

Tips to avoid Regulation D Excessive Withdrawals

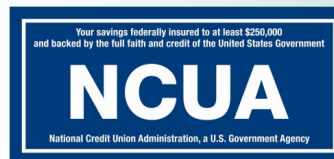
- Direct Deposit payroll directly into checking account. Unlimited withdrawals may be made from checking accounts.
- Direct ACH and preauthorized debits to be deducted from a checking account instead of a savings account.
- Make one big transfer from savings instead of several small transfers.
- Make withdrawals and transfers by using the Unlimited allowances listed on chart included.*
- Apply for an Ozark Federal Credit Union Line of Credit. Line of Credit transfers DO NOT count as Reg. D transfers.
- Apply for an Ozark Federal Credit Union Debit Card. Unlimited debit card withdrawals and transfers may be made at ATMs.

****Additional fees may apply. See Credit Union Fee Schedule for additional fees. Foreign ATMs may charge a fee for transfers even if money is not withdrawn.**



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Understanding Regulation D



What is Regulation D?

Reserve Requirements for Depository Institutions (12 C.F.R. 204, **Regulation D**) is a Federal Reserve Board **regulation** that limits the number of preauthorized withdrawals and transfers from a savings account or money market account. The **regulation** applies to all United States banking institutions offering such accounts.

When was Regulation D passed?

This 6 withdrawal limitation is part of the Federal Reserve's Regulation D requirements, commonly called "Reg. D". Reg. D was enacted as part of the Securities Act of **1933** in the aftermath of the 1929 stock market crash and was part of the New Deal.

Transaction Accounts

Regulation D defines transaction accounts as those accounts that allow unlimited third-party transfers and do not impose early withdrawal penalties [§204.2(e)]. **Share draft accounts,**

checking accounts, demand deposit accounts, automatic transfer service accounts, and telephone transfer accounts are all transaction accounts. Any time deposit or savings account that fails to meet the Regulation D definitions will be classified as transaction accounts and be subject to reserving.

RESTRICTIONS NECESSARY ON TRANSFERS OR WITHDRAWALS FROM CREDIT UNION SAVINGS ACCOUNTS TO KEEP THE ACCOUNTS FROM BEING CLASSIFIED AS TRANSACTION ACCOUNTS		
<p>*Unlimited <i>withdrawals</i> permitted when:</p> <ul style="list-style-type: none"> Made in person Made by messenger Made by a letter request considered the functional equivalent of the member coming into the credit union) Made by telephone, fax or PC, if a check payable to the member is mailed to the member Made using an ATM 	<p>*Unlimited <i>transfers</i> permitted when:</p> <ul style="list-style-type: none"> Made between the accounts of the same member AND made in person, by messenger, by mail or at an ATM Made by the member to pay a loan the member has with the credit union 	<p>Up to six <i>withdrawals or transfers</i> permitted per month – when:</p> <ul style="list-style-type: none"> Made by telephone, fax, or personal computer and payable to a third party Made by telephone, fax or PC to another account of the member at the credit union Made by preauthorized, automatic or bill-payment arrangement for transfer to the member's other account(s) at the credit union or to a third party

Automatic transfers from savings to checking for overdraft protection DO COUNT as a Reg. D transaction.

The automatic transfer will NOT occur if the Reg. D transaction limitations have been met. That means that the item will be returned for non-sufficient funds and will incur a NSF fee per item.