

IMPORTANT INFORMATION

FOR

KA'U FEDERAL CREDIT UNION MEMBERS

What is Regulation D (Reg. D)?

Regulation D is a federal regulation which places certain limits on the number of transfers or withdrawals members can make from their non-transactional accounts. It affects all savings, money market, and certificate accounts. Reg. D Allows for up to six (6) withdrawals overdraft protection transfers, electronic funds transfers/automatic withdrawals (EFT/ACH)., home banking or telephone transfers per month. With any combination of transfer, no more than three (3) of the six (6) can be by draft, debit card or similar order payable to a third party. Any transaction request that is received after you have reached your limit of six (6) transfers or withdrawals must be conducted in person.

How does Reg. D affect my account?

- Once you have reached your Reg. D withdrawals or transfer limit, funds can no longer be electronically transferred from your affected savings account.
- Reg. D can affect your overdraft protection. After the sixth electronic withdrawals or transfer, your savings account will not be available for further overdraft protection. This may cause checks to be returned unpaid and fees to be charged to your checking account.
- Reg. D can affect your ability to move funds using Audio Response., calling our office or using Ka'u FCU Online Banking. After the sixth withdrawals or transfer, the only way to access your funds will be in person or by using ATM.

What types of transaction are limited by Reg. D?

- Withdrawal or transfers via Audio Response, calling our office or using Ka'u FCU Online Banking
- Pre-authorized or automatic withdrawals or transfers (EFT/ACH) transactions.
- Overdraft protection transfers from a saving account to cover a transaction in a checking account.

What transactions are exempt from Reg. D, in savings account?

- Any transaction done in person with a teller
- ATM withdrawals and transfers
- Checks requested by phone payable to yourself

What can I do to avoid Reg. D limits?

- Set up all of your pre-authorized payments or automatic withdrawals; such as insurance payment, utility payments, health club dues, etc. (also referred to as EFT or ACH transactions) to be taken out of your checking account.
- Set up your overdraft protection to access your line of credit instead of your savings account.
- Limit transfer from your savings, by making planned transfers in larger amounts instead of several small transfers.
- Use an ATM to transfer funds within your account. These are not counted as Reg. D transfers.
- Use Ka'u FCU Online Banking to monitor your savings and checking accounts frequently, so you can plan your transfers and control the movement of your money.