PURPOSE OF THIS DISCLOSURE
The information here describes our policy of holding deposited items in an account before funds are made available to you for withdrawal. This is our Funds Availability Policy. In summary our policy is to make your funds available on the second Business Day after the day of deposit. Please refer to the section DETERMINING THE AVAILABILITY OF YOUR DEPOSIT for the complete policy.

For purposes of this disclosure, the terms "you," "your," refer to the customer and the terms "our," "we," "us" refer to Lake Shore Savings Bank. The term "account" includes any demand deposit, negotiable order of withdrawal account, savings account, or a time deposit account.

DETERMINING THE AVAILABILITY OF YOUR DEPOSIT
The length of the 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 Even after we have made funds available to you and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.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.

If you make a deposit before the close of business 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 the close of business 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
Same Day Availability. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. In addition, funds from deposits of cash (if made in person to an employee of Lake Shore Savings Bank*), and wire transfers, will also be available on the day of deposit.

Next Day Availability. Funds from deposits of U.S. Treasury checks (if payable to you and deposited into your account), U.S. Postal Service Money Orders (if payable to you and deposited into your account, and the deposit is made in person to an employee of Lake Shore Savings Bank*), Federal Reserve Bank or Federal Home Loan Bank checks (if payable to you and deposited into your account, and the deposit is made in person to an employee of Lake Shore Savings Bank*), State or Local Government checks (if payable to you and deposited into your account, and the deposit is made in person to an employee of Lake Shore Savings Bank*), Cashier's, Certified, or Teller's checks (if payable to you and deposited into your account, and the deposit is made in person to an employee of Lake Shore Savings Bank*), and checks drawn on us are available on the first Business Day after the day of your deposit.

*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 no later than the second Business Day after the day of your deposit.

Other Check Deposits. Funds from all other check deposits will be available on the second Business Day after the day of your deposit. The first $200.00 of your deposits, however, will be available on the same day that we receive your deposit.

LONGER DELAYS MAY APPLY
In some cases, we will not make all of the funds that you deposit by check available to you according to the previously stated availability schedule. 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. The first $200.00 of your deposits, however, may be available on the first Business Day after the day of deposit.

If we are not going to make all of the funds from your deposit available to you according to the previously stated availability schedule, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

Funds you deposit by check may be delayed for a longer period under the following circumstances: (a) if we believe a check you deposit will not be paid; (b) if you deposit checks totaling more than $5,000 on any one day; (c) if you redeposit a check that has been returned unpaid; (d) if you have overdrawn your account repeatedly in the last six months; or (e) if an emergency condition arises that would not enable us to make the funds available to you, such as the failure of computer or communications equipment.

We will notify you if we delay your availability 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. If you need the funds from a deposit right away, you should ask us when the funds will be available.

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.

Same Day Availability. Funds from electronic direct deposits, cash (if made in person to an employee of Lake Shore Savings Bank*) and wire transfers made to your account will be available on the day we receive the deposit. In addition, the first $5,000 of a day's total deposits of U.S. Treasury checks (if payable to you and deposited into your account), U.S. Postal Service Money Orders (if payable to you and deposited into your account, and the deposit is made in person to an employee of Lake Shore Savings Bank*), Federal Reserve Bank or Federal Home Loan Bank checks (if payable to you and deposited into your account, and the deposit is made in person to an employee of Lake Shore Savings Bank*), State or Local Government checks (if payable to you and deposited into your account, and the deposit is made in person to an employee of Lake Shore Savings Bank*), and checks drawn on us are available on the first Business Day after the day of your deposit.
employee of Lake Shore Savings Bank*), Cashier's, Certified, or Teller's checks (if payable to you and deposited into your account, and the deposit is made in person to an employee of Lake Shore Savings Bank*), and Traveler's Checks (if payable to you and deposited into your account, and the deposit is made in person to an employee of Lake Shore Savings Bank*) will also be available on the day of deposit.

**Next Day Availability.** Funds from the first $5,000 of a day's total deposits of checks drawn on us are available on the first Business Day after the day of your deposit.

*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 no later than the second Business Day after the day of your deposit. The excess over $5,000 will be available on the second Business Day after the day of deposit.

Funds from all other check deposits will be available on the ninth Business Day after the day of your deposit.

**ADDITIONAL ATM INFORMATION**

Funds from any deposits (cash or checks) made at automated teller machines (ATMs) will not be available until the second business day after the day of your deposit.
Important Information About Your 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 $2,500.00 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 call us at: (716) 366-4070 or write to us at:
Lake Shore Savings Bank
128 E Fourth St.
Dunkirk, NY 14048

You must contact us within 60 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 such as the check number, the name of the person to whom you wrote the check, the amount of the check.