

## **LAREDO FEDERAL CREDIT UNION FUNDS AVAILABILITY POLICY**

***IMPORTANT NOTICE:*** *The following Funds Availability Policy applies only to deposits into Laredo Federal Credit Union Checking Accounts. Although we will generally apply this policy to other Accounts, such as Savings and Money Market Accounts, in some cases we may delay the availability of funds deposited into other Accounts for longer periods than as described below. Please ask a member services representative if you should have any questions about the availability of funds deposited into any of your Accounts.*

### **YOUR ABILITY TO WITHDRAW FUNDS**

Our policy is to delay the availability of funds from your cash and check deposits. During the delay, you may not withdraw the funds in cash and we will not use the funds to pay checks and other payment transactions that you have authorized.

Once funds are made available, you can withdraw the funds in cash and we will use the funds to pay checks and other payment transactions that you have authorized. Deposits received at unstaffed facilities such as night depositories will be credited on the day funds are removed and processed by the Credit Union.

Please remember that even after we have made funds available to you and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

If you have any questions, be sure to ask us.

#### **Determining the Availability of a Deposit**

The length of the delay is counted in business days from the day of your deposit. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before closing on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after closing or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

The length of the delay varies depending 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.

#### **Next-Day Availability**

Funds from the following deposits are available on the first business day after the day of your deposit:

- U.S. Treasury checks that are payable to you.
- Wire transfers
- Checks drawn on Laredo Federal Credit Union

If you make the deposit in person to one of our employees, funds from the following deposits are also available on the first business day after the day of your deposit:

- Cash
- State and local government checks that are payable to you.
- Cashier's certified, and teller's checks that are payable to you.
- Federal Reserve Bank checks, Federal Home Loan Bank checks, and postal money orders, if those items are payable to you.

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

### **Other Check Deposits**

For all other check deposits, the first \$225 of your deposit will be available on the first business day after the day of your deposit, and the remaining funds will generally be available on the second business day after the day of your deposit. In some cases, withdrawals in cash from check deposits described in this paragraph may not be available until the third business day after the day of your deposit. See the Cash Withdrawal Limitation paragraph below for more information.

### **Cash Withdrawal Limitation**

We place certain limitations on withdrawals in cash. The phrase “withdrawals in cash” includes, without limitation, cash withdrawals, an electronic payment, issuance of a cashier’s or teller’s check, and any other irrevocable commitment to pay. In general, and as described in the previous paragraph, \$225 of a deposit is available for withdrawals in cash on the first business day after the day of the deposit. An additional \$450 of the deposit is available for withdrawals in cash at 5:00 p.m. on the second business day. Any remaining funds from the deposit will be available for withdrawals in cash on the third business day.

### **Longer Delays May Apply**

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 \$5,525 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.

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 seventh business day after the day of your deposit.

Foreign checks payable in U.S. or foreign currency and drawn on or payable through depository institutions outside the United States are accepted for collection only and are not subject to this Funds Availability Policy. We generally receive funds for foreign checks taken for collection within three to six weeks. We will notify you when the funds for a foreign check taken for collection have been received and deposited to your Account.

### **Holds on Other Funds**

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 if you had deposited it.

If we accept a check for deposit that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability 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.

### **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 into 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 (and you may have to use a special deposit slip). 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 on the ninth business day after the day of your deposit.