



# SETTING A NEW STANDARD FOR THE FINANCIAL SERVICES INDUSTRY

## Be Prepared! Quarterly Compliance Update

3<sup>rd</sup> Q 2020

### Back to Basics - Compliance with Truth in Savings

Presented by:

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# Speaker Information

**Rhonda Coggins, CRCM, is the National Compliance Services Director at Sheshunoff Consulting + Solutions.** She provides expert compliance-related advice and guidance to banks and credit unions all over the country.

With over 35 years of experience in the banking industry, Ms. Coggins has served in a variety of capacities. She previously served as a Compliance Engagement Manager in SC+S's Risk Management Services Division, and supervised the quality control process for the Southwest Region. She has conducted numerous consumer compliance audits and fair lending assessments. She also delivers training programs and presentations on various risk management and compliance topics.

Ms. Coggins previously served as a Vice President, State of Texas Compliance Officer, for one of the largest commercial banks in the United States. She has also served as a BSA Officer and worked in Commercial and Consumer lending. Ms. Coggins has attended various ABA Compliance Schools and has the ABA designation of Certified Regulatory Compliance Manager. In 2010, Ms. Coggins was a speaker at the ABA Regulatory Compliance Conference in San Diego, California. She currently serves on the Board of Directors of the Dallas Area Compliance Association.



## Compliance with Truth in Savings

- Regulations & Scope
- Disclosures
- Periodic Statements
- Payment of Interest or Dividends
- Advertising
- Other

# Truth In Savings Regulations & Scope



# Truth in Savings Regulations

## Depository Institutions\*

- Consumer Financial Protection Bureau
- [12 CFR 1030 \(Reg. DD\)](#)

\* *Depository institutions, except credit unions*

## Credit Unions

- National Credit Union Association
- [12 CFR 707](#)

# Truth in Savings Scope

## Depository Institutions

- Includes rules to ensure consumers are:
  - Able to make informed decisions about accounts at depository institutions
  - Provided with disclosures to enable account shopping
- Applies to all consumer deposit accounts – opened by a natural person primarily for personal, family or household use

## Credit Unions

- Includes rules to ensure members are:
  - Able to make informed decisions about accounts at credit unions
  - Provided with disclosures to enable account shopping
- Applies to all member share or deposit accounts – opened by a natural person primarily for personal, family or household use

# TISA Account Disclosures



# General Rules – Depository Institutions



## Format

- Clear and Conspicuous, in writing, in a form the consumer can keep.
- May be electronic, in compliance with E-SIGN. Certain disclosures may be electronic without consent.
- Account disclosures may be presented separately or combined with disclosures for other accounts, provided it is clear which disclosures are applicable.



## General / Other

- To reflect terms of legal obligation.
- May be made in languages other than English, provided the disclosures are available in English upon request.
- Disclosures required by Reg. E that are also required by TISA may be substituted for the disclosures required by TISA.



## Multiple Consumers / Oral Responses

- Disclosures may be made to any one consumer in cases where an account is held by more than one consumer.
- Oral responses to a consumer's request for account interest rates shall state the APY. The interest rate may be stated in addition to the APY.



## Rounding / Accuracy

- Generally, APY, APY earned, and interest rate shall be rounded to two decimals. For account disclosures, the interest rate may be expressed to more than two decimals.
- APY and APY earned considered accurate if not more than one twentieth of one percentage point (.05%) above or below calculations in accordance with the rules.



# General Rules – Credit Unions



## Format

- Clear and Conspicuous, in writing, in a form the member can keep.
- May be electronic, in compliance with E-SIGN. Certain disclosures may be electronic without consent.
- Account disclosures may be presented separately or combined with disclosures for other accounts, provided it is clear which disclosures are applicable.



## General / Other

- To reflect terms of legal obligation.
- May be made in languages other than English, provided the disclosures are available in English upon request.
- Disclosures required by Reg. E that are also required by TISA may be substituted for the disclosures required by TISA.



## Multiple Members / Oral Responses

- Disclosures may be made to any one member in cases where an account is held by more than one member.
- Oral responses to a member's request for account dividend rates shall state the APY. The dividend rate may be stated in addition to the APY. Additional clarification for 1) dividend-bearing accounts other than term share accounts and 2) interest-bearing accounts and dividend-bearing term share accounts provided.



## Rounding / Accuracy

- Generally, APY, APY earned, and dividend rate shall be rounded to two decimals. For account disclosures, the dividend rate may be expressed to more than two decimals.
- APY and APY earned considered accurate if not more than one twentieth of one percentage point (.05%) above or below calculations in accordance with the rules.

# Account Disclosures – Depository Institutions



## Delivery – Account Opening

- Generally, before an account is opened or service is provided.
- If consumer not present and has not received disclosures, mail or deliver disclosures no later than 10 business days.
- If electronic means used, must provide disclosures before account is opened or service is provided.



## Delivery – Requests

- Provide upon request. If consumer not present, mail within a reasonable time. In providing disclosures upon request:
  - May reflect interest rate and APY offered within the most recent 7 calendar days, state the rate and yield are accurate as of a specific date; and provide a telephone number for current information. May also state the maturity of a time account as a term rather than a date.

# Account Disclosures – Credit Unions



## Delivery – Account Opening

- Generally, before an account is opened or service is provided.
- If member not present and has not received disclosures, mail or deliver disclosures no later than 10 business days.
- If electronic means used, must provide disclosures before account is opened or service is provided.



## Delivery - Requests

- Provide upon request. If consumer not present, mail within a reasonable time. In providing disclosures upon request:
  - Dividend-bearing accts., other than term share accts., reflect dividend rate and APY as of the last dividend declaration date.
  - Interest-bearing accounts & dividend-bearing term share accounts, reflect interest rate and APY that were offered within the most recent 7 calendar days, state the rate and yield are accurate as of a specific date; and provide a telephone number for current information. May also state the maturity of a term share account as a term rather than a date.

# Acct. Disclosure Content – Depository Institutions

## Content – As Applicable:

- “Annual Percentage Yield” and “Interest Rate” – *Fixed-rate accounts - the period of time rate will be in effect. Tiered-rate accounts – rate, APY & balance information for each tier. Stepped-rate accounts – a single composite APY, interest rates and period of time each will be in effect.*
- Variable-Rate Accounts – *the fact that the interest rate and APY may change, how the rate is determined, frequency of rate changes, and any limitation on the amount of rate change.*
- Compounding and Crediting – *frequency & if interest is forfeited if account is closed before accrued interest is credited.*
- Balance Information – *minimums, computation method, interest accrual*
- Fees – *amounts & conditions*
- Transaction Limitations - *# or \$ amount of withdrawals or deposits \**
- Time Accounts – *maturity date, early withdrawal penalty, withdrawal of interest prior to maturity, renewal policy*
- Bonuses – *what, when, and any balance or time requirements*



## Content – As Applicable:

- Rate Information–
  - *For Interest-bearing accounts and for dividend-bearing term share account - the “annual percentage yield” and the “interest rate” (“dividend rate”), Fixed-rate accounts - the period of time interest (dividend) rate will be in effect.*
  - *For dividend-bearing accounts other than term share accounts – a dividend rate and annual percentage yield as of the last dividend declaration date.*
- Variable-Rate Accounts – *the fact that the dividend rate and APY may change, how the dividend rate is determined, frequency of dividend rate changes, and any limitation on the amount of dividend rate change.*
- Compounding and Crediting – *frequency of compounding and crediting and the dividend period & if dividends are forfeited if account is closed before accrued dividends are credited.*
- Balance Information – *minimums, balance computation method, dividend accrual*
- Fees – *amounts & conditions*
- Transaction Limitations - *# or \$ amount of withdrawals or deposits \**
- Term Share Accounts – *maturity date, early withdrawal penalty withdrawal of dividends prior to maturity, renewal policy*
- Bonuses – *what, when, and any balance or time requirements*
- Nature of Dividends – *For accounts earning dividends other than term share accounts, a statement that dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.*



\* Review for any Reg. D-related language.

# TISA Subsequent Disclosures



# Change in Terms

## Depository Institutions

### Advance Notice Required:

- To affected consumers
- Change in term (required by 1030.4(b))
- IF:
  - Change may reduce APY, or
  - Adversely affect the consumer.
- Include effective date
- 30 calendar days before effective date of change

### Notice Not Required:

- Terms that change upon the occurrence of an event previously described
- Variable-rate changes for variable-rate accounts.
- Check printing fees
- Changes in any term for time accounts with maturities of 1 month or less.



*IF provided via revised account disclosures, the changed term must be highlighted in some manner.*

# Maturity Notices

## Depository Institutions

### Maturity Notice for Time Accounts - longer than 1 month that auto renew:

#### Delivery either -

- At least 30 calendar days before maturity, or
- At least 20 calendar days before end of the grace period if a grace period of at least 5 days is allowed.

Maturities longer than 1 year – Provide new account disclosures and date existing account matures. IF the interest rate & APY are unknown, state those rates not determined, the date they will be determined, and a telephone number to obtain that information for the new account.

#### Maturities of 1 year or less but longer than 1 month

– Either provide information as noted for maturities longer than 1 year, or disclose:

- Existing and new account maturity dates,
- Interest Rate & APY (if not determined yet, same as above)
- Any difference in account terms

### Maturity Notice for Time Accounts - longer than 1 year that do not auto renew:

Deliver at least 10 calendar days before maturity of the existing account.

#### Disclose:

- Maturity date
- Whether interest will be paid after maturity.



# Change in Terms

## Credit Unions

### Advance Notice Required:

- To affected members
- Change in term (required by 707.4(b))
- IF:
  - Change may reduce APY, or
  - Adversely affect the member.
- Include effective date
- 30 calendar days before effective date of change

### Notice Not Required:

- Terms that change upon the occurrence of an event previously described
- Dividend rate & APY changes for variable-rate accounts.
- Check printing fees
- Changes in any term for term share accounts with maturities of 1 month or less.



*IF provided via revised account disclosures, the changed term must be highlighted in some manner.*

# Maturity Notices

## Credit Unions

### Maturity Notice for Term Share Accounts - longer than 1 month that auto renew:

#### Delivery either -

- At least 30 calendar days before maturity, or
- At least 20 calendar days before end of the grace period if a grace period of at least 5 days is allowed.

Maturities longer than 1 year – Provide new account disclosures and date existing account matures. IF the dividend rate & APY are unknown, state those rates not determined, the date they will be determined, and a telephone number to obtain that information for the new account.

#### Maturities of 1 year or less but longer than 1 month

– Either provide information as noted for maturities longer than 1 year, or disclose:

- Existing and new account maturity dates,
- Dividend Rate & APY (if not determined yet, same as above)
- Any difference in account terms

### Maturity Notice for Term Share Accounts - longer than 1 year that do not auto renew:

Deliver at least 10 calendar days before maturity of the existing account.

#### Disclose -

- Maturity date
- Whether dividends will be paid after maturity.

# TISA Periodic Statements



# Periodic Statements

## Depository Institutions

### **IF a Depository Institution provides periodic statements, they shall include:**

- “annual percentage yield earned”
- \$ amount of interest earned during the statement period
- Fees debited to the account during the statement period
- Either the total number of days in statement period, or the beginning and ending dates of the period
- Total overdraft and returned item fees, if applicable

NOTE: In making the disclosures noted above, if using the average daily balance method that calculates interest for a period other than the statement period, calculate and disclose APY earned and amount of interest earned based on that period, rather than the statement period. Also disclose the length of this other period, as well as the statement period.



*Utilize consistent terminology. For example, a consumer should be able to recognize a fee as described in an account disclosure through to the periodic statement.*

# Periodic Statements

## Credit Unions

### **IF a Credit Union provides periodic statements, they shall include:**

- “annual percentage yield earned”
- \$ amount of dividends earned during the statement period
- Fees debited from the account during the statement period
- Either the total number of days in statement period, or the beginning and ending dates of the period
- Total overdraft and returned item fees, if applicable

NOTE: The staff interpretations address the amount of dividends or interest and clarify that “earned” is defined to include dividends and interest either accrued or paid and credited.



*Utilize consistent terminology. For example, a member should be able to recognize a fee as described in an account disclosure through to the periodic statement.*

# Payment of Interest or Dividends



# Payment of Interest

## Depository Institutions

### **Permissible Methods:**

Calculate interest on the full amount of principal in an account each day, using:

- Daily balance method, or
- Average daily balance method

### **Compounding & Crediting:**

No particular frequency required

### **Date Interest Begins to Accrue:**

Interest shall begin to accrue not later than the business day specified for interest-bearing accounts specified in Reg. CC and shall accrue on funds until the day funds are withdrawn

# Payment of Dividends

## Credit Unions

### **Permissible Methods:**

Calculate dividends on the full amount of principal in an account each day, using:

- Daily balance method, or
- Average daily balance method

### **Compounding & Crediting:**

No particular frequency required

### **Date Dividends Begins to Accrue:**

Dividends shall begin to accrue not later than the day specified in Reg. CC and shall accrue on funds until the day funds are withdrawn



# Compliance in Advertising



# Advertising

## Depository Institutions

**Advertising Must Not Mislead or be Inaccurate. Cannot refer to account as “free” or “no cost” if any maintenance/activity fee may be imposed. Cannot refer to interest as “profit.”**

- **Maintenance/Activity Fees**

- Fees imposed when a minimum balance is not met or when a specified number of transactions is exceeded
- Transaction and service fees imposed on a regular basis
- Flat fees, such as a monthly service fee
- Fees imposed to deposit, withdraw, or transfer funds

- **Fees Not Considered Maintenance/Activity Fees**

- Fees not required to be disclosed under 1030.4(b)(4)
- Check printing fees
- Balance inquiry fees
- Stop payment fees
- Dormant account fees
- ATM or electronic transfer service fees not required to obtain an account

# Advertising

## Depository Institutions, cont.

### Permissible Rates

- IF stating a rate of return, state as an “annual percentage yield”
- May also state an “interest rate,” but is not required. May not be more conspicuously stated than the APY.
- Ads for tiered-rate accounts that include an APY, but state APYs for each tier.
- Ads for stepped-rate accounts that include an interest rate must state all interest rates and time periods for each.

### See Reg. DD Appendix A – Part I

- APY Calculations for Advertising Purposes – General, Stepped-Rate, Variable-Rate, **Tiered-Rate**, Time Accounts (Term Greater Than 1 Year That Pay Interest at Least Annually & Require Withdrawing Interest at Least Annually)

# Advertising

## Depository Institutions, cont.

See Reg. DD Appendix A – Part I – **Tiered-Rate Account Methods**

### Tiering Method A

- This method to be used when an institution pays on the **full balance** in the account the stated interest rate that corresponds to the applicable tier.
- Result - only one APY will apply to each tier.

### Tiering Method B

- This method to be used when an institution pays the stated interest rate only on that **portion of the balance** within the specified tier.
- Result – 1<sup>st</sup> tier will reflect one APY. All other tiers will each reflect 2 APYs (a range for lowest & highest APYs)



*Are your APY disclosures, including those in your advertisements, matching the Tiering Method you are using?*

# Advertising

## Depository Institutions, cont.

### When an APY is stated, an ad must also state, as applicable:

**12 CFR 1030.8**

- Variable-rate accounts - that the rate may change after account is opened (c)(1)
- Time the APY is offered – either period of time offered or that APY is accurate as of a specified date (c)(2)
- Minimum balance required to obtain APY – for tiered-rate accounts, minimum for each tier (c)(3)
- Minimum opening deposit – if greater than minimum balance to obtain APY (c)(4)
- Effect of fees – statement that fees could reduce earnings (c)(5)
- For Time Accounts – (c)(6)
  - Term of the account (c)(6)(i)
  - Statement that a penalty will or may be imposed for early withdrawal (c)(6)(ii)
  - Required interest payouts (c)(6)(iii)

### When a Bonus is stated, an ad must also state, as applicable:

- The “annual percentage yield” (d)(1)
- Any time requirement to obtain the bonus (d)(2)
- Any minimum balance required to obtain the bonus (d)(3)
- Any minimum balance to open the account if greater than any balance to obtain the bonus (d)(4)
- When the bonus will be provided (d)(5)

# Advertising

## Depository Institutions, cont.

### Two exemptions exist for certain advertisements

- **Certain Media (e)(1)** - If an advertisement is made through one of the following media, it need not contain the information in paragraphs (c)(1), (c)(2), (c)(4), (c)(5), (c)(6)(ii), (d)(4), and (d)(5) of this section for:
  - broadcast or electronic media, i.e. television or radio, BUT exemption does not extend to ads posted on the Internet or sent by email;
  - outdoor media, i.e. billboards; or
  - telephone response machines
  
- **Indoor Signs (e)(2)** –
  - Signs inside the premises of a depository institution are not subject to paragraphs (b), (c), (d) or (e)(1) of this section.
  - IF a sign exempt by (e)(2) of this section states a rate of return, it shall:
    - State the rate as an “annual percentage yield” (or, “APY”)
    - Contain a statement to contact an employee for further information about fees and terms.

**Ads that promote payment of Overdrafts** - shall include required disclosures in 1030.11(b) – fees, categories of transactions where a OD fee may be imposed, time period OD must be repaid, and circumstances under which an OD will not be paid.

# Advertising Credit Unions

**Advertising Must Not Mislead or be Inaccurate. Cannot refer to account as “free” or “no cost” if any maintenance/activity fee may be imposed. Cannot refer to dividends or interest as “profit.” NOTE: Commentary then states that “The word “profit” may be used when referring to dividend-bearing share accounts, as it reflects the nature of dividends.”**

- **Maintenance/Activity Fees**

- Fees imposed when a minimum balance is not met or when a specified number of transactions is exceeded
- Transaction and service fees imposed on a regular basis
- Flat fees, such as a monthly service fee
- Fees imposed to deposit, withdraw, or transfer funds

- **Fees Not Considered Maintenance/Activity Fees**

- Fees not required to be disclosed under 707.4(b)(4)
- Check printing fees
- Fees for obtaining check copies
- Balance inquiry fees
- Dormant account fees
- ATM fees
- Electronic transfer service fees not required to obtain an account
- Stop payment fees and fees for share drafts or checks returned unpaid

# Advertising

## Credit Unions, cont.

### Permissible Rates

- IF stating a rate of return, state as an “annual percentage yield”
- May also state a “dividend rate,” but is not required. May not be more conspicuously stated than the APY.
- Ads for tiered-rate accounts that include an APY, but state APYs for each tier.
- Ads for stepped-rate accounts that include a dividend rate must state all dividend rates and time periods for each.

### See NCUA Reg. 12 CFR 707 Appendix A – Part I

- APY Calculations for Advertising Purposes – General, Stepped-Rate, Variable-Rate, **Tiered-Rate**, Term Share Accounts (Term Greater Than 1 Year That Pay Dividends at Least Annually & Require Withdrawing Dividends at Least Annually)



# Advertising

## Credit Unions, cont.

See NCUA Reg. 12 CFR 707 Appendix A – Part I – **Tiered-Rate Account Methods**

### Tiering Method A

- This method to be used when a credit union pays on the **full balance** in the account the stated dividend rate that corresponds to the applicable tier.
- Result - only one APY will apply to each tier.

### Tiering Method B

- This method to be used when a credit union pays the stated dividend rate only on that **portion of the balance** within the specified tier.
- Result – 1<sup>st</sup> tier will reflect one APY. All other tiers will each reflect 2 APYs (a range for lowest & highest APYs)



*Are your APY disclosures, including those in your advertisements, matching the Tiering Method you are using?*

# Advertising

## Credit Unions, cont.

### When an APY is stated, an ad must also state, as applicable:

**12 CFR 707.8**

- Variable-rate accounts - that the rate may change after account is opened (c)(1)
- Time the APY is offered – a) for interest-bearing & dividend-bearing term share accounts - either period of time offered or that APY is accurate as of a specified date, b) for dividend-bearing accounts other than term share accounts – a statement that the APY is accurate of the last dividend declaration date. (c)(2)
- Minimum balance required to obtain APY – for tiered-rate accounts, minimum for each tier (c)(3)
- Minimum opening deposit – if greater than minimum balance to obtain APY (c)(4)
- Effect of fees – statement that fees could reduce earnings (c)(5)
- For Time Accounts – (c)(6)
  - Term of the account (c)(6)(i)
  - Statement that a penalty will or may be imposed for early withdrawal (c)(6)(ii)
  - Required dividend payouts (c)(6)(iii)

### When a Bonus is stated, an ad must also state, as applicable:

- The “annual percentage yield” (d)(1)
- Any time requirement to obtain the bonus (d)(2)
- Any minimum balance required to obtain the bonus (d)(3)
- Any minimum balance to open the account if greater than any balance to obtain the bonus (d)(4)
- When the bonus will be provided (d)(5)

# Advertising

## Credit Unions, cont.

### Three exemptions exist for certain advertisements

- **Certain Media (e)(1)** - If an advertisement is made through one of the following media, it need not contain the information in paragraphs (c)(1), (c)(2), (c)(4), (c)(5), (c)(6)(ii), (d)(4), and (d)(5) of this section for:
  - broadcast or electronic media, i.e. television or radio, BUT exemption does not extend to ads posted on the Internet or sent by email;
  - outdoor media, i.e. billboards; or
  - telephone response machines
- **Indoor Signs (e)(2)** –
  - Signs inside the premises of a depository institution are not subject to paragraphs (b), (c), (d) or (e)(1) of this section.
  - IF a sign exempt by (e)(2) of this section states a rate of return, it shall: a) state the rate as an “annual percentage yield” (or, “APY”) and b) contain a statement to contact an employee for further information about fees and terms.
- **Newsletters (e)(3)** –
  - Newsletters sent to existing members only are not subject to paragraphs (b), (c), (d) or (e)(1) of this section.
  - IF a newsletter exempted by (e)(3) of this section states a rate of return, it shall: a) state the rate as an “annual percentage yield” (or, “APY”) and b) contain a statement to contact an employee for further information about fees and terms.

**Ads that promote payment of Overdrafts** - shall include required disclosures in 707.11(b) – fees, categories of transactions where a OD fee may be imposed, time period OD must be repaid, and circumstances under which an OD will not be paid.

# Other Requirements



# Record Retention

## Depository Institutions and Credit Unions –

Both must retain evidence of compliance with their respective regulations for a minimum of 2 years after the date disclosures are required to be made or action is required to be taken.

Retain Evidence! *Can you demonstrate that you:*

- Established and maintained procedures for paying interest or dividends,
- Provided timely disclosures,
- Retained sample disclosures for each type of account offered to consumers/members, such as account opening disclosures, copies of advertisements, change in terms notices and information on rates and APYs offered.



### ***Evidence – hard copies not required!***

*Institutions / Credit Unions must be able to reconstruct evidence. Evidence may be retained on microfilm, microfiche or by other methods that reproduce records accurately.*

# Overdraft Services - Fees

## Depository Institutions and Credit Unions –

Both must separately disclose on each periodic statement, as applicable:

- “Total Overdraft Fees” which is the total \$ amount for all fees or charges for paying checks and other items when there are insufficient or unavailable funds and the amount becomes overdrawn; and
- The total amount of fees or charges imposed on the account for returning items unpaid.

NOTE: Must provide totals for statement period and for the calendar year-to-date

	Total for this period	Total year-to-date
Total overdraft fees	\$60.00	\$150.00
Total returned item fees	\$0.00	\$30.00



### ***Transfer services not included!***

*This disclosure does not include a service providing for the transfer of funds from another account of the consumer or member to permit the payment of items without creating an overdraft, even if a fee is charged.*

# Overdraft Services - Advertising

## Depository Institutions and Credit Unions –

As mentioned on previous “Advertising” slides, advertisements that promote the payment of overdrafts shall include other required disclosures.

Communications about the payment of ODs not subject to these advertising requirements include:

- *Services where payment of ODs are agreed upon in writing and subject to Regulation Z*
- *Communication in response to a consumer or member initiated inquiry*
- *Advertisements via broadcast or electronic media (television or radio)*
- *Advertisements via outdoor media (billboards)*
- *ATM receipts*
- *In-person discussions*
- *Disclosures required by federal or other applicable law*
- *Information included on a periodic statement or notice about an overdrawn item or the amount the account is overdrawn*
- *Term in a deposit or share account agreement related to the right to pay overdrafts*
- *Notices provided, such as at an ATM, that completing a transaction may trigger a fee for overdrawing an account*
- *Informational or educational materials concerning the payment of ODs if the materials do not specifically describe the overdraft service*
- *An Opt-out or Opt-in notice regarding the payment of ODs*

There are also special exceptions for ATM screens and telephone response machines.

There is also a special exception for indoor signs, provided the sign states that fees may apply and that an employee should be contacted for further information about applicable fees and terms.

# Overdraft Services – Disclosure of Account Balances

## **Depository Institutions and Credit Unions –**

If an institution / credit union discloses balance information to a consumer / member through an automated system, the balance may not include additional amounts that the institution / credit union may provide to cover an item when there are insufficient or unavailable funds in the consumer's / member's account, whether under a service provided in its discretion, a service subject to Regulation Z, or a service to transfer funds from another consumer / member account.



# Appendix B – Model Clauses and Sample Forms

## **Depository Institutions and Credit Unions –**

Don't forget that each regulation has an Appendix B that contains model clauses and sample forms.

Important interpretations and instructions are provided that address a variety of issues, including but not limited to modifications, content, general use, and compliance.



# SETTING A NEW STANDARD FOR THE FINANCIAL SERVICES INDUSTRY



**QUESTIONS?**

## More Information

Website –

<http://compliance.smslp.com/>

Contact Information –

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**Sheshunoff**  
CONSULTING + SOLUTIONS