

# What is Regulation D? It's the Law!

Regulation D is a federal law that limits the number of transfers and withdrawals that can be performed every month from a savings account. This law allows you to conduct up to six (6) withdrawals from a savings account per month. The credit union is required to charge a fee on these accounts when withdrawals go beyond the six (6) per month.

Under Regulation D, a member may have **no more than six (6)** of these withdrawals from savings per month:

- Transfers using Online Banking
- Auto-transfers to other Savings accounts, like Christmas Club, Special Savings, etc.
- Overdraft Protection transfers
- Withdrawals or transfers requested by phone
- Withdrawals by ACH, such as automatically paying your cable bill, gas bill, etc.

Listed below are the types of withdrawals and transfers from savings that are **unlimited**:

- Transfers to pay a Minnequa Works Credit Union loan
- Withdrawals or transfers in person
- Withdrawals at an ATM

## **FREQUENTLY ASKED QUESTIONS**

### **Why Should I Care About Regulation D?**

Regulation D allows unlimited deposits, but you can only make six (6) total electronic transactions or withdrawals per month. If your bills automatically get paid out of your savings account, they may not get paid. If you have automatic transfers to club accounts or other accounts, they may not happen. It means you may be very, very unhappy because you've exceeded your six (6) transactions.

### **What types of accounts are impacted by Regulation D?**

All interest bearing accounts, such as savings accounts, money market accounts, and certificates of deposit (CD).

### **Am I limited to a total of 6 transactions for all my deposit accounts combined?**

You are allowed up to six Regulation D transactions per month for EACH of your deposit accounts. Example: If you have three savings accounts, each savings account can have up to six transactions per month.

**What happens if I exceed my limit?**

Savings accounts, which also include Certificates and Money Market Accounts, are not classified as “transaction” accounts and have limited transaction allowances. Regulation D allows for 6 transfers/withdrawals per statement cycle or month. For members who exceed six (6) transfers/withdrawals within that timeframe, a \$2.00 fee per transaction will be imposed. For members who exceed six (6) transactions on Online Banking, it will not allow you to pay a fee and no other transactions can occur online within that timeframe.

**What happens if I continually exceed the transaction limit?**

Minnequa Works Credit Union is required to limit transactions within savings accounts. Consecutive overuse of a savings account may result in limitations to withdrawal/transfer capability from the savings account, automatic conversion to a transaction account, or account closure.

**What Can I Do To Comply With Reg D?**

- Choose transactions that are not limited by the law. Locate a Minnequa Works Credit Union branch, Shared Branch, or Free ATM.
- Open a Minnequa Works Credit Union checking account. To avoid having to deal with transactional limits, keep funds you plan to spend in a checking account. Checking accounts are not subject to Regulation D and have no savings or withdrawal accounts limits. If you do not have a Minnequa Works Credit Union checking account, please stop in and open an account today!

If you have any questions please contact us at 719-544-6928 or email your questions to [memberservices@minnequaworks.com](mailto:memberservices@minnequaworks.com).