COLONIAL FEDERAL SAVINGS BANK

Funds Availability

This document details the Bank's funds availability policy; how and when we make the funds from items you deposit to or cash against your account available for withdrawal.

Each type of item has a corresponding amount of time the Bank holds the funds before making them available for withdrawal. This amount of time is often referred to as a "float" or "hold".

It's important for you to know when the items that you negotiate will be made available to you, so please keep this document for future reference. If in the future our funds availability policy changes, we will inform you of the new policy within 30 days of the change.

Your ability to withdraw funds at Colonial Federal Savings Bank, Quincy, MA 02170

Our policy is to delay the availability of funds from your check deposits. During the delay, you may not withdraw the funds in cash and we will not use the funds to pay checks that you have written.

Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you negotiate that are returned to us as unpaid.

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 before closing 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 closing or 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 the following deposits are available on the day we receive the deposit:

- Cash (if deposited with a teller).
- Electronic transfers.
- ACH direct deposits.
- Wire transfers.
- Checks drawn on Colonial Federal Savings Bank (if deposited with a teller).

Next-Day Availability

If you make the deposit in person to one of our employees and if the deposit is made to your account, funds from the following deposits are available on the first business day after the day we receive your deposit:

- U.S. Treasury checks that are payable to you.
- State and local government checks that are payable to you.
- Cashier's, certified, and teller's checks that are payable to you.
- Federal Reserve Bank checks, Federal Home Loan Bank checks, and postal money orders, if these items are payable to you.

If you do not make your deposit in person to one of our employees (for example, if you mail the deposit), funds from these deposits will be available on the second business day after the day we receive your deposit.

Other Check Deposits

Funds from other types of checks you deposit will be available as follows:

- The first $200 from other types of checks you deposit will be available on the first business day after the day we receive your deposit.
- The remaining funds will be available on the second business day after we receive your deposit.

For example, if you deposit a check of $700 on a Monday, $200 of the deposit is available on Tuesday. The remaining $500 is available on Wednesday.

Cash Withdrawal Limitations

We place certain limitations on withdrawals in cash. In general, $200 of a deposit is available for withdrawal in cash on the first business day after the day of deposit. In addition, a total of $400.00 of other funds becoming available on a given day is available for withdrawal in cash at or after 3pm on that day. Any remaining funds will be available for withdrawal in cash on the following business day.

Holds on Other Funds (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 (Other Account)

If we accept for deposit a check that is drawn on another bank, 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.

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 $5,000 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly 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 business day after the day of your deposit.

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, cash deposits and wire transfers will be available on the day we receive the deposit. Funds from 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 your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over $5,000 will be available on the ninth business day after the day of your deposit. If your 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 your deposit.

Funds from all other check deposits will be available on the fifth business day after the day of your deposit.