

Policy 2400: Funds Availability

Revised Date: 02/10/2012

MOUNTAIN LAUREL FEDERAL CREDIT UNION FUNDS AVAILABILITY POLICY Revised 02-10-2012

It is the policy of the Mountain Laurel FCU to make funds of deposits available on the same business day that the deposit is received. At that time, funds may be withdrawn in cash and/or the funds will be used to pay checks that have been written on the deposit account. For determining the availability of deposit, every day is a business day, except Saturdays, Sundays, and federal holidays. Any deposit made before 5:00 pm on a business day that the credit union is open will be considered the day of deposit. Deposits made after 5:00 pm, or on a day that the credit union is not open, will be considered the next business day deposit.

Reservation of Right to Hold. In some cases, the credit union will not make all of the funds that you deposit by check available to you on the same business day that we receive your deposit. Funds may not be available until the **second** business day after the day of your deposit. However, the first \$200.00 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 of 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.

Longer Delays. The Mountain Laurel FCU may delay the ability to withdraw funds deposited by check an additional number of days for the following reasons:

- Checks totaling more than \$5000 on any one day.
- A deposit check that has been returned unpaid.
- An account repeatedly overdrawn for the past six months.
- A belief that a deposit item will not be paid.
- An emergency such as a failure of communications or computer equipment.

Notification will be sent to the member if the availability of funds for withdraw are affected by any of these reasons and the member will be told when the funds will be

made available. Generally, the funds will be available no later than the seventh business day after the day of deposit.

Holds on other Funds. If the credit union cashes a check drawn on another financial institution, the credit union may withhold the availability of the corresponding amount of funds that are already in the member's account. Those funds will be available at the time funds from the check cashed would have been available if the check has been deposited. If the credit union accepts for deposit a check that is drawn on another financial institution, the funds from the deposit will be made available for withdrawal immediately but may delay the availability to withdraw a corresponding amount of funds in other accounts with the credit union. The funds in the other account would then not be available for withdrawal until the time periods described in the disclosure for that type of check deposited.

Interest Payment Policy. Interest is calculated on the average daily balance and is credited to the member's account on the day of deposit.

Special Rules for New Accounts. During the first thirty (30) days of a new member account, the following special rules will apply for any new member. Funds from an electronic direct deposit to a new member account will be available on the day received. Funds from deposits of cash, wire transfers, and the first \$5000.00 of the day's total deposits of cashier's, certified, credit union corporate checks, travelers, and federal, state and local government checks will be available on the next business day after the day of deposit if the deposit meets certain conditions. Such as, the deposit items must be payable to the depositor. The excess over \$5000.00 will be available on the ninth business day after the day of deposit. If deposit is not made in person, except for U.S. Treasury checks, the first \$5000.00 will not be available until 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 deposit.

Deposits of Nonproprietary ATMs. Funds from any deposits (cash or checks) made at automated teller machines (ATMs) that are not owned or operated by the credit union will not be available until the fifth business day after the date of deposit. This rule does not apply at ATMs that the credit union owns. All ATMs that we own or operate are identified as our machines.

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 deposit of foreign checks will be delayed for the time it takes the credit union to collect the funds from the financial institution upon which it is drawn.