

## Regulation D Frequently Asked Questions

Q: What is Reg D?

A: Reg D is a Federal regulation that limits the number of certain types of withdrawals from non-transactional accounts, such as a Savings or Money Market Account, to six (6) per month (per account).

Q: What is the purpose of Reg D?

A: The purpose of Reg D is to regulate the level of reserves a financial institution maintains. The required reserve amount for each financial institution is based on the balances it has in its transactional accounts, such as Checking Accounts.

Q: Are other financial institutions required to comply with Reg D?

A: Yes. All financial institutions are required to take action to prevent excessive withdrawals from non-transactional accounts. At Queenstown Bank, we are monitoring the accounts. This action may require us to convert the Savings or Money Market Account to a transactional account, if the customer consistently exceeds the withdrawal limit.

Q: Will I see any additional fees in connection with Reg D?

A: Queenstown Bank will assess a \$5.00 per item fee each month in which a Savings or Money Market Account has over six (6) restricted transactions.

Q: What types of transactions are counted toward the 6 (six) transfers permitted each month?

- Transfers made using Online Banking or Mobile Banking
- Transfers made using Phone Banking
- Overdraft transfers (made automatically to cover insufficient funds in other accounts)
- Transfers made by a bank employee on your behalf by phone request
- Pre-authorized, automatic, scheduled or recurring withdrawals
- Automatic transfers to a third party or another financial institution
- Transfers made by check, debit card or other similar order and payable to a third party

Q: What types of transactions are not counted toward the 6 (six) transfers permitted each month?

- ATM transactions
- Any transfer for the purpose of repaying a Queenstown Bank loan
- Transactions done in person at a branch
- Transactions sent in by mail or night drop with an original signature
- Withdrawals made via Phone Banking or Online Banking when a check is issued, made payable to the customer and mailed to the customer
- Deposits

Q: How can I avoid exceeding the monthly transaction limit?

- Use your Queenstown Bank checking account for routine or recurring transactions
- Consider using another product such as Overdraft Privilege or Ready Credit for Overdraft Protection
- Limit your transactions from your savings or money market account to no more than six per month

If you have any questions, please give us a call at 410-827-8881 or stop by any branch. We look forward to assisting you.