

# Chiphone Federal Credit Union

How REG D affects your Chiphone account(s).

## REG D

### Federal Regulation D and Its Effect on Your Deposit Accounts

Regulation D impacts the number of transactions Chiphone Federal Credit Union may allow on your deposit accounts (including Savings, Club, Trust and Money Market Accounts). This regulation was implemented by the Board of Governors of the Federal Reserve System, whose job is to ensure that financial institutions maintain adequate reserves for the funds they have on deposit.

Regulation D affects you by limiting certain withdrawals and transfers that may be made from your Share Savings, Club, Trust and Money Market Accounts. **The following transactions (or any combination thereof) are limited to six (6) per month:**

1. Overdraft agreements where money is automatically withdrawn from a share account to cover overdrafts in any of your other Chiphone Federal Credit Union accounts.
2. CU\*Talk, telephone banking transfers or other telephone transfers from a share account to other accounts or third parties.
3. It'sMe247 online banking transfers from a share account to other accounts or third parties.
4. Preauthorized, automatic transfers (ACH) made at a predetermined time to third parties or to your other accounts, of which up to six (6) may be made by check, debit card (if applicable) or similar order to a third party.

**There is no limit on the frequency or dollar amount of transfers for the purpose of repaying loans and associated expenses where the loan has been made to you by the Credit Union or is serviced by the Credit Union.**

And, there are no limitations to the number of transactions that you handle on any account in person, by mail or through an ATM. You should know that Chiphone Federal Credit Union may refuse any transactions that are not in compliance with Regulation D (checks may be returned and fees applied).

To ensure your Share/Savings Account is in compliant, a **\$5.00 Over REG D Fee** will apply to each withdrawal/transfer over the limit of six (6), effective November 1, 2015.

### **FEDERAL RESERVE REGULATION D IS A DIRECTIVE OF THE GOVERNMENT, NOT OF CHIPHONE.**

**Tips to avoid exceeding account limitations:** Consider using your checking account to pay regular bills. Choose to have your Direct Deposit/Payroll Deduction deposited to your checking. Do not authorize merchants to automatically withdraw funds unless they transfer from checking. Plan your budget and transactions in order to make withdrawals or transfers to cover your bills per month. Non-interest bearing checking/draft accounts are not subject to REG D limitations. Overdraft lines-of-credit are not affected by REG D and may allow unlimited overdrafts to take place each month. Use online banking to keep track of your balances and monthly withdrawals.