



Important Account Information for Customers Regarding Regulation D

What is Regulation D?

Regulation D impacts the number of transactions Urban Trust Bank will allow on certain accounts (Savings, Holiday Club, and Money Market Accounts) that are not intended to be transaction accounts. In other words, the Federal Reserve requires financial institutions to treat a typical savings account differently from a checking account. Savings accounts are intended to be established for long term savings with few withdrawals. On the other hand, checking accounts are established for frequent transactions.

The Regulation was implemented by the Board of Governors of the Federal Reserve System to ensure financial institutions maintain adequate reserves for the funds they have on deposit, and ensure sufficient funds are available to meet consumer's withdrawal demands. Reserve requirements are based upon a financial institution's total balance held in transaction versus non-transaction accounts.

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

- Transfers made using Online Banking
- Transfers made using Telephone Banking
- Overdraft transfers (Savings Overdraft Protection –Transfers made automatically to cover insufficient funds in other accounts)
- Transfers made by a Customer Support on your behalf requested through our Customer Support or Retail Banking Centers
- Pre-authorized, automatic, scheduled or recurring transfers (which you might know as "ACH" or "EFT" transactions)
- You are allowed **six such transfers per month**, per account. Urban Trust Bank will charge an excessive transaction fee in excess of the monthly Reg D limit.

What Transactions are Not Affected by Regulation D?

- ATM Transactions.
- Transfers made to Urban Trust Bank loans.
- Transactions done in person at a branch.
- Transactions sent in by mail with an original signature.
- Urban Trust Bank 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?

Yes, if the Overdraft Protection account is a Savings Account or Money Market Account. In that case, you will receive a notice by mail and incur an Excessive Withdrawal Fee will be charged for every transfer attempted beyond your 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.

I have a Money Market Account and have written seven checks. What happens if all seven checks try to clear my account in the same month?

Money Market Accounts are savings accounts with check writing abilities. Checks written against a Money Market Account are included in the number of restricted transactions per month. (Please note a check counts against the month in which it clears, not when it was written). If six checks have cleared the account and a seventh check is presented it will be paid however, an Excessive Withdrawal Fee will be charged and your account maybe changed to a more suitable type checking account. Money Market accounts are subject to the transfer limits shown above as well, therefore a Money Market Account may only have six restricted withdrawals per month in any combination of transfers or cleared checks.

I have authorized a merchant to automatically withdraw payments from my Savings Account or Money Market Account; does this 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 will be returned as unpaid. You will receive a notice by mail when an item is returned due to excessive transactions. To avoid this situation, make automatic payments using something other than a Savings Account or Money Market 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 Urban Trust Bank Bill Pay service to automatically send payments to the merchant, rather than authorizing the merchant to automatically withdraw payments.

Tips to Help Manage Your Accounts and Avoid Regulation D Limits

- Plan ahead and make one large transfer instead of several small transfers. Each restricted transaction counts as one transaction, no matter what the amount.
- Balance your checking account on a regular basis. This will help limit the number of overdraft transfers from your savings account, which counts towards the number of transactions allowed each month.
- If you utilize Touch Tone Teller or Home Banking to transfer funds between your accounts, consider visiting a branch location, utilizing an ATM, or mailing your transfer request since these transfers are not subject to Reg D.
- Set automatic ACH withdrawals from merchants to come out of your checking account instead of your savings account since checking transactions are not subject to the regulation.

If you have additional questions about Reg D and how it affects your Savings or Money Market Account, please contact our Customer Support Center at 800.584.0015 or stop by any one of our retail branch offices.