

**Oakdale Credit Union**  
**Funds Availability Change Notice Effective: July 1, 2020**  
**\*\*Changes are highlighted for your convenience\*\***

**YOUR ABILITY TO WITHDRAW FUNDS**  
**Expedited Funds Availability**

Our policy for share draft accounts is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. [Deposits of cash, wire transfers, and] Electronic direct deposits will be available on the day we receive the deposit. However, if we do not receive the information necessary to process an electronic deposit before the day we receive the funds, then the funds will be available on the first business day after we receive the funds and the information.] Once the funds are available, you can withdraw them in cash and we will use them to pay checks that you have written. This disclosure describes our policy for holds on your checking account. Our policy for holds on other accounts may vary.

Please remember that even after funds are made available to you, and you have withdrawn funds, you are still responsible for the checks you have deposited that are returned to us unpaid and for any other problems involving your deposit.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 3:00 p.m. 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 3:00 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.

**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. Depending on the type of check that you deposit, funds may not be available until the 2<sup>nd</sup> business day after the day of your deposit. The first \$200 (\$225 as of July 1, 2020) of your deposits, however, may be available on the first business day.

If we are not going to make all of the funds from your deposit available on the first business day, 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 (\$5,525 as of July 1, 2020) 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 7<sup>th</sup> business day after the day of your deposit.

Regulation CC states that the “reasonable cause to believe a check is uncollectible requires the existence of facts that would cause a well-grounded belief in the mind of a reasonable person. Such belief shall not be based on the fact that the check is of a particular class.” The FDIC has warned financials that they “must have information about the specific cashier’s check or the issuing bank in order to doubt collectability and cannot automatically doubt the collectability of all cashiers’ checks as a class.”

For example, reasonable cause may include communication with the paying bank indicating that:

- There has been a stop payment placed on the check;
- There are insufficient funds in the drawer's account to cover the check; or
- The check will be returned unpaid.

The “reasonable cause” exception may also be invoked in cases where:

- The check is deposited six months after the date of the check (stale date);
- The check is postdated (future date);
- The depository bank believes that the depositor may be engaged in check kiting.

If Oakdale Credit Union asserts that the hold was placed due to confidential information, Oakdale Credit Union must note the reason on the notice it retains as a record of compliance. We must maintain a record of each exception notice for a period of two years. This record should contain a brief description of the facts, or any documents, supporting the “reasonable cause” exception.

**(over)**

## Special Rules for New Accounts

If you are a new customer, 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 \$5,000 (\$5,525 as of July 1, 2020) of a day's total deposits of cashier's, certified, teller's, travelers, 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 \$5,000 (\$5,525 as of July 1, 2020) will be available on the 9<sup>th</sup> 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 \$5,000 (\$5,525 as of July 1, 2020) will not be available until the 2nd business day after the day of your deposit.
- Funds from all other check deposits will be available on the 9<sup>th</sup> business day after the day of your deposit.

## 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 if you had 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.

## Deposits at Automated Teller Machines

Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we do not own or operate will not be available until the 5<sup>th</sup> business day after day of your deposit. This rule does not apply at ATMs that we own or operate.

Our ATM locations are at the Main Oakdale office, Mauston office, and at Volk Field. At this time our ATMs are non-depository ATMs.

## DEMAND DRAFTS

A demand draft (also known as a "remotely created check,") is an instrument like a check that is created by a third party (often a merchant). It has account and routing information, but it does not bear the account holder's signature. Instead, it has a statement such as "No signature required" or "Authorization on file," meaning the third party that created the demand draft claims to be acting under the account holder's authorization.

### Under the Federal Reserve's Reg. CC:

Liability for unauthorized demand drafts falls on the financial institution where the check is first cashed or deposited. Oakdale Credit Union will not accept any Demand Drafts over the counter. We will continue to process these drafts through ACH but with discretion on the ACH Operators part.

## Foreign Checks

Those that are **not drawn** on a US institution.

Foreign checks are **not subject** to Regulation CC (Funds Availability) for hold periods. If Oakdale Credit Union decides to take a foreign check it will be for "collection" only by giving the member a receipt and a copy of the item. OCU will not deposit checks into an account. Checks will get mailed into US Bank for special processing. OCU will notify the member (typically within ten days) the amount of proper credit received from the corresponding financial and deposit those funds into the members account.