

Zero Balance Sweep



OVERVIEW

A Zero Balance Account maintains a pre-established minimum balance or zero, allowing you to consolidate the net balance of multiple checking accounts into a single Master Checking Account.

The activity in each zero balance account remains segregated, allowing you to keep separate records and statements for these account transactions.

HOW IT WORKS

You need at least two Mechanics Savings Bank business checking accounts. Designate your Master Checking Account and which account(s) to be “zero balanced”. Zero balancing can be used for withdrawals, deposits, or a combination of both transaction types.

There is no limit to the number of Zero Balance Accounts (ZBA) that can be linked and additional accounts can be added at any time. Based on net balances in your ZBA accounts, each account automatically pulls funds from the Master Checking Account to cover a net deficiency or transfer excess balances to the Master Checking Account.

BEST SUITED FOR

- Customers who transfer between multiple accounts to cover check activity, such as a payroll account.
- Customers who have several checking accounts used as collection accounts, such as retail stores.

BENEFITS OF SERVICE

- Easily monitor your net cash position to facilitate investments and funding decisions.
- All deposits and/or checks are processed into each account and summarized separately.
- Zero Balance Accounts reduce the amount of cash required to cover daily check activity or to collect funds from individual depository accounts.

FAQs

Q. Will my Zero Balance Accounts show as overdrawn?

A. Your zero balance account may show a negative balance throughout the day as checks are being cashed.

Q. Can I view my transaction in the zero balance account?

A. Yes. View your accounts online with our business Internet banking service.

Q. Can the Master Checking Account be used in conjunction with a Credit Line Sweep Account or Repurchase Sweep Investment?

A. Yes. Repurchase Sweep is not FDIC insured.

Q. Is there a limit to the number of sub accounts I may have?

A. No. The number of zero balance accounts that can be linked to your Master Checking Account is unlimited.

AUBURN 786.5715 | BRUNSWICK 786.5701 | LEWISTON 786.0773 | WINDHAM 893.1100

Connecting All Locations 207.786.5700 or Toll-Free 800.325.7553

Telephone Banking 207.514.1020 or Toll-Free 877.886.1020

www.mechanicssavings.com

