

Funds Availability Policy

Disclosure

This policy describes your ability to withdraw funds from deposits to any of your accounts at Houghton Mifflin Harcourt Employees Federal Credit Union.

General Policy: Our policy is to make funds from your deposits available to you on the next business day that 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 2:00 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 2:00 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.

Reservation of Right to Hold: In some cases, we will not make all the funds that you deposit by check available to you on the next business day that we receive your deposit.

All checks will be considered Local: The first \$100 from a deposit of local checks will be available on the first day after the day of your deposit. The remaining funds will be available on the second business day following the day of your deposit. For example, if you deposit a local check in the sum of \$700 on a Monday, \$100 of the deposit is available on Tuesday. The remaining \$600 is available on Wednesday.

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 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 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.

Longer Delays May Apply: We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:

We believe a check you deposit will not be paid.

You deposit checks totaling more than \$5,000 on any one day.

You deposit 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 eleventh business day after the day of your last 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 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 next business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000 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 \$5,000 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.

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 they are drawn.