

MassMutual Federal Credit Union (“MMFCU”) Check Hold Policy

Purpose

The purpose of this policy is to ensure that the MMFCU has appropriate controls to prevent fraud and loss when cashing and depositing checks for members.

Policy

MassMutual Federal Credit Union may delay the availability of checks deposited until the second business day after the day of a member’s deposit.

Checks deposited may be held for a period of four business days available on the 5th business day after the date of deposit for the following reasons:

- Our fraud monitoring system recommends an extended hold period for suspicious activity.
- Check deposit amounts are in excess of the Regulation CC deposit availability rule on any one (1) day.
- The check is being redeposited at MMFCU.
- A member has overdrawn their account repeatedly in the last 6 months.
- A member is depositing a check that was written to a third party and signed over to them.
- The amount of a U.S. Treasury or State Treasury check in excess of the Regulation CC deposit availability rule.
- The account the check is being deposited into is less than 30 days old.

MMFCU may hold a check for up to ten business days if we have a reasonable belief that a check is not collectible or if a check is fraudulent.

In all cases the minimum amount required by Regulation CC will be made available the following business day of deposit unless there is a reasonable belief by MMFCU that the check is fraudulent.

Tellers are responsible for monitoring MMFCU’s automated check fraud system and applying holds to checks when the system recommends a hold. Tellers should place a hold of two business days after the initial deposit day on a check when the system recommends a hold. Tellers should place a hold of five business days when the system recommends an extended hold. If the system recommends a denial of the check, tellers should contact Compliance for further review and should place a hold of ten business days on the deposit. A teller may use their best judgment to accept a check without placing a hold based on a member relationship and other risk factors.

This policy does not apply to check deposits made through Mobile Deposit.

Drafted: April 4, 2025

Approved by the Board: