



MASS BAY CREDIT UNION

Funds Availability Policy

Objective

When checks are presented by a member for deposit or to be cashed, the Credit Union may place a hold against the member's account. A hold makes that amount of money in the member's account unavailable for withdrawal until the hold expires. Holds are placed due to the fact that we do not know if the check presented will be paid by the drawer's bank, which would cause a potential loss to the Mass Bay Credit Union.

Availability of Funds

The Mass Bay Credit Union's policy is to delay the availability of some funds that you deposit in your account. During the delay, you may not withdraw the funds in cash and we will not use the funds to pay checks that you have written.

Determining the Availability of a Deposit

The length of the delay is counted in business days from the day of your deposit. Every day is a business day except Saturdays, Sundays, and federal holidays. Funds will be considered to have been deposited as outlined below:

1. Deposits made in person with a staff member on a business day that we are open, are considered to be deposited that day. This includes deposits made with a staff member via our ITMs. It also includes deposits made at another Credit Union through the Shared Branching service.
2. Mailed deposits received on a business day we are open are considered to be deposited the day the item is delivered to the Credit Union. If not received on a business day, the date of deposit for the item will be the next business day.
3. Deposits after business hours made through an ATM or our ITM will be considered received the following business day.
4. Deposits submitted through online or mobile Remote Deposit Capture have a cutoff time of 4:15 p.m. Monday – Friday. Deposits submitted prior to 4:15 on these days are considered received that day. Deposits submitted after 4:15 are considered deposited the next business day.
5. All deposits made on a non-banking day will be considered received the next business day.

The length of the delay varies on the type of deposit and is explained below.

Same Day Availability

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Deposits made into an account of the payee and made in person to one of our employees will be available on the same business day that you make your deposit. Deposits eligible for same day availability include:

1. U.S. Treasury Checks
2. Wire Transfers
3. Checks drawn on this institution
4. Cash
5. State and local government checks.

If the deposit is not made into an account of the payee and is not made in person to one of our employees, funds from these deposits will be available on the first business day after the day of your deposit.



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Next Day Availability

Deposits made into an account of the payee and made in person to one of our employees will be available on the first business day after the day of your deposit. Deposits eligible for next day availability include: cashier's, certified and teller's checks, Federal Reserve Bank checks, Federal Home Loan Bank checks, and US postal service money orders.

If the deposit is not made into an account of the payee and is not made in person to one of our employees, funds from these deposits will be available on the second business day after the day of your deposit.

\$225 Rule

The Credit Union will make available the next business day the lesser of \$225 or the aggregate of all checks deposited not already subject to next day availability. For example if you deposit a \$225 check the entire \$225 will be made available the next business day. However, if you deposit a check for \$225 and three checks for \$100 each only \$225 will be available the next day, the remaining \$300 will be available the second business day.

Second-Day Availability

All other checks types not noted above will be held on a second-day availability schedule unless the Credit Union invokes an extended hold exception as defined below. The \$225 rule will still apply as defined above to these deposits. For example if you deposit a \$700 check on Monday, \$225 will be made available on Tuesday and the remaining \$475 will be made available on Wednesday.

Case-by-Case Holds

In some instances the Credit Union makes the funds from the deposit available earlier than required under Regulation CC. The Credit Union reserves the right to extend the availability of such funds up to the time allowed under the Regulation on a case-by-case basis. If the Credit Union invokes a case-by-case hold you will be notified of the hold details including the amount of the hold and the date the hold will be released. If you were not provided with the notice of hold in accordance with this section and were charged return check fees or overdraft fees and the check you deposited was paid you may contact the Credit Union to obtain a refund. You should ask us if you need to be sure about when a particular deposit will be available for withdrawal.

Extended Hold Exceptions

In addition, funds deposited by check may be delayed for a longer period under the following circumstances:

- **Reasonable Cause to Doubt Collectability** - We believe a check you deposited will not be paid.
- **Large Deposit** - You deposited checks totaling more than \$5,525 on any one day. (Note: The first \$225 will be made available no later than the first (1st) Business Day after the day of your deposit).
- **Redeposited Checks** - You re-deposit a check that had been returned unpaid.
- **Repeated Overdrafts** - You have overdrawn your account repeatedly, or would have overdrawn your account if checks had been honored in the last six (6) months.
- **Emergencies** - There is an emergency, such as a failure of communications or computer equipment.

We will notify you at the time you make your deposit if we delay your ability to withdraw funds for any of the above reasons. We will also tell you when the funds will be available. Generally, the funds will be



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available no later than the seventh (7th) Business Day after the day of your deposit. 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 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. If you were not provided with the notice of hold in accordance with this section and were charged return check fees or overdraft fees and the check you deposited was paid you may contact the Credit Union to obtain a refund.

Special Rules for New Accounts

If you are a new member, the following special rules will apply during the first 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 \$5,525 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 first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,525 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 \$5,525 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available no later than 5 business days after the day of your deposit.

Third party Checks

Due to the increased risk to both the member and the Credit Union it is Mass Bay Credit Union's policy to not accept third party checks for deposit. However, the Credit Union reserves the right to make exceptions to this practice when the deposit is conducted in person. Third party checks will not be accepted via ATM deposit or remote deposit capture. Exceptions can be made in accordance with the third party check procedures. If an exception is made to accept a third party check the appropriate hold will be placed in accordance with Regulation CC

Foreign Items

Deposited items that are drawn on financial institutions outside the U.S., and not payable at or through a U.S. branch or correspondent financial institution, will not be made available to you until we receive notification of payment.

Wire Transfers

Funds to be sent as wire transfers may not be wired up to one business day following the day of the request.

Dividends Payment Policy

Funds deposited into a dividend bearing account will begin to accrue dividends on the day funds are deposited.