



## FUNDS AVAILABILITY POLICY

This disclosure describes your ability to withdraw funds from all of your accounts at Spencerport Federal Credit Union (SFCU). Our policy is to make your funds available to you as expeditiously as possible using safe and sound business practices. SFCU offers same day or next day availability for most funds deposited.

**SAME DAY AVAILABILITY:** SFCU affords same-day availability for cash deposits and electronic funds transfers.

**NEXT DAY AVAILABILITY:** SFCU affords next business day availability for the following funds deposited in person at teller stations. To qualify for next-day availability, members must deposit funds during regular SFCU business hours.

- **Government Checks:** for example, U.S. Treasury checks, US Postal Service money orders, checks drawn by the State or an agency of the State or a branch of local government deposited in an account held by the payee of the check.
- **Depository Checks:** i.e. cashier's checks, certified checks, bank checks, and money orders.
- **Checks on us:** checks drawn against accounts of Spencerport Federal Credit Union.
- **Drafts Covered by Member's Account:** i.e. situations where the member's account balance exceeds the amount of the check
- **First \$200;** if a member deposits check(s) drawn on another bank and his/her account balance is less than the amount of those items, the Credit Union will make the first \$200 available the next business day and place a hold on the remaining dollar amount.

**TWO-DAY AVAILABILITY:** Funds deposited by mail or ATM (Currently not an option) will be available within 2 business days of the deposit.

**DEFINITION OF A BUSINESS DAY:** For the purpose of determining funds availability, every day is a business day, except Saturdays, Sundays and federal holidays. If you make a deposit at a branch on a business day that we are open, during our regular business hours, we will consider that day to be the date of deposit. If you use our Night Depository after hours or on a weekend or holiday, your date of deposit will be the date the transaction is actually processed, which is the next business day.

**CASE-BY-CASE and SPECIFIC EXCEPTION HOLDS:** The Credit Union may place a Case by case or specific exception hold if certain conditions are met. In these situations, holds may be extended for an additional 4 business days. Extended hold conditions include:

- The account is less than 30 days old.
- Member was overdrawn 5 or more times in the past 6 months.
- Member was overdrawn by \$5000 within the past 6 months.
- An emergency has occurred such as a computer failure, natural disaster, weather emergency, war.
- The deposited item was previously returned
- Collectability is doubted.
- Checks deposited exceed \$5000. First \$5000 is still subject to standard availability, but anything over that can have an extended hold.
- Fraud or forgery is suspected

**NOTICE:** If the Credit Union decides to impose a case-by-case or specific exception hold, it will deliver proper notice to the member depositor. If the member has made the deposit in person, the notice will be given at that time. If a hold is placed after the member has left, a notice will be mailed. If the deposit was received through some other means (Night Deposit, mail, brought in by someone else) the notice will be mailed. This notice will include at least, but not be limited to, the following information:

- Statement that SFCU is holding the funds
- Member's name and account number
- Date and amount of the deposit
- Date when funds will be available
- Statement of how to obtain a refund of NSF fees if the notice of hold was not provided to the member and items were returned due to the hold.

**SUBSTITUTE CHECKS:** The Check Clearing for the 21<sup>st</sup> Century Act (Check 21) enables financial institutions to send checks to each other electronically, and enables the credit union to receive a paper copy of the electronic check called a "substitute check". Substitute checks are the legal equivalent of a paper check for all purposes. The Credit Union is not required to create substitute checks, but must accept them.

**Legend:** The substitute check will state "This is a legal copy of your check. You can use it in the same way you would use the original check."

**Disclosure:** The Credit Union will provide members with a disclosure that a substitute check is the legal equivalent of an original check, along with the member rights that apply when a member in good faith believes that a substitute check was not properly charged to his/her account. The disclosure will be provided in the following circumstances:

- Whenever new accounts are opened
- Whenever original or substitute checks are provided with the periodic statement
- Whenever a member requests an original check or a copy of the check. The disclosure in this instance will be provided no later than the time the member receives the substitute check.
- For all joint accounts, the disclosure need only be provided to one account holder.