

Home Town Federal Credit Union

Funds Availability Policy

This Funds Availability Policy applies to transaction accounts. A transaction account is defined as an account from which an 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 a depositor may make third party payments at an automated teller machine (ATM) or remote service unit, or another electronic device, including by debit card. This policy does not apply to savings accounts, which have limited withdrawals as specified in Regulation D.

1. General Policy. Our policy is to make funds from your deposits available to you on the same business day that we receive your deposit. Electronic direct deposits will be made available on the day that we receive the deposit. Mobile deposits received on or after 3:00 pm may be processed the next business day. Deposit limits may apply. Once they are available, you can withdraw the funds in cash, and we will use the funds to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit within our business hours, we will consider that day to be the day of your deposit. However, if you make a deposit after our 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.

2. Reservation of Right to Hold. 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. However, the first \$275.00 of your deposit will be available on the first business day after the day of your deposit. If we are not going to make all the funds from your deposit available on the same business day, 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 next business 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.

3. Holds on Other Funds. If we cash a check for you that is drawn on another financial institution, 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. 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 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 policy for the type of check that you deposited.

4. Longer Delays May Apply. Funds you deposit by check may be delayed up to seven (7) business days under the following circumstances:

- a. We believe a check you deposited will not be paid.
- b. You deposit a check(s) totaling more than \$6,725.00 on any one day.
- c. You deposit a check that has been returned unpaid.
- d. You have overdrawn your account repeatedly in the last six months.
- e. There is an emergency, such as a failure of communications or computer 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.

5. Special Rules for New Accounts. For a new account, the following special rules will apply during the first thirty (30) days your account is open. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$6,725 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 days after the day of your deposit if the deposit meets certain conditions. For example, the checks must be made payable to you. The excess over \$6725 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 \$6,725 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available based on the collectability of the funds.

6. 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 disclosure. Generally, the availability of funds for deposits of foreign checks will be delayed for the time it takes us to collect the funds from the financial institutions upon which it is drawn.