



Milford Federal Bank Funds Availability Disclosure

It is the policy of Milford Federal Bank to make funds from your cash or check deposits available to you no later than the first business day after the day of your deposit. At that time, funds may be withdrawn in cash and/or we will use the funds to pay checks that have been written. For determining the availability of deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If a customer makes a deposit to an employee before closing on a business day that we are open or on a Saturday, we will consider that day to be the day of the deposit. If a customer makes 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. Victory Day in Rhode Island is an example of a business day on which we are not open.

In some cases, we make funds from your deposited checks available to you sooner than we are able to collect the checks. This means that, from time to time, a deposited check may be returned unpaid after we made the funds available to you. Please keep in mind that even though we make funds from a deposited check available to you and you withdraw the funds, you are still responsible for problems with the deposit. If a check you deposited is returned to us unpaid for any reason, you will be responsible to repay us and we may charge the account for the amount of the check, even if doing so overdraws your account.

Reservation of Right to Hold

In some cases, we will not make all of the funds that are deposited by check available to you by the first business day after the day of your deposit. Depending on the type of check deposited, funds may not be available until the second business day after the day of the deposit. However, the first \$225.00 of the deposit will be available on the day of the deposit.

If we are not going to make all of the funds from the deposit available, we will notify you at the time of the deposit. We will also tell the customer when the funds will be available. If the 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 notice by the business day after we receive the deposit. An ATM deposit or Mobile deposit is an example of a deposit not made directly to an employee.

Longer Delays May Apply

We may delay the customer's ability to withdraw funds deposited by check into the customer's account an additional number of days for these reasons:

- the customer deposits checks totaling more than \$5,525 on any one day;
- the customer re-deposits a check that has been returned unpaid;
- the customer has overdrawn his account repeatedly in the last six months;
- we believe a check the customer deposits will not be paid;
- There is an emergency, such as failure of communications or computer equipment.

We will notify the customer if we delay the customer's 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 seventh business day after the day of the deposit.

Holds On Other Funds

If we cash a check that is drawn on another financial institution for a customer, we may withhold the availability of a corresponding amount of funds that are already in the customer's account. Those funds will be available at the time funds from the check we cashed would have been available if the customer had deposited it. 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 and hold corresponding funds that are on deposit in another account the customer has with us until the original check would have cleared.

Deposits at Automated Teller Machines

Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we own or operate will generally be available on the second business day after the day of your deposit. The first \$225 of your deposit will be available the day of the deposit. We own and operate ATMs at the following locations: 246 Main St. Milford, MA; Route 109, Medway Road, Milford, MA; 1271 Providence Road, Whitinsville, MA, and 1950 Diamond Hill Road, Woonsocket, RI.

Special Rules for New Accounts

The following special rules will apply to new customers during the first 30 days the customer's account is open:

- The first \$5,525 from a deposit of US Treasury checks or U.S. Postal money orders will be available on the first business day after the day of the deposit. The excess over \$5,525 will be available on the ninth business day after the day of the deposit.
- Funds from wire transfers into the customer's account will be available on the first business day after the day we receive the transfer.
- Funds from deposits of cash will be available on the day of the deposit and the first \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's and checks drawn on the Commonwealth of Mass and any local government unit in Massachusetts will be available on the second business day after the day of the 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 business day after the day of the deposit. If you do not make the deposit in person to one of our employees, the first \$5,525 will not be available until the second business day after the day of the deposit.
- Funds from deposits of checks drawn on Milford Federal Bank will be available on the same business day as the day of the deposit.

Funds from all other check deposits will be available not later than the 9th business day after the day of the deposit.

Deposits via Mobile Check Deposit and Remote Deposit Capture.

Funds from any deposit made using Mobile Check Deposit or Remote Deposit Capture may not be available until the second (2nd) business day after the day of your deposit. The first \$225 of your deposit will be available the day of the deposit.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before 4:00 pm Eastern Standard Time 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 after 4:00 pm Eastern Standard Time, or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

Third Party Endorsements

It is our policy to not accept third party endorsed checks. A third party check is one signed over by the intended recipient to someone else to deposit or cash.

Milford Federal Bank

IMPORTANT INFORMATION ABOUT YOUR CHECKING ACCOUNT

Substitute Checks and Your Rights

What is a substitute check?

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with 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.

Some or 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.

What are my 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 a 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 law.

If you use this procedure, you may receive up to \$2500.00 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 are able to demonstrate that the substitute check was correctly posted to your account.

How do I make a claim for a 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 us at 508-634-2500. 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.

Your claim must 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; and
- A copy of the substitute check [and/or] the following information to help us identify the substitute check: (identifying information, for example the check number, the name of the person to whom you wrote the check, the amount of the check.)