

**IMPORTANT NOTICE - this information was included in the 10-1-19 newsletter.**

**Change for Share/Savings and Certain Club  
Accounts as it relates to Regulation D for  
1st Community Federal Credit Union Membership**

The Credit Union tries to always accommodate our members' requests for transfers from one account to another. Our goal is to allow our members as much freedom as possible in accomplishing your personal financial objectives. There are rare occasions when the laws applicable to the operation of this credit union conflict with your expectations. One such law comes from the Federal Reserve and is designated as Regulation "D".

**How Does this Change Affect Your Share/Savings or Club Account?**

Regulation D requires that no more than six (6) electronic transactions be made from your Share/Savings or Club (except Arnie or Christmas clubs) accounts per month. Electronic transactions are defined as: transfers between accounts at 1st Community Federal Credit Union, third party payees or to other institutions when made by telephone, fax, online/mobile/text banking. This includes automatic or preauthorized bill payments including ACH; automatic debits; or automatic transfers to cover an overdraft in your checking account.

There is no limit to in-person transactions, ATM withdrawals, or requests for check withdrawals made payable to you via telephone or online banking.

Accounts included under the Reg D requirement changes are: Savings/Share and all Club Accounts (except Arnie or Christmas clubs). Reg D does NOT apply to your checking account.

**Types of Reg D Transactions**

<b><u>Reg D Transaction</u></b>	<b><u>Explanation</u></b>	<b><u>Reg D Action</u></b>
<b>Savings Overdraft Protection</b>	Transfers made from a Share/Savings or Club accounts to a Share Draft/Checking account to pay an item when your available balance is insufficient to pay the item.	After you have reached a total of 6 Reg D transactions for the month your Share/Savings or Club account will be charged \$1.00 per transfer.
<b>CU Talk (telephone banking) transfers, Online/Mobile/Text banking transfers</b>	Transfers from a Share/Savings or Club account to another deposit account via our online banking, mobile banking, text banking or telephone banking.	After you have reached a total of 6 Reg D transactions for the month your Share/Savings or Club account will be charged \$1.00 per transfer.
<b>ACH Debits</b>	Pre-authorized payments from a Share/Savings or Club to pay a third-party item (i.e.: mortgage payments or insurance payments).	After you have reached a total of 6 Reg D transactions for the month your Share/Savings or Club account will be charged \$1.00 per transfer.
<b>Employee Assisted Transfers</b>	A request by a member over the telephone to perform a transfer transaction from a share/savings, club or money market account.	After you have reached a total of 6 Reg D transactions for the month, the employee will inform you that your free limit has been reached and your Share/Savings or Club account will be charged \$1.00 per transfer.

**Transactions Not Affected By Reg D**

Withdrawal transactions made at an automated teller machine (ATM)
Transfers done in person at any of our office locations
Transfers to make 1CFCU loan payments (regardless of how you perform them)
Transfer requests made in writing and delivered through the mail or a messenger with signatures
Overdraft protection for a share draft/checking account made from a line of credit
Withdrawals made by telephone (via check payable and mailed to the member or joint owner)
Any transaction from a share draft/checking account which does not necessitate an overdraft transfer from a share/savings account

## **When Will These Changes Take Effect?**

The effects of the Reg D changes and the \$1.00 charges for exceeding the Reg D limits on your Share/Savings and Club (except for Arnie and Christmas) accounts begin January 1, 2020. Do not wait until then to adjust your accounts as indicated below so you are not charged.

## **What Can You Do To Make Sure That The Limit Is Not Exceeded?**

1) **Utilize your checking account (or establish one if you haven't already) for unlimited transactions.** There is no limit to the number of transactions in a checking account. We offer checking accounts for everyone's needs:

\$ **FREE Checking** – no monthly fee, but does require you to have eStatements

\$ **ePLUS Checking** – ALL the Great benefits of FREE Checking PLUS – dividends on qualified balances, ID Protect®- credit file monitoring, credit report & score along with identity theft expense coverage & resolution for you and your family, ¼% Loan Discount when payment is made from direct deposit to your ePLUS checking account, and cell phone protection. All for a LOW \$7.95 per month or have the fees waived – 1) sign up for eStatements and reduce your monthly fee by \$4.00; use your 1CFCU debit card 15 times per month and fee is reduced by \$3.95; 3) combine the two above and you will totally eliminate your Monthly Fee and earn dividends on balances up to \$25,000.

\$ **Basic Checking** - \$4 monthly fee, but allows you to receive paper statements

\$ **1st Checking** – FREE for members 21 and under (allows paper or electronic statements)

\$ **Seniors Checking** – FREE for members 55+ (allows paper or electronic statements)

2) **Apply for a Line of Credit to provide overdraft protection not affected by Regulation D.** (subject to credit approval)

3) **Ensure your Direct Deposit is being deposited into your checking account** to cover your monthly expenses.

4) **Ensure all Direct Debits (i.e. gym membership, utilities, childcare, etc.) are being withdrawn from your checking account**

5) **Use an ATM to transfer funds between your accounts.** These are not counted as Reg D transfers.

6) **Keep sufficient funds in your checking account to avoid overdraft transfers.**

Regulation "D" is a directive of the Federal Government, not your credit union. All financial institutions are subject to this regulation.

For additional information call our Member Service department at (325) 653-1465 or (800) 749-1465 or visit a branch to speak with one of our Member Service Representatives.