



Sept 2015

## POLICY: FUNDS AVAILABILITY POLICY

### General Policy Statement:

In accordance with Federal Regulation CC, we need to inform you of our policy regarding your rights to draw funds against deposits you have made to any account at our institution. The Credit Union offers same day or next day availability for some funds deposited with the Credit Union. This policy provides information to allow you to determine when funds you deposit or receive at 1199 SEIU Federal Credit Union are available to be withdrawn or clear checks

This Policy is applicable to your account(s) (savings and checking) with us unless you receive notice that a different policy applies. Most deposits require some period of time to “clear” because it takes us time to determine whether the deposited items will be paid. The time it takes varies with the kind of deposit involved, the location of the source of the funds or both. Therefore, it is necessary to delay the availability of funds while collection is in progress. During the delay, the funds will not be available for withdrawal nor to pay checks that you have written.

### Guidelines:

**DISCLOSURE.** The Credit Union conscientiously informs members of its funds availability policy by providing members with:

- (1) **Disclosures Upon Request.** The Credit Union will provide a copy of its funds availability policy to any member who requests a copy. The Credit Union will also assist members in comparing the Credit Union’s policy with other institutions. A copy of its funds availability policy is displayed in the credit union premises for member review.
- (2) **Initial Disclosures.** Before a member opens a new account, the Credit Union will provide the member with written disclosures that clearly and conspicuously explain the Credit Union’s funds availability policy.
- (3) **Change-in-policy Notice.** If the Credit Union ever changes its funds availability policy it will notify all members of the change at least 30-days before implementation.

**SAME-DAY AVAILABILITY.** The Credit Union affords same-day availability for cash deposits, electronic fund transfers, U.S. Treasury checks payable to you, and payroll checks from participating employers.

**NEXT DAY AVAILABILITY.** For every check deposit, money orders, cashier’s checks, certified checks, state and local government checks payable to you, the first \$200.00 will become available.

### CHECK- HOLD PERIOD.

1. Checks over \$200.00 and not exceeding \$999.99, may be placed on a 2-day hold. The first \$200.00 will be available after the close of business the following day.
  - a. For Regulation CC purposes, Saturdays, Sundays, and legal holidays are not considered business days.
2. Check deposits of \$1,000.00 or over may be placed on an 8 day-hold, with the first \$200.00 available the following business day.

**Third Party checks (checks endorsed over to a third party) are not acceptable.**

**CASE BY CASE HOLDS.** The Credit Union will place a hold on deposits where evidence suggests a forgery or fraud.

**NOTICE.** If the Credit Union decides to impose a case-by-case hold, it will immediately deliver proper notice to the member depositor.

**SPECIFIC EXCEPTION HOLDS.** The Credit Union may place a specific exception hold where the transaction involves reasonable belief that the check is uncollectible; repeated overdrafts; new accounts; large deposits; and emergency conditions. In these situations, the Credit Union may hold local checks for 5 additional business days.

Specific exceptions include:

**Uncollectible Checks.**

- a) Stale dated check (over six months old);
- b) Improper endorsement;
- c) Evidence suggests that the member is engaged in check kiting; or
- d) Credit Union has received a notice of dishonor from the financial institution against which the check is drawn.

**Repeated Overdrafts.** (Accounts overdrawn more than 3 times.)

**New Accounts.** (Sole transaction account with Credit Union less than 30-days old.)

**Emergency Conditions.** Conditions such as fire, flood power or equipment failure, war, suspension of payments from another financial condition, or any other emergency.

**CIVIL LIABILITY.** The credit union is not liable for:

- A. Non-intentional, bona fide errors if reasonable compliance procedures are in place. This includes failure to identify a payable-through check as local or non-local despite procedures designed to make this determination accurately; or Good faith reliance on a Federal Reserve Board ruling.