are open. **AVAILABILITY SCHEDULE.** Our policy is to make funds from your cash and check deposits available to you on the first Business Day after the day we receive your deposit. Electronic direct deposits will be available on 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. **SAME DAY AVAILABILITY.** Funds from cash\*, wire transfers, and electronic direct deposits made to your account, and checks drawn on us will be available on the day we receive the deposit. In addition, the first \$6,725.00 of a day’s total deposits of:

- U.S. Treasury Checks \*\*
- U.S. Postal Service Money Orders \*\*
- Federal Reserve Bank or Federal Home Loan Bank Checks \*\*
- State or Local Government Checks \*\*
- Cashiers’ Certified or Teller’s Checks \*\*
- Traveler’s Checks \*\*

**\*Cash Deposits** – If the cash deposits are made in person to an employee of Farmers & Merchants Bank, then the funds will be made available on the day we receive your deposits. If the deposits are not made in person to an employee, then the funds will be made available no later than the second Business Day after the day of your deposit. **\*\*Check Deposits** – Check deposits include U.S. Treasury checks; U.S. Postal Service Money Orders; Federal Reserve Bank or Federal Home Loan Bank checks; State or Local Government Checks; Cashier’s, Certified, or Teller’s Checks; and Traveler’s Checks. In order for these check deposits to be made available according to the funds availability schedule above, the checks must be made payable to you and deposited into your account. If any of these conditions are not satisfied, then the first \$6,725.00 of a day’s total check deposits will be made available no later than the second Business Day after the day of your deposit.

**ADDITIONAL DEPOSIT INFORMATION. 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, funds may not be available until the second Business Day after the day of your deposit. However, the first \$275 of your deposit will be available on the first Business Day after the day of your deposit.

If we are not going to make all of the funds from your deposit available on the first Business Day after we receive your deposit, we will notify you at the time you make your deposit. If your deposit is not made directly to one of our employees, we will mail you the notice by the Business Day after we receive your deposit. If you need the funds from a deposit right away, you should ask us when the funds will be available.



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

- 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
- We believe a check you deposit will not be paid.
- There is an emergency, such as failure of communications of computer 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 Business Day after the day of your deposit.

**HOLDS ON OTHER FUNDS FOR CHECK CASHING.** 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. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

**HOLDS ON OTHER FUNDS IN ANOTHER ACCOUNT.** If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited. **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 will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and first \$6,725 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks or US Postal money orders will be available on the first Business Day after the day of your deposit if the deposit meets certain conditions. For example, the check must be payable to you (and you may have to use a special deposit slip). The excess over \$6,725.00 will be available on the ninth Business Day after the day of your deposit. If you deposit of these checks (other than a US Treasury check) is not made in person to one of our employees, 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 on the ninth Business Day after the day of your deposit.