

## FUNDS AVAILABILITY POLICY DISCLOSURE

The following information describes Groton Municipal Employees Federal Credit Union's policy of making funds deposited in a Share Account (also known as a "transaction account"). The Credit Union reserves the right to delay the availability of funds deposited into accounts that are not transactional accounts for periods longer than those described in this policy. This is what is called a Funds Availability Policy. Generally, transaction accounts are accounts, which would permit an unlimited number of payments by check or other order to third persons, and also an unlimited number of telephone and preauthorized transfers to third persons, or other accounts you may have with us.

**Your Ability to Withdraw Funds.** Our policy is to make available funds from your cash and check deposits on the first business day after we receive them. 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.

**Same-Day Availability.** Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written. The following deposits will also be available on the same day that we receive the deposit: (1) U.S. Treasury checks that are made payable to you; (2) Wire transfers; (3) Checks drawn on Groton Municipal Employees Federal Credit Union.

**Same-Day Availability for Certain Deposits Made in Person.** Funds from the following deposits are availability on the same business day that we receive your deposit, if you made the deposit in person to one of your employees: (1) Cash; (2) State and local government checks that are payable to you; (3) Cashier's check, Certified checks and teller's checks that are payable to you; (3) Federal Reserve Bank checks, Federal Home Loan Bank checks, and postal money orders, if these items are payable to you.

If you do not make these your deposit in person to one of our employees, for example, if you mail it, the funds from these deposits will be available on the second business day after we receive the deposit.

**Determining Availability of Deposits.** For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit after 4:00 p.m. or on a day we are not open, we will consider that the deposit was made on the next business day we are open. Our hours of operation and closing times are available from the credit union and posted in the credit union lobby.

Please be aware, however, that all deposits are subject to proof and verification and if you deposit a check, draft or other non-cash item, which is returned for non-payment for any reason, you authorize us to charge your account for the amount of those funds and we may charge your account without providing prior notice.

**Reservation of Right to Hold.** There may be delayed availability of funds from some checks that are deposited into your accounts. Your deposits may be made available immediately by the Credit Union, however, in some cases, we will not make all of the funds that you deposit by check available to you on the next business day after we receive the deposit. Nonetheless, the first \$200.00 will be made on the day of your deposit. If all of your deposit is not made available on the next business day, the funds may not be available until the fifth business day after the date of your deposit. If we are not going to make all of the funds from your deposit available on the next business day, we will notify you at the time you make your deposit. We will also let you know 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. During any delay, you may not withdraw the funds in cash and Groton Municipal Employees Federal Credit Union will not use the funds to pay checks that you have written. The length of delay is counted in business days from the day of your deposit, including every day except Saturdays, Sundays and observed holidays. A deposit is considered received when it is accepted at one of our branch offices with all appropriate endorsements. A deposit accepted while our data processing system is not online will be considered received when the transaction is posted in the Groton Municipal Employees Federal Credit Union records.

**Longer Delays May Apply.** In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit and those funds may not be available until the ninth 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 first business day after the deposit, 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 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.

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

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of computer or communications equipment.
- Your deposits are drawn on foreign financial institutions or foreign entities.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the ninth business day after the day of your deposit. We reserve the right to refuse any item for deposit.

**Deposits in Non-transaction Accounts.** Regulation CC does not apply to non-transaction or savings deposits; therefore, there is no maximum time frame within which the proceeds of savings deposits must be made available for withdrawal. Our general policy for check holds on non-transaction accounts is to follow the same guidelines used for transaction accounts, although we reserve the right to impose longer holds if deemed necessary. We will notify you if we delay your ability to withdraw funds for any reason, and we will tell you when the funds will be available.

**Holds on Other Funds (Check Cashing).** If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available had you deposited it.

**Holds on Other Funds (Other Account).** If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately, but delay your ability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

**Check Endorsements.** Federal law requires a proper endorsement on checks to be placed on the back left side of the check within a 1 & ½ inch area. If you fail to properly endorse a check, further delays in processing will be incurred or, the check may be rejected for deposit.

**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 an electronic direct deposit to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers and the first \$5,000 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 deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The amount of the deposit in excess of \$5,000 shall be available for withdrawal not later than the ninth business day following the banking day on which funds are deposited. Further delays may apply to checks drawn on foreign entities.

**Large deposits.** The availability of funds provisions in this disclosure do not apply to the aggregate amount of deposits by one or more checks to the extent that the aggregate amount is in excess of \$5,000 on any one business day. For customers that have multiple accounts at the credit union, the credit union may apply this exception to the aggregate deposits to all accounts held by the member, even if the member is not the sole holder of the accounts and not all of the holders of the accounts are the same.

**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 Disclosure. 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 institutions upon which it is drawn.

**Questions.** In case you have any questions regarding our Funds Availability Policy, please contact us at: **Groton Municipal Employees Federal Credit Union, P.O. Box 851, Groton, CT 06340. If you phone us, you MUST call at: (860) 446-4121.**