



Providing First Class Service since 1925

## Regulation D

### What is Regulation D, or Reg D?

To control the supply of money available in the U.S. and financial institutions' reserve requirements, the Federal Reserve Board created Reg D and account classifications. This is a Federal Regulation that affects all financial institutions.

### How does Reg D apply to me?

Reg D regulates savings accounts (including You-Name-It Savings and Holiday Clubs) and Money Market Deposit Accounts. The basic rule states that a depositor may make no more than six "covered" transfers or withdrawals from the account in a calendar month or statement cycle. There is no limit on "non-covered" transfers or withdrawals.

### What are "covered" and "non-covered" transactions?

| Covered<br>(Counts toward the Reg D limit of six)   | Non-covered<br>(Does not count toward the Reg D limit of six)  |
|---|--|
| <ul style="list-style-type: none"><li>· Preauthorized transfer (either to another account or to First Class Community Credit Union)</li><li>· Automatic transfer</li><li>· Online transfer</li><li>· Telephone transfer</li></ul> | <ul style="list-style-type: none"><li>· Transfers for loan payments at First Class Community Credit Union</li><li>· Transfer or withdrawals made to another of your own accounts or made payable to you if made by:<ul style="list-style-type: none"><li>· ATM</li><li>· In person</li></ul></li></ul> |

### What happens if I reach the limit of six?

If you are using this account for overdraft protection on your checking account, the transaction will be rejected, the check returned as NSF (non-sufficient funds) and you may be subject to a NSF fee (\$25) plus any fees charged by whomever the check was written on. Even if you have the funds available in your deposit account, once the withdrawal limit of six is reached, no more of the covered withdrawals can be made until the next month.

### What can I do if I have to have money from the account?

You are free to make withdrawals via any of the non-covered methods; however automatic overdraft protection cannot occur. If you are eligible for First Class Community Credit Union's Courtesy Pay program, we may cover your additional checks up to the \$500 limit, but you will still incur the \$25 transaction fee for each check.

If you have any additional questions or concerns, please ask at your local branch, or call our member center at 800.392.7122 or 515.224.4300.