

SOVITA CREDIT UNION

FUNDS AVAILABILITY DISCLOSURE

This Disclosure describes your ability to withdraw funds from a transaction account (ie. Share Draft Checking) at Sovita Credit Union.

1. Your Ability to Withdraw Funds

Our policy is to make funds from your cash and check deposits available to you not later than the first business day after the day we receive your deposit. 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.

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 6:00 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 6:00 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.

2. 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 second business day after the day of your deposit. However, the first \$200.00 of your deposits will 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 \$5,000.00 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 communications or computer 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 fifth business day after the day of your deposit.

3. Foreign Checks

Checks drawn on financial institutions located outside the United States (foreign checks) cannot be processed the same as checks drawn on United States 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 institution upon which it is drawn.

Check Endorsement Requirements (Regulation CC)

To implement the Funds Availability Act adopted by Congress, the Federal Reserve Board adopted Regulation CC, effective September 1, 1988. This regulation includes rules to expedite the collection and return of checks. It specifies standards for the location and information to be found in endorsements (to improve readability thus quickening the process.) These rules apply to all parties involved in the check-clearing process: depository, collecting and/or returning banks, and to you as payee.

Your endorsement (as payee on a check) should be found within the area 1 1/2 inches from the trailing edge of the check. (See diagram below.) Other areas are specified for the endorsements of depository, collecting and/or returning financial institutions.

You must endorse the check within the specified area to avoid interfering with the readability of an endorsement required later. Under certain circumstances, you could be liable if a check is returned late due to the unreadability of another endorsement.

If you have further questions regarding endorsements, please call us or ask your teller for assistance prior to endorsing the check(s).

