

# **Funds Availability Policy**

## **Abilene Teachers Federal Credit Union**

Effective July 1, 2020

### **ABILITY TO WITHDRAW FUNDS**

It is the general policy of Abilene Teachers Federal Credit Union (ATFCU) to make funds from a member's cash, electronic direct deposits, and most checks available on the same business day the credit union receives the deposit. Once funds are available, a member can withdraw the funds in cash, or we will use the funds to pay checks and/or clear debits. See details below about when the funds from different types of deposits can be used.

### **DETERMINING WHEN A DEPOSIT IS MADE**

For determining the availability of deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. We will consider a deposit as being made on a business day if it is made in person to one of our employees. Deposits made at one of our night depositories will be considered deposited on the next business day.

### **SAME-DAY AVAILABILITY**

The Credit Union offers same-day availability for the following funds deposited in person at teller stations.

- Federal, State and Local Government Checks; for example, U.S. Treasury checks, U.S. 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., Travelers Checks, cashier's checks, certified checks and money orders.
- On-Ups Checks, i.e., checks drawn against accounts of Abilene Teachers Federal Credit Union.
- Drafts Covered by Member's Account, i.e., situations where the member's account balance exceeds the amount of the draft.

### **STANDARD HOLDS**

- In general, for check deposits, unless otherwise stated in this policy, \$225 of a check deposit will be available the next business day after the date of deposit. The Credit Union is not required to make the \$225 available if cash back of this amount was granted or the amount was applied to a negative balance at the time of deposit.
- The Credit Union may impose second day availability (second business day following the deposit of funds) on deposits that are not made in person, for example a deposit made utilizing remote deposit capture; an Automated Teller Machine (ATM) or received in the mail.

### **RESERVATION OF THE RIGHT TO HOLD**

In some cases, we may not make all funds that a member deposits by check available on the same business day as the day of deposit. Depending upon the circumstances, funds may be held for three, seven, or ten business days after the date of deposit. However, the first \$225 of a member's deposit will be available on the first business day after the date of deposit (see example below). If we are not going to make all of the funds from a deposit available on the date of deposit, we will notify the member at the time the deposit is made. If a deposit is not made directly to one of our employees, or if we decide to take this action after the member has left the premises, we will mail the hold notice by the next business day after the date of deposit.

## **EXAMPLE – HOLDS ON CHECKS FOR \$225 and OVER**

In the instance that a hold is placed on a check or a group of checks, the first \$225 of the deposit will be available on the next business day after we receive the deposit. The remaining amount will be available for withdrawal the third business day following the date of deposit. For example, if a \$1,000 check is deposited on Monday, \$225 of the deposit is available on Tuesday. The remaining \$775 is available on Thursday unless the reasons mentioned below apply.

## **LONGER DELAYS MAY APPLY**

The availability of funds that are deposited by check may be delayed for a longer period for the following reasons:

- We have a reasonable belief a check deposited will not be paid;
- The checks total more than \$5,525 on any one day;
- A member redeposits a check that has been returned unpaid,
- A member has overdrawn his/her account repeatedly within the previous six months;
- The deposit is made by a new member whose account has been opened less than 30 days
- There is an emergency such as a natural disaster or failure of communications/computer equipment.

When a longer delay of funds is determined, we will notify a member if his/her ability to withdraw funds is delayed by us for any of these reasons, and will provide the required hold notice stating when the funds will be available.

## **NOTICE OF HOLD REQUIREMENT AND TIMELINE**

The Credit Union must provide a Hold Notice to the member at the time of the deposit. The Notice must provide:

1. A statement that the Credit Union is holding the funds.
2. The account number.
3. The date of the deposit.
4. The amount of the deposit that is being delayed.
5. The date when the funds will be available for withdrawal.
6. How to obtain a refund of returned check fees or overdraft fees if the notice is not given at the time of the deposit, and the check is paid.

If the notice is not provided at the time of deposit, no overdraft fees may be assessed if the overdraft would not have occurred except for the delay of funds availability and the check was paid. Overdraft fees may be assessed if the institution provides notice of such fees at the time the notice of delayed funds is given and is willing to refund such fees upon request by the member.

## **Special Rules for New Accounts**

The following special rules will apply during the first 30 days that a member's account is open:

- Funds from electronic direct deposits to the account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, cashiers, certified, teller's, travelers, and federal, state, and local government checks will be available on the first business day after the date of deposit.
- Funds from all other check deposits will generally be available on the seventh business day after the day of deposit. ATFCU reserves the right to place a longer hold, not to exceed thirty days, on all personal checks deposited to new accounts.

## **Mobile Check Deposit**

ATFCU has implemented mobile check deposit as a service to our qualifying members. Once approved, members who elect to use mobile check deposit will be able to scan checks from their mobile devices and electronically send their images to ATFCU for deposit.

For purposes of funds availability, mobile deposits are considered deposited at a branch of Abilene Teachers FCU. Mobile deposits confirmed as received before the close of business on a business day will be credited to your account within 24 hours of receipt. For mobile check deposits, the close of business is defined as 4:00 PM Central Time. Deposits confirmed received after the close of business, and deposits confirmed received on holidays or days that are not business days will be credited to your account within 24 hours of the following business day.

Checks deposited using the mobile check deposit service are subject to the same hold requirements detailed earlier in this policy. Please refer to the Mobile Remote Deposit Services Agreement for further details.