

# REGULATION D EXPLANATION

Regulation D is a federal regulation with which all financial institutions, including BECU, must comply. Financial institutions are required to establish a non-interest bearing reserve account with the Federal Reserve based on the percentage of dollars the institution has in transaction accounts.

## REGULATION D SEPARATES ACCOUNTS INTO THREE BASIC CATEGORIES:

- Time Deposits – certificate or term accounts
- Transaction Accounts – checking accounts
- Savings Deposits – regular shares and money market accounts

For an account to be classified as a savings account, financial institutions must restrict certain transfers and third party withdrawals from the account to six (6) per month.

**LIMITED TRANSACTIONS.** Any combination of the following transactions count towards your six (6) transfer limit per calendar month:

1. Any transfer from your savings or money market accounts to any other BECU account that is made through any of the following services.
  - Fax
  - Online and Mobile Banking
  - Telephone Banking
  - Overdraft transfer to checking
  - BECU Contact Center
  - Automatic withdrawal
  - Wires
2. Any pre-authorized automatic withdrawals, and any check to a third party from your savings or money market account.

**After the six (6) allowable transactions have been reached for the month, future transfers will be charged an excess transaction fee.**

**UNLIMITED TRANSACTIONS.** The following transactions are not limited by Regulation D:

- Cash machine (ATM) withdrawals and transfers
- Transfer requests made in person
- Transfer requests received by mail
- Transfers from Line of Credit to checking (overdraft protection)
- Transfers from checking to other accounts
- BECU loan or Visa payments
- Written requests deposited into the Night Drop or Express Box

## HELPFUL SUGGESTIONS.

- Set up pre-authorized automatic withdrawals from your checking account, which has unlimited withdrawal limits.
- Set up a BECU Line of Credit for overdraft protection. Transfers from your Line of Credit are unlimited. There is no annual fee and you pay interest only on the amount of funds advanced for the time period the money is borrowed.

For more information, please contact a BECU representative at **800.233.2328**.