



# FEDERAL CREDIT UNION

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## Federal Regulation D & How it Effects Your Accounts

Regulation D impacts the number of transfers G.A.P. Federal Credit Union may allow on your deposit (savings) accounts. The 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.

This is of particular importance to those members who use their Savings account as Overdraft Protection.

### Regulation D FAQs:

#### 1. What is Regulation D?

Federal Regulation D places a monthly limit on the number of transfers you may make from your Savings Accounts without your physical presence being required. Transfers affected by this regulation therefore include:

- **Transfers made using GAP Access (online banking)**
- **Overdraft Transfers (made automatically to cover insufficient funds in other accounts (see below))**
- **Transfers made by a Member Service Representative on your behalf when you are not present at that time of transfer**
- **Pre-authorized, automatic, scheduled, or reoccurring transfers**

*You are allowed six such transfers per month.*

#### 2. What transactions are NOT affected by Regulation D?

- ATM Transactions
- Transfers made to G.A.P. FCU Loans
- Transactions done in person at a branch location
- Transactions sent in by mail or Night Drop with an original signature
- G.A.P. FCU BillPay Plus (which uses funds from your checking account)

- 3. What are my options once an account has reached its Regulation D Limit?**
- You may complete withdrawals and transfers in person, by mail, or at an ATM.
- 4. If an Account used for Overdraft Protection has reached its Regulation D Limit, will overdraft requests be honored?**
- Yes, if the Overdraft Protection account is a Savings Account. You will receive a notice by mail and incur an over the limit charge for every overdraft beyond you monthly limit. However, if the Overdraft Protection account is a Line-of-Credit Loan (which is not affected by Regulation D) the overdraft will complete normally.
- 5. I have authorized a merchant to automatically withdraw payments from my Savings Account; do they count against my monthly limit?**
- Yes. These payments (which might be “ACH” or “EFT” transactions) follow Regulation D limitations. Any withdrawals attempted beyond your monthly limit will be honored but a fee of \$10.00 per item will be charged to your account monthly. To avoid this situation, make automatic payments using something other than a savings account, such as a checking account. Contact the merchant to arrange this change, and be aware that your request could take more than a month to go into effect.
  - Alternatively, consider using G.A.P. FCU BillPay\* Plus to automatically send payments to the merchant, rather than authorizing the merchant to automatically withdraw payments.
  - Must have a Checking Account to utilize BillPay. BillPay has a fee of \$3 per month for unlimited use. Those who have their net check direct deposited into their G.A.P. FCU account, receives BillPay for **FREE**.

***Regulation D is a directive of The Federal Reserve, not of G.A.P. Federal Credit Union.***