

Federal Reserve Regulation D:

(Reserve Requirements of Depository Institutions)

Important Information about Transaction Limits

Federal regulations govern the number and type of withdrawals from all NBC (NY) Employees FCU accounts. According to the Federal Reserve, savings accounts are intended to be used for long term savings and therefore should have a small number of withdrawals, while checking accounts are intended to be used as transactional accounts (i.e. to pay bills) and thus have a higher number of withdrawals. As a result, the Credit Union is required by law to limit certain withdrawals from non-transaction accounts to no more than six per month.

Covered Accounts: Savings accounts (including holiday and vacation club accounts, share certificates, IRAs and money market accounts) are considered non-transaction accounts and are therefore subject to certain withdrawal limitations.

Exempt Accounts: Checking accounts are considered transaction accounts with unlimited withdrawals allowed.

Limited Transactions: The following withdrawal transactions are included in the six:

- Checks made payable to 3rd parties;
- Debit/ATM card purchases;
- Preauthorized or automatic transfers to a 3rd party, including electronic fund transfers (EFTs);
- Transfers initiated through home banking;
- Telephone transfers initiated via an audio response system (MARS) as well as those made to a Credit Union employee;
- Transfers to other accounts (other than loan or VISA payments) at the Credit Union;
- Transfers to accounts at other financial institutions;
- Faxed or emailed requests for transfers.

Unlimited Transactions: There are no limits to the following types of withdrawals:

- Withdrawals made in person at the Credit Union;
- Telephone request for withdrawal via a check payable to the member;
- Requests for withdrawals sent by mail or messenger to the Credit Union;
- Withdrawals made at an ATM;
- Payments to a loan or VISA at the Credit Union.

Monitoring: The Credit Union is required by law to monitor and prevent members from exceeding the six transaction limit. We may take the following actions:

- Send you a letter or notice informing you that you have reached the limit;
- Reject transactions in excess of the limit;
- Charge fees for transactions exceeding the limit;
- Limit your ability to make transactions from the account;
- Close the account if the limit is repeatedly exceeded.