

## **What is Regulation D (Reg D)?**

Reg D is a federal regulation that limits the number and type of withdrawals from a Savings or Money Market Account to six per month, per account.

This rule was put in place by the federal government to help regulate monetary policy and to regulate the level of reserves a financial institution maintains. The required reserve amount for each financial institution is based on the balances it has in its transactional accounts, such as Checking or NOW Accounts.

A financial institution reserves funds in a non-interest-bearing account at the federal reserve bank. This ensures that there's always enough cash on hand to meet the demand of funds that go in and out of checking and NOW accounts each day.

Here's what it means to you and some suggestions on how to avoid fees or blocked accounts that may come from exceeding the monthly transfer limit.

### **LIMITED TRANSACTIONS**

Any combination of the following transactions count towards the six (6) transfer limit per calendar month.

Any transfer from the share savings or money market accounts to any other EUCCU account that is made through any of the following services:

- Online and Mobile Banking
- Telephone Banking
- Overdraft transfer from shares to checking
- Transfers over the phone
- Automatic withdrawals or deposits (ACH)
- Wires

After the six (6) allowable transactions have been reached for the month, future transfers will be charged a Reg D fee of \$20, online transfer access will be blocked and ACH items may be returned.

### **UNLIMITED TRANSACTIONS**

The following transactions are not limited by Regulation D.

- Cash machine (ATM) withdrawals and transfers
- Transfer requests made in person
- Transfer requests received by mail
- Transfers from Line of Credit to checking (overdraft protection)
- Transfers from checking to other accounts
- EUCCU loan or Visa payments
- Written requests deposited into the Night Drop

### **HELPFUL SUGGESTIONS**

- Set up preauthorized automatic withdrawals from your checking account, which has unlimited withdrawal limits.
- Set up a EUCCU Line of Credit for overdraft protection. Transfers from your Line of Credit are unlimited.

For more information, please contact an EUCCU representative at 435-637-2443.