

Regulation D: Savings Account Transaction Limitations

Federal regulations require credit unions, as well as banks, to limit the way withdrawals may be made from a savings/money market account. Withdrawals in excess of these limits may result in a fee or account closure. Regulation D, limits you to make no more than six (6) withdrawals or transfers from each savings and money market account during a calendar month. Your checking account is excluded from this regulation.

What accounts does it affect and how?

Savings/Money Market Accounts: During any month, you may not make more than six withdrawals or transfers to another account of yours or to a third party. These transactions include withdrawals or transfers to another account of yours, online banking transfers, overdraft protection transfers, transfers done over the phone with our Member Service representatives, and ACH withdrawals.

To help you understand these Reg. D savings account transaction limitations, and to avoid excess activity charges, please review the following information:

Limited Transactions:

- ACH withdrawals
- Automatic transfers to another deposit account at Valley Oak Credit Union
- Automatic transfers to a third party or another institution
- Telephone transfers, including those initiated by phone call, fax or e-mail through Member Service Rep
- Online banking transfers

Non-Limited Transactions:

- Deposits
- ATM cash withdrawals and transfers (subject to the daily amount limits and sufficient available funds)
- Withdrawals made in person
- Transfers made in person at Valley Oak Credit Union
- Automatic transfers to repay your Valley Oak Credit Union loan

In order to ensure that no more than the permitted numbers of withdrawals or transfers are made, the Regulation requires that depository institutions take steps to prevent excessive transactions.

Excessive Transactions: Withdrawals or transfers by mail, in person at one of our branches, and through an ATM are unlimited and are not subject to the Regulation D 6-transfer withdrawal limitation. Transfers/withdrawals in excess of the 6-transfer/withdrawal limitations as described above may be subject to an excessive transaction fee.

For members who continue to violate those limits after they have been contacted by the Credit Union, the Regulation requires that either the account be closed or that the funds be transferred to a transaction account that the depositor is eligible to maintain.



Tips to Avoid Regulation D Limits on Savings & Money Market Accounts:

- Have your Direct Deposit sent to your checking account, which is not subject to Regulation D. You can make unlimited transactions from your checking account.
- Arrange all ACH withdrawals and pre-authorized debits to come out of your checking account instead of your savings or money market account.
- Plan ahead and make one large transfer from your savings or money market account instead of several small transfers.
- Use ATMs or perform your transfers in person from your savings or money market account.