



Federal Reserve Regulation D

REGULATION D (“REG. D”) DEFINITION

Oregonians Credit Union is regulated by the federal government and the Federal Reserve. One of the Federal Reserve regulations that we are governed by is Regulation D (“Reg. D”). Reg. D, among other things, defines transaction accounts and non-transaction accounts, and the types and number of transactions that can be performed on these accounts.

Transaction accounts are allowed an unlimited amount of transactions on the account; this includes all Oregonians CU checking accounts. Reg. D places limitations on non-transaction accounts, to include savings (share) accounts, money market accounts, telephone transfers etc.

The section of Reg. D causing the most confusion is 12 CFR § 204.2(d)(2), “a member is limited to six preauthorized or automatic withdrawals, telephone transfers, or transfers initiated by personal computer per month on non-transaction accounts.” The regulation also states no more than three of the six can be by draft, debit card or similar order payable to a third party.

OREGONIANS CU NON-TRANSACTION ACCOUNTS

Oregonians CU non-transaction accounts affected by Reg. D limitations include:

- Regular Savings Accounts
- Money Management Accounts
- Club Accounts
- CDs

REG. D LIMITATIONS

During any calendar month or statement cycle, you may not make more than six withdrawals or transfers from your non-transaction accounts to:

- Another Oregonians account of yours
- A third party by means of a preauthorized or automatic transfer or telephonic order or instruction.

The general rule for determining if a specific transaction is subject to the regulations limits is that if a member doesn’t go into an Oregonians branch, or uses any electronic means to conduct the transaction, it is most likely subject to Reg. D limitations.

Of the six withdrawal/transfer limits, no more than three can be by share draft, check, debit card or similar payment vehicle payable to a third party when:

- Made by phone, fax, or Online Banking and payable to a third party
- Made by phone, fax, or Online Banking to another account of the member at the credit union
- Made by preauthorized, automatic or
- Bill Payment arrangement for transfer to the member’s Oregonians account(s) or to a third party

WITHDRAWAL TYPES PERMITTED

Under Reg. D on non-transaction accounts, you are allowed an unlimited number of withdrawals:

- Made in person at Oregonians branch locations
- Made by messenger
- Made by a letter request
- Made by Phone, fax, or Online Banking, ONLY if a check payable to the member is mailed to the member
- Made using your Oregonians debit card

TRANSFER TYPES PERMITTED

Under Reg. D on non-transaction accounts, you are allowed an unlimited number of transfers:

- Made between the accounts of the same member AND made in person, by messenger, by mail, or using your Oregonians debit card
- Made by the member to pay their Oregonians loan

HOW TO AVOID HITTING REG. D LIMITATIONS

Most members who run into Reg. D limitations on a monthly basis use their savings or money market accounts like a checking account. Here are two things to avoid:

- Don't setup your direct deposit into a non-transaction account (savings, money market, etc.)
- Don't setup automatic bill payments (gym, life insurance, etc.) to come from a non-transaction account.

If you need to make more than one direct deposit a month or schedule bill payments to come out of your Oregonians CU accounts, please open a checking account with us.