

**Prospera Credit Union
Funds Availability Policy**

Revised Date: 04/2020
Approved by Board Date: 04/2020
Next Scheduled Review Date: 04/2021
Owner: COO

PURPOSE:

The purpose of this policy is to ensure Prospera Credit Union is compliant with Regulation CC.

Prospera Credit Union's policy is to make funds available to our members on the first business day after the day we receive the deposit. Electronic direct deposits will be available on the day we receive the deposit. Availability includes making the funds available for cash withdrawal and using the funds to pay checks the member has written.

For determining availability of member deposits, every day is a business day, except Saturdays, Sundays and federal holidays. Deposits made after close of business or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

All ATMs that we own or operate are identified as our machines. Funds from deposits made at ATMs that we own or operate may not be available for up to two days. Funds from deposits made at ATMs that we do not own or operate may not be available until up to the fifth business day after the date of deposit.

If we cash a check for a member that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in the members account. Those funds will be available at the time funds from the check we cashed would have been available if the member had deposited it.

If we accept for deposit for a member a check that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay the availability to withdraw a corresponding amount of funds that the member has on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods have expired for the type of check that was deposited.

Foreign checks are exempt from these policies. Generally, the availability of funds for deposits of foreign checks will be delayed for the time it takes us to collect the funds from the financial institution upon which it is drawn.

DEFINITIONS:

Account: a transactional account such as a share draft or checking account

Business Day: every day except Saturdays, Sundays, and federal holidays

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Clear and conspicuous: reasonably understandable and designed to call attention to the nature and significance of the information

LONGER DELAYS MAY APPLY:

In some cases, we will not make all the funds that were deposited by check available on the first business day after the day of deposit. Depending on the type of check deposited, funds deposited into a transaction account may not be available until the second business day after the day of the deposit. The first \$225.00 of the deposit(s) into a transaction account may be available on the first business day after we receive the deposit.

Funds members deposit by check may be delayed for a longer period under the following circumstances:

- We have reasonable cause to doubt collectability.
- The checks deposited total more than \$5,525.00 in one day.
- We redeposit a check that has been returned unpaid.
- The members account has been repeatedly overdrawn in the last six months.
- There is an emergency, such as failure of communications or computer equipment.

A check(s) may be placed on hold in the savings account and all funds may not be made available until seven business days after the date of deposit, or for a reasonable amount of time longer than seven business days after the day of deposit that allows us to determine that the check will be paid and not returned or subject to a claim.

We will notify the member if we delay the ability to withdraw funds for any of these reasons, and we will tell them when the funds will be available. They will generally be available no later than the seventh business day after the day of deposit.

If we are not going to make all the funds from a member's deposit available at that time, we will inform the member at the time the deposit is made. We will also tell the member when the funds will be available. If the 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 a notice by the business day after we receive the deposit. If a member will need the funds from a deposit right away, he/she should ask us when the funds will be available.

Special Rules for New Accounts:

If a new member, the following rules will apply during the first 30 days the account is opened.

Funds from deposits of cash, wire transfers, and the first \$5,525.00 of a day's total deposits of cashier's, certified, tellers, travelers, and federal, state and government checks will be available on the 1st business day after that day of deposit if the deposit meets certain

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conditions. The excess over \$5,525.00 will be available on the 7th business day after the day of deposit. If the deposit of the check(s) listed above is not made at one of our teller lines, the first \$5,525.00 will not be available until the 2nd business day after the day of deposit with the excess over \$5,525.00 available on the 7th business day after the day of deposit.

All funds from all other check deposits will be available on the 7th business day after the day of deposit.

DISCLOSURES AND NOTICES:

Members will be provided a clear and conspicuous notice, in writing, of Prospera Credit Union's funds availability policies. This notice will be provided prior to account opening and contain all of the information as required by Regulation CC. Prospera Credit Union will post a notice in a conspicuous place at each location where deposits are accepted, a funds availability notice that describes the time periods applicable to the availability of funds. A notice will be posted at each of Prospera Credit Union's ATM locations indicating that funds deposited in the ATM may not be available for immediate withdrawal. Prospera Credit Union will send a clear and conspicuous notice to members at least 30 days in advance of a change in terms, other than a change that expedites funds availability. If the change expedites funds availability, the disclosure will be made no later than 30 days after the implementation of the change.

LARGE RETURN ITEMS:

The regulation requires that in the event we elect to return a check that is for more than \$2,525.00 we must notify the depository bank by 4:00 p.m. on the second business day following the day the check was presented to the paying bank.

RESPONSIBILITIES:

Any employee that handles member deposits has the authority to place a check on hold according to the requirements of Regulation CC and our internal check hold guidelines. When an employee decides to place a check on hold, that employee will fill out the required paperwork notifying the member of when the funds will be available.

TRAINING:

All required employees will receive training as a part of their new employee orientation.