

## **Reg D Information**

Recently, there have been questions as to why some telephone transfers, ATM transactions or automatic overdraft transfers from my SAVINGS ACCOUNT haven't been processed. Here are the answers under the Regulation D law. If you have any questions, please contact us at (217) 446-2125 and we will assist you.

### **What is Regulation D?**

Federal Regulation D places a monthly limit on the number of transfers you may make from your Savings (Share) Accounts or Money Market Accounts (MMDAs) without your physical presence being required.

Transfers affected by this regulation include:

- Transfers made using Internet Banking
- Transfers made using Telephone Banking
- Overdraft transfers (made automatically to cover insufficient funds in other accounts; see below)
- Transfers made by a Member Service Representative on your behalf
- Pre-authorized, automatic, scheduled or recurring transfers (see below)

You are allowed six such transfers per month, per account, but only three of those may be made by check\* if you have a Money Market account.

\*Note: a check counts against the month in which it clears, not when it was written.

### **What transactions are not affected by Regulation D?**

- ATM transactions
- Transfers made to First Illinois Credit Union loans
- Transactions done in person at a branch office
- Transactions sent in by mail or Night Drop with an original signature
- First Illinois CU Bill Pay (which uses funds from your checking account)

### **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.

### **If an account used for Overdraft Protection has reached its Regulation D limit, will overdraft requests be honored?**

Not if the overdraft protection account is a savings account or MMDA. In that case, you will receive a notice of the returned item and incur an NSF charge for every overdraft attempted beyond your monthly limit.

### **I have authorized a merchant to automatically withdraw payments from my savings account or MMDA, do these withdrawals count against my monthly limit?**

Yes. These payments (which you might know as "ACH" or "EFT" transactions) follow Regulation D limitations. Any withdrawals attempted beyond your monthly limit will not be honored, and you will receive a notice and incur an NSF charge. To avoid this situation, make automatic payments using something other than a savings account or MMDA, 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 First Illinois CU bill pay to automatically send payments to the merchant, rather than authorizing the merchant to automatically withdraw payments.