

INCLUDES: CHECK 21 (SUBSTITUTE CHECKS) Disclosure

1. Your Ability to Withdraw Funds.

This policy statement applies to “transaction” accounts. Transaction accounts, in general, are accounts that permit an unlimited number of payments to third persons and an unlimited number of telephone and preauthorized transfers to other accounts of yours with us. Checking accounts are the most common transaction accounts.

CFCU's policy is to make funds from your cash and check deposits available to you on the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit.

If you need the funds from the deposit right away, you should ask us when the funds will be available. Based on your account relationships with CFCU, you may qualify for immediate access to your deposits. Account that may be considered include:

- Monthly Direct Deposit
- Average Deposit Account Balances
- CFCU Loan
- Checking Account Activity

All deposits, including those by ATM, are subject to verification and longer delays may apply. Accounts with negative account balances, returned checks or other derogatory activity may not qualify for immediate access to funds.

2. Determining the Availability of a Deposit

The length of the delay is counted in business days from the day of your deposit. Every day is a business day except Saturdays, Sundays and Federal holidays. If you make a deposit 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 on a day we are not open through the Night Depository, we will consider that the deposit was made on the next business day. If you make a deposit before 3 p.m. at an ATM 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 p.m. at an ATM 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.

When determining availability of a deposit, check deposit amounts for all your accounts are aggregated on any one business day.

If we are not going to make all of the funds from your deposit available on day of your 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.

3. Longer Delays May Apply

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 deposit a check that has been returned unpaid
- Your account is repeatedly overdrawn during 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 7th business day after the day of your deposit.

4. Large Deposit Exceptions in Excess of \$5,000

An extended hold applies to the amount in excess of \$5,000. The first \$200 will be available on the day of the deposit. \$4,800 would be available on the 2nd business day following the day of deposit, and any excess above \$5000 will be available on the 7th business day following the day of deposit.

5. 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 2nd business day after the day of your deposit.

Funds from check deposits made at automated teller machines (ATMs) we own or operate will be available on the 2nd business day after the day of deposit. Funds from cash deposits made at (ATMs) we own or operate will be available on the first business day after the day of deposit. All ATMs we own or operate are identified as our machines.

6. 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 and wire transfers to your account will be available on the day we receive the deposit. Funds from deposits of cash 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 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 7th 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 7th business day after the day of your deposit.

7. Holds on Other Funds for 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 or funds that you have on deposit in another account with us. Those funds will be available at the time funds from that check we cashed would have been available if you had deposited it. Check cashing requires corresponding funds availability in any account type or certificate held by the member. A hold may be made at the discretion of branch management.

8. Foreign Checks

Checks drawn on financial institutions located outside the United States (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.

A fee will be assessed in accordance with the current credit union Fee Neutralization Schedule.

The credit union has no influence or responsibility for fees or surcharges imposed by other financial institutions involved in the collection of foreign items.

9. Holds Due to Signature-based MasterCard Debit Check Card Transactions

When a MasterCard® Debit Check Card transaction has been approved and signed at a merchant location, CFCU will withhold the availability of the corresponding amount of funds on deposit in the checking account to cover that transaction. This hold will remain in place until the transaction is posted to the checking account, generally within three business days. Transactions requiring a Personal Identification Number (PIN) normally post immediately.

10. Shared Branching

With respect to items deposited at shared branch locations (meaning branches of credit unions other than CFCU that accept deposits of CFCU members through their participation in the FSCC shared branch network), funds will be available as stated above with the addition of the following exceptions:

- Your Ability to Withdraw Funds – Our policy is to delay the availability of funds from non-cash deposits that are accepted at a shared branch location. 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 or other withdrawals you have authorized.
- Foreign checks will not be accepted at a shared branch.
- Shared Branch Transaction Limits – Aggregate daily withdrawals from all sub accounts are limited to the following amount: Cash limit is \$500.

Check 21 (Substitute Check) Disclosure

What is a substitute check?

To make check processing faster, federal law permits banks to replace original checks with “substitute checks.” These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: “This is a legal copy of your check. You can use it the same way you would use the original check.”

You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

What are my rights regarding substitute checks?

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500 of your refund (plus interest if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

How do I make a claim for a refund?

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us by telephone at 707/546-6000 or 800/890-3540, or write to:

Community First Credit Union
PO Box 6004
Santa Rosa, CA 95406

You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include —

1. A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
2. An estimate of the amount of your loss;
3. An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
4. A copy of the substitute check
5. The following information to help us identify the substitute check:
 - Identifying information, for example the check number;
 - The name of the person to whom you wrote the check;
 - The amount of the check.