

HomeTown Federal Credit Union Funds Availability Policy

This Funds Availability Policy applies to our member's "transaction accounts". A transaction account is defined as an account from which the account holder may make transfers or withdrawals by negotiable or transferable instrument, payment order or withdrawal, telephone transfer, or other similar device for the purpose of making payments or transfers to third persons or others. It also includes an account from which the depositor may make third party payments at an automated teller machine (ATM) or a remote service unit, or other electronic device, including by debit card. This policy does not apply to savings accounts, which have limited withdrawals as specified in Regulation D.

General Policy:

It is the policy of the Credit Union to make funds from our member's deposits available to them on the same business day that we receive the deposit.

For determining the availability of the member's deposits, every day is a business day, except Saturdays, Sundays and federal holidays.

Electronic direct deposits will be made available to our members on the day that we receive the deposit.

Mobile deposits received on or after 3:00 pm may be processed the next business day. Deposits limits may apply.

If a deposit is made within our office business hours, we will consider that day to be the day of the deposit. However, if the deposit is made after our office business hours or on a day that we are not open, we will consider that the deposit was made on the next business day we are open. Once the funds are available, our member can withdraw the funds in cash and we will use the funds to pay any debits that have been authorized by the member.

Reservation of Right to Hold:

Depending on the type of check that is deposited, funds may not be available until the second business day after the day of the deposit. However, the first \$225 of the deposit will be available on the first business day after the day of the deposit. If we are not going to make all of the funds from the deposit available on the same business day, we will notify the member at the time the deposit is made. We will also tell the member when the funds will be available. If the deposit is not made directly to one of our Credit Union employees, or if we decide to take this action after the member has left the premises, we will mail the member the notice by the next business day after we receive the deposit. If the member needs the funds from a deposit immediately, they should ask us when the funds will be available.

Holds on Other Funds:

If we cash a check for a member that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in the member's account. Those funds will be available at the time funds from the check we cashed would have been available if the member 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 but delay the availability to withdraw a corresponding amount of funds that the member has 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 below for the type of check that is deposited.

Longer Delays May Apply:

Funds deposited by check may be delayed up to seven (7) business days under the following circumstances:

- a. We believe a check deposited will not be paid.
- b. Checks deposited total more than \$5,525.00 on any one day.
- c. A check is deposited that has been returned unpaid.
- d. The member's account has been overdrawn repeatedly in the last six months.
- e. There is an emergency, such as a failure of communications or computer equipment.

We will notify the member if we delay their ability to withdraw funds for any of these reasons, and we will tell them when the funds will be available.

Special Rules for New Accounts:

For a new account, the following special rules will apply during the first thirty (30) days of the account being opened. Funds from electronic direct deposits to the account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525.00 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 next business day after the day of the deposit if the deposit meets certain conditions. For example, the checks must be made payable to you. The excess over \$5,525.00 will be available on the ninth business day after the day of the deposit. If the deposit of these checks (other than a U.S. Treasury check) is not made in person to a Credit Union employee, the first \$5,525.00 will not be available until the second business day after the day of the deposit. Funds from all other check deposits will be available based on the collectibility of the funds.

Foreign Checks:

Checks drawn on financial institutions located outside the U.S. (foreign checks) cannot be processed the same as checks drawn on U.S. financial institutions. Foreign checks are exempt from the policies outlined in this policy. Generally, the availability of funds for deposits of foreign checks will be delayed for the time it takes to collect the funds from the financial institutions upon which it is drawn.