Regulation DD
Truth in Savings

Background

Regulation DD, which implements the Truth in Savings Act (TISA) (12 USC 4301 et seq.), became effective in June 1993. The TISA was enacted in December 1991 as subtitle F of the Federal Deposit Insurance Corporation Improvement Act of 1991. Amendments to the TISA were enacted in October 1992 in titles IX and XVI of the Housing and Community Development Act of 1992 (Pub. L. 102-550, 106 Stat. 3672).

In general, Regulation DD covers accounts held by consumers at depository institutions. A *consumer account* is an account such as a checking, savings, or time account held by an individual primarily for personal, family, or household purposes. A *depository institution* is an institution (other than a credit union) that either is federally insured or is eligible to apply for federal insurance.

The purpose behind Regulation DD is to enable consumers to make better-informed decisions about their accounts at depository institutions through the use of uniform disclosures. The disclosures aid comparison shopping by informing consumers about the fees, annual percentage yield, interest rate, and other terms for deposit accounts. A consumer is entitled to receive disclosures about his or her account upon request; when an account is opened; when the terms of the account are changed; before maturity, for most time accounts; and when a periodic statement is sent. Also, institutions must pay interest on the full balance in consumer accounts each day and must choose between two methods of calculating the balance on which interest is paid.

Payment of Interest

General Requirements

The *interest rate* is the annual rate of interest paid on an account and does not reflect compounding. In general, an institution pays *interest* through the application of a periodic rate to an account balance. Interest does not include the absorption of expenses, forbearance in charging fees, or the payment of bonuses.

An institution is not required to pay consumers interest for the use of funds in an account. However, if an institution does pay interest on an account, the following rules apply:

- Interest must be paid on the full principal balance in the account each day. A daily rate of at least 1/365 (or 1/366 in a leap year) of the interest rate must be applied to the balance. An institution may apply a daily periodic rate that is greater than 1/365 of the interest rate (for example, a daily periodic rate of 1/360) as long as it is applied 365 days a year.
- Either the daily balance method or the average daily balance method must be used to calculate the balance on which interest is paid. The *daily balance method* applies a daily periodic rate to the entire principal balance every day. The *average daily balance method* applies a daily periodic rate to the average principal balance. The *average principal balance* is the sum of the entire principal balance for each day of a specified period, divided by the number of days in the period.
- Consumers may be required to maintain a minimum balance to earn interest. An institution using the daily balance method may choose not to pay interest for those days on which balances drop below the required daily minimum balance. An institution using the average daily balance method may choose not to pay interest if the average balance for the period falls below the minimum. If an institution imposes a minimum balance, it must use the same method to calculate whether the minimum balance is met as it uses to calculate interest. If it would benefit consumers unequivocally, an additional method (described in the commentary to the regulation) may be used to determine if the minimum balance requirement is met.
- An institution may choose how often it will credit interest to interest-bearing accounts. It may also choose whether to compound interest and, if it so chooses, how often the compounding will occur. If a consumer closes an account between crediting dates, an institution may choose not to pay accrued but uncredited interest.
- Interest must begin to accrue no later than the time at which the institution must begin accruing interest for interest-bearing accounts under section 606 of the Expedited Funds Availability Act (12 USC 4005 et seq.) and Regulaion CC (12 CFR 229.14). In addition, once interest starts to accrue, it must continue to accrue until funds are withdrawn. However, an institution need not pay interest (1) during a grace period for automatically renewable time accounts if the consumer decides during the grace period not to renew the account or (2) after maturity, for non-automatically renewable time accounts.

Terminology

Two terms are used to describe the rate paid to consumers. The term *annual percentage yield*, which must be used in account disclosures and advertising, represents an annualized rate measuring the total amount of interest paid on an account based on the interest rate and the frequency of compounding. The term *annual percentage yield earned* represents an annualized rate that is tied directly to the amount of interest earned and the account balance for the period covered by the periodic statement; it reflects the relationship between the amount of interest actually earned and the average balance in the account for the statement period or, in limited cases, for the interest-accrual period.

Account Disclosures

General Disclosure Requirements

Account disclosures must be in writing; must reflect the legal obligation, or the contract between the parties; and must be in a form that consumers can retain. The information must be presented clearly and conspicuously, so that consumers can readily understand the terms of the account. An institution may have a separate disclosure for each type of account or may combine Regulation DD disclosures for several accounts in a single document (for example, in a brochure that describes several variations of NOW accounts). If the disclosures are combined, it must clear which disclosures apply to the consumer's accounts.

Regulation DD requires specific terminology for three figures. First, the annual percentage yield must be labeled as such in account disclosures and advertisements. Second, the interest rate must be labeled as such if it is used in account disclosures and advertisements. Finally, the annual percentage yield earned must be labeled as such on periodic statements.

The annual percentage yield and the annual percentage yield earned must be shown to two decimal places and rounded to the nearest one-hundredth of 1 percent (.01 percent). (For example, an annual percentage yield of 5.644 percent would be shown as 5.64 percent, and a yield of 5.645 percent would be shown as 5.65 percent.) The same rule applies to interest rates except that the contract interest rate may be shown at more than two decimal places in account disclosures.

The annual percentage yield and annual percentage yield earned are considered accurate if they are no more than 1/20 of 1 percent (.05 percent) above or below the actual annual percentage yield as determined in accordance with appendix A to Regulation DD (Annual Percentage Yield Calculation). An institution may not purposely incorporate the tolerance as part of its calculations. There is no corresponding tolerance for the accuracy of the interest rate.

Provision of Disclosures

An institution must provide an account disclosure to a consumer before an account is opened or a service is provided, whichever is earlier. If the consumer is not present when an account is opened, the disclosure must be mailed or delivered within ten business days of the time the account is opened. An institution must also provide a disclosure to a consumer for each account for which the consumer requests information.

Disclosures must be accurate when provided to consumers. For disclosures given upon request, the annual percentage yield and maturity of time accounts are accurate if the institution provides an annual percentage yield and interest rate that are current within the most recent seven calendar days, a statement that the rates are accurate as of a given date, and a telephone number to call for rates currently available.

Content of Disclosures

The following information must be disclosed, as applicable:

Rate information—The annual percentage yield (computed in accordance with part I of appendix A to Regulation DD), using that term; and the interest rate, using that term (The corresponding periodic rate is the only other rate that may be disclosed.)

- For fixed-rate accounts, the period of time the interest rate will be in effect after the account is opened
  - For stepped-rate and tiered-rate accounts, all annual percentage yields and interest rates
    - A *stepped-rate account* has two or more interest rates that take effect in succeeding periods and are known when the account is opened. A single, composite annual percentage yield must be disclosed along with the interest rates and the time periods during which each rate will apply.
    - A *tiered-rate account* has two or more interest rates that are applicable to specified balance levels. The interest rate and the corresponding annual percentage yield for each balance level must be disclosed.
- For variable-rate accounts—A *variable-rate account* is an account for which the interest rate may change after the account is opened, unless the institution contracts to give at least thirty

calendar days' advance written notice of a rate decrease. Variable-rate accounts include those for which the rate change is determined by reference to an index, by use of a formula, or merely at the discretion of the institution. If an institution offers variable-rate accounts, it must disclose the following:

- That the interest rate and annual percentage yield may change
- How the interest rate is determined—If an institution reserves the right to change rates and does not tie changes to an index, it must disclose the fact that rate changes are solely within the institution's discretion.
- The frequency with which the interest rate may change—An institution that reserves the right to change rates at any time must state that fact.
- Any limit on the amount the interest rate will change at any one time or during a specified period

Compounding and crediting interest—If an institution compounds or credits interest, it must disclose the frequency, such as daily, monthly, or quarterly. In addition, an institution must disclose if consumers will forfeit interest if they close an account before accrued interest has been credited.

Balance information

- Minimum balance requirements—An institution must disclose any minimum balance required to open the account, to avoid the imposition of fees, or to obtain the annual percentage yield. An institution must also describe how it determines any minimum balance, except the balance to open the account.
- Balance-computation method—An institution must describe the method it uses to compute the balance on which interest on the account is calculated.

When interest begins to accrue—An institution must state when interest begins to accrue.

Fees—An institution must disclose the amount of all fees that may be assessed in connection with the account, including maintenance fees; fees related to deposits or withdrawals, whether by check or electronic transfer; fees for special account services; and fees to open or close accounts. The institution must also disclose the conditions under which the fees may be charged.

Transaction limitations—An institution must state any limitations on the number or dollar amount of deposits to, withdrawals from, or checks written on an account during a specified time period. If withdrawals from or deposits to time accounts are not allowed, that fact must be disclosed.

Features of time accounts—For time accounts, an institution must make the following disclosures:

- Time requirements—Except when responding to requests for disclosures, an institution must state the account's maturity date.
- Early withdrawal penalties—An institution must disclose that an early withdrawal penalty will, or may, be imposed; how the penalty is calculated; and the conditions under which the penalty will be assessed.
- Withdrawal of interest prior to maturity—If interest on the time account is compounded during the account's term, an institution must disclose that the annual percentage yield assumes that interest will remain on deposit until account maturity and that a withdrawal will reduce the earnings on the account.
- Renewal policies—An institution must state whether or not a time account will automatically renew at maturity. If the account will renew automatically, the institution must disclose whether a grace period will be provided and, if it will be, the length of the grace period. For non-automatically renewable time accounts, the institution must disclose whether interest will be paid after maturity if the account is not renewed.

Bonuses—If bonuses are offered on accounts, an institution must state the amount and type of bonus, when the bonus will be paid, and any minimum balance or time requirements that must be met in order to obtain the bonus.

Subsequent Disclosures

Notices of a Change in Terms

If an institution changes a term that is required to be disclosed for an account and the change might reduce the annual percentage yield or otherwise adversely affect consumers, the institution must send a written notice thirty calendar days before the effective date of the change. Institutions are not required to send rate-change notices for variable-rate accounts or for time accounts with maturities of one month or less. In addition, institutions are not required to send change-in-terms notices in connection with an increase in check-printing fees.

Notices for Maturing Time Accounts (Also see table)

Regulation DD requires an institution to provide disclosures for certain maturing time accounts.

Disclosure Requirements for Maturing Time Accounts

Account maturity period	Automatically renewable ("rollover") time accounts	Non-automatically renewable ("non-rollover") time accounts
More than 1 month but less than or equal to 1 year	*Timing:* 30 calendar days before maturity or 20 calendar days before end of grace period, if a grace period of at least 5 calendar days is provided *Content:* For existing accounts • The maturity date of the account For accounts that may be renewed • The interest rate and APY (or a statement that rates have not been determined, when they will be determined, and a telephone number for consumers to call for rates) • Full disclosures (as stated in section 230.4(b) of the regulation) • Any changes in terms from the existing account • The maturity of the account	No notice required
More than 1 year	*Timing:* Same as for accounts having a maturity of more than 1 month but not more than 1 year *Content:* For existing accounts • The maturity of the account For accounts that may be renewed • Full disclosures (as stated in section 230.4(b) of the regulation)	*Timing:* 10 calendar days before maturity *Content:* Maturity date, and whether or not interest will be paid after maturity

If the annual percentage yield and interest rate for a renewing time account are not known when the maturity notice must be sent, the institution may explain that this information is not available and provide the date when the yield and rate will become known plus a telephone number consumers may call to learn about the new yield and rate.

- If an automatically renewable time account has a maturity of more than one year, an institution must provide the maturity date for the existing account and all disclosures required for a new account. These disclosures must be sent either (1) thirty calendar days before the scheduled maturity date or (2) twenty calendar days before the end of a grace period following maturity, as long as the grace period is at least five days.
- If an automatically renewable time account has a maturity of more than one month but not more than one year, an institution must either (1) provide the disclosures required for automatically renewable time accounts with maturities of more than one year or (2) disclose the maturity dates for the new and maturing accounts and any difference between the terms of the new account and those required to be disclosed for the existing account. The time frames within which these disclosures must be sent are the same as those for automatically renewable time accounts with a maturity of more than one year.
- If a non-automatically renewable time account has a term longer than one year, an institution must send a notice ten calendar days before maturity that states the maturity date of the existing account and whether interest will be paid after maturity.

Periodic-Statement Disclosures

Regulation DD does not require an institution to send periodic statements to consumers, but if it does, the statement must include certain information. An institution is considered to be providing periodic statements to consumers if its statements set forth account information and are provided to consumers on a regular basis four or more times a year. Statements providing information to consumers about time accounts and passbook savings accounts are not covered.

An institution that provides periodic statements must disclose the following information for the statement period, as applicable:

- *Annual percentage yield earned*—An institution must disclose the annual percentage yield earned (computed in accordance with appendix A, part II, of the regulation), using that term.
- *Amount of interest*—An institution must show the amount of interest earned during the statement period.
- *Fees*—An institution must disclose fees (required to be disclosed under section 230.4(b)(4)) that have actually been debited to the account during the period, itemized by type and dollar amount.
- *Length of period*—An institution must disclose the total number of days in the statement period. Alternatively, the institution may state the beginning and ending dates of the statement period, as long as it is clear whether or not both of these days are included in the period.
- For institutions that use the average daily balance method and that calculate interest for a period other than the statement period, the annual percentage yield earned and the interest earned must be based on that other period.

Advertising

An *advertisement* is any commercial message appearing in any medium (for example, newspaper, television, lobby boards, and telephone response machines) if it directly or indirectly promotes the availability of an account. Regulation DD permits abbreviated disclosure requirements for advertisements made through broadcast or electronic media, such as radio and television; outdoor media, such as billboards; and telephone response machines. Limited disclosure rules apply to signs inside the institution's premises. If such an indoor sign states a rate of return, it must state the rate as an annual percentage yield, using that term or the abbreviation APY. Indoor signs must also contain a statement advising consumers to contact an employee for further information about applicable fees and terms.

An institution may not make any misleading or inaccurate statements in its advertisements. Using the term *profit*, for example, which implies a return on an investment, is a misleading advertisement. Using the term *free* or *no-cost* (or a similar term) to describe an account is misleading if any maintenance or activity fee might be imposed on the account.

If any rate or yield is advertised, it must be stated as an annual percentage yield (computed in accordance with appendix A, part I). The interest rate that corresponds to the advertised annual percentage yield may be displayed (using the term "interest rate") in conjunction with the annual percentage yield, but not more conspicuously. The annual percentage yield may be abbreviated as APY if the term is printed or stated in full elsewhere in the advertisement.

An institution triggers additional disclosure requirements if advertisements display either an annual percentage yield or a bonus. For example, advertisements that contain annual percentage yield information must disclose the following, as applicable:

- *Variable rates*—For a variable-rate account, advertisements must display the fact that the rate may vary after the account is opened.
- *Time period the annual percentage yield is offered*—An institution must state how long the advertised annual percentage yield is offered, for example, "from March 7 through March 13," or that the APY is accurate as of a specified date, for example, "annual percentage yield effective as of March 7."
- *Minimum balances*—If the account must have a minimum balance to obtain the advertised annual percentage yield, the minimum balance must be stated.
- *Minimum opening deposit*—An institution must state any minimum opening deposit requirement.
- *Effect of fees*—An institution must state that fees could reduce earnings on the account.
- *Features of time accounts*—The term of a time account ("three months," for example) must be stated. An institution must also state if a penalty will (or may) be imposed for early withdrawals. For accounts with a maturity of more than one year that do not compound interest on an annual or more-frequent basis, disclosures must also state any required interest payouts.
- *Bonus*—If a bonus is advertised, an institution must disclose (1) any time requirement to obtain the bonus, (2) when the bonus will be provided, (3) any required minimum balance to open the account or obtain the bonus, and (4) the annual

percentage yield (which disclosure in turn triggers additional disclosures).

For advertisements that are subject to abbreviated or limited requirements (such as advertisements in certain media or on indoor signs), see section 230.8(e) of the regulation.

Effect on State Laws

Regulation DD preempts state law requirements that are inconsistent with the requirements of the Truth in Savings Act or Regulation DD. A state law is inconsistent if it contradicts the definitions, disclosure requirements, or interest-calculation methods outlined in the act or the regulation. The regulation also provides that interested parties may request the Board to determine if a state law is inconsistent with the TISA.

Record Retention

An institution must retain records regarding compliance with Regulation DD for a minimum of two years after disclosures are required to be made or actions are required to be taken. It must keep evidence that disclosures were provided but is not required to keep a copy of each disclosure provided to every consumer. Instead, an institution can establish compliance by demonstrating that it has established procedures for providing disclosures, has followed the procedures, and has retained sample disclosures, copies of advertisements and change-in-terms notices, and information about interest rates and APYs offered. An institution must keep sufficient rate and balance information to enable examiners to verify the amount of interest paid on an account.

Records may be stored by use of microfiche, microfilm, magnetic tape, or other methods capable of accurately retaining and reproducing information (for example, computer files). An institution need not retain disclosures in hard copy, as long as enough information is retained to reconstruct the required disclosures or other records.

Examination Objectives and Procedures

EXAMINATION OBJECTIVES

1. To verify that the institution has procedures in place to ensure compliance with all provisions of the regulation
2. To verify that all required deposit account disclosures are accurate, reflect the terms of the legal obligation between the consumer and the institution, and are provided to consumers on a timely basis
3. To verify that the institution complies with the subsequent disclosure requirements of the regulation, including change-in-terms and maturity notices
4. To verify that periodic statements provided for deposit accounts accurately disclose all required information
5. To verify that the method used by the institution to calculate interest payments is permissible, and to verify the accuracy of other calculations (for example, the methods used to calculate daily balances, average daily balances, and minimum balances)
6. To determine that the institution's advertisements are not misleading or inaccurate and that they include all required information

EXAMINATION PROCEDURES

Management and Policy-Related Procedures

1. Determine the extent and adequacy of the institution's policies, procedures, and practices for ensuring compliance with the regulation, including whether the institution has an adequate mechanism in place to monitor the effectiveness of its compliance with the regulation.
2. Determine the extent and adequacy of the training received by individuals whose responsibilities relate to compliance with the regulation. Review any training materials pertaining to the regulation.
3. Determine the institution's procedures or policies for ensuring that account disclosure information is provided to new and potential deposit account customers within the appropriate time frames.
4. Determine if the institution's procedures ensure subsequent disclosure of any changes in terms that must be disclosed under section 230.4(b). Determine that exceptions to notice requirements are limited to those set forth in section 230.5(a)(2).
5. Determine if the institution's method of paying interest is permissible. Review the dates on which interest begins to accrue on deposits to accounts, and determine if hold times comply with the Expedited Funds Availability Act.
6. Determine if the institution's advertising policies are consistent with the requirements of the regulation.

Transaction-Related Procedures

Examination procedures call for testing the institution's procedures, policies, and practices with respect to the regulation.

The examiner should review a sample of the deposit account disclosures and notices required by the regulation and a sample of the institution's advertisements. The examiner should use judgment in deciding how large each sample should be. The sample size for each type of required action, deposit account disclosure, and advertisement should be increased until the examiner is confident that all aspects of the institution's activities and policies that are subject to the regulation are reviewed.

Account Disclosures

7. Determine the types of deposit accounts offered by the institution to consumers (including accounts usually offered to commercial customers that may occasionally be offered to consumers) as well as the characteristics of each type of deposit account (for example, bonuses offered, minimum balances, balance-computation method, frequency of interest crediting, fixed or variable rates, fees imposed, and frequency of periodic statements).
8. Review each deposit account disclosure to determine whether the contents are accurate, include all information required by the regulation, and reflect the legal obligation between the consumer and the institution.
9. Determine whether the institution provides the required deposit account disclosures on a timely basis in connection with the opening of an account or upon request.

Notice of Change in Terms and Notice before Maturity

10. Determine whether the institution sends out change-in-terms notices to consumers at least thirty calendar days in advance of the effective date of any change that may reduce the APY or that otherwise adversely affects consumers. Review a sample of these notices to ensure that they include all required information and are sent on a timely basis.
11. For time accounts, determine whether the institution sends out notices before maturity. Review a sample of these notices to ensure that they contain all required information and are sent on a timely basis.

Periodic-Statement Disclosures

An institution is not required to send a periodic statement; however, if it does, it must comply with the provisions of the regulation concerning periodic statements.

12. Determine the accounts for which the institution sends periodic statements and the frequency with which the statements are sent.
13. Obtain and review a sample of periodic statements for each type of deposit account that illustrate the various activities permitted for each type of account. Determine if the periodic statements include all required disclosures and that the disclosures are accurate.

Payment of Interest

14. Review a sample of each type of deposit account to determine whether the institution's method of calculating interest complies with the regulation.
15. Determine if interest begins to accrue no later than the business day specified for interest-bearing accounts in section 606 of the Expedited Funds Availability Act (Regulation CC) and that interest accrues until the day funds are withdrawn.
16. Determine that accrued interest is not forfeited when a consumer closes his or her account before interest is credited unless this practice is stated in the initial account disclosures.

Advertising Requirements

17. Determine the types of advertisements placed by the institution, including, but not limited to, radio, television, and newspaper ads; brochures; and statement stuffers.
18. Review a sample of each type of advertisement to determine if the advertisements are misleading or inaccurate or misrepresent the deposit contract. In addition, verify that the advertisements include all required disclosures.

Record-Retention Requirements

19. Review a sample of the institution's records, including rate information and advertising, to determine whether the institution has maintained evidence of compliance for a minimum of two years after disclosures are required to be made or action is required to be taken.

Regulation DD
Examination Checklist

General Disclosure Requirements—Section 230.3

1. a. Does the institution make the required disclosures clearly and conspicuously in writing and in a form the consumer may keep? (§ 230.3(a)) Yes No N/A

   b. If the disclosures required by the regulation are combined with disclosures for the institution's other accounts, is it clear which disclosures are applicable to the consumer's account? (§ 230.3(a)) Yes No N/A

2. Do the disclosures reflect the terms of the legal obligation between the consumer and the institution? (§ 230.3(b)) Yes No N/A

3. When orally responding to a consumer's inquiry about interest rates, does the institution state the annual percentage yield? (§ 230.3(e)) Yes No N/A

4. Are all annual percentage yields accurate to within .05% above or below the annual percentage yield determined in accordance with appendix A of the regulation? (§ 230.3(f)(2)) Yes No N/A

Account Disclosures—Section 230.4

5. a. Does the institution provide initial disclosures before an account is opened or a service is provided, whichever is earlier? (§ 230.4(a)(1)) Yes No N/A

   b. If the consumer is not present, does the institution mail or deliver the disclosures no later than 10 business days after the account is opened or the service is provided? (§ 230.4(a)(1)) Yes No N/A

6. a. Does the institution provide account disclosures to consumers upon request? (§ 230.4(a)(2)(i)) Yes No N/A

   b. If a consumer request is not made in person, does the institution mail or deliver the account disclosures within a reasonable time after it receives the request? (§ 230.4(a)(2)(i)) Yes No N/A

   c. In providing disclosures upon request, does the institution do the following?

      - Specify an interest rate and APY that were offered within the most recent 7 calendar days Yes No N/A
      - State that the rate and yield are accurate as of an identified date Yes No N/A
      - Provide a telephone number consumers may call to obtain current rate information (§ 230.4(a)(2)(ii)(a)) Yes No N/A

7. Do account disclosures include the following rate information (as applicable)? (§ 230.4(b)(1)(i))

   a. The annual percentage yield and interest rate, using those terms Yes No N/A

   b. For fixed-rate accounts, the period of time the interest rate will be in effect Yes No N/A

8. Do disclosures for variable-rate accounts include the following? (§ 230.4(b)(1)(ii))

   a. The fact that the interest rate and APY may change Yes No N/A

   b. How the interest rate is determined Yes No N/A

   c. The frequency with which the interest rate may change Yes No N/A

   d. Any limitation on the amount the interest rate may change Yes No N/A

9. Do the account disclosures describe the frequency with which interest is compounded and credited? (§ 230.4(b)(2)(i))	Yes	No	N/A
10. Do the account disclosures include a statement that interest will not be paid if the consumer closes the account before accrued interest is credited? (§ 230.4(b)(2)(ii))	Yes	No	N/A
11. a. Do the account disclosures describe the minimum balance requirements necessary to open an account, avoid the imposition of a fee, or obtain the APY disclosed?	Yes	No	N/A
b. Do the account disclosures state how the minimum balance requirement (except the balance to open the account) is determined for these purposes? (§ 230.4(b)(3)(i))	Yes	No	N/A
12. Do the account disclosures include an explanation of the balance-computation method used to calculate interest on the account? (§ 230.4(b)(3)(ii))	Yes	No	N/A
13. Do the account disclosures state when interest begins to accrue on noncash deposits? (§ 230.4(b)(3)(iii))	Yes	No	N/A
14. Do the account disclosures state the amount of any fee that may be imposed in connection with the account (or how the fee will be determined) and the conditions under which the fee may be imposed? (§ 230.4(b)(4))	Yes	No	N/A
15. Do the account disclosures include any limitations on the number or dollar amount of withdrawals or deposits? (§ 230.4(b)(5))	Yes	No	N/A
16. For time accounts, do the account disclosures include the following? (§ 230.4(b)(6))			
a. The maturity date (§ 230.4(b)(6)(i))	Yes	No	N/A
b. Early withdrawal penalties (§ 230.4(b)(6)(ii))	Yes	No	N/A
c. If compounding occurs and interest may be withdrawn during the term, a statement that the APY assumes that interest remains on deposit and that a withdrawal will reduce earnings (§ 230.4(b)(6)(iii))	Yes	No	N/A
d. Information regarding renewal policies: (§ 230.4(b)(6)(iv))			
• Whether the account will renew automatically	Yes	No	N/A
• If the account renews automatically, whether there is a grace period and, if so, the length of the grace period	Yes	No	N/A
• If the account does not renew automatically, whether interest will be paid after maturity	Yes	No	N/A
17. Do account disclosures state the amount or type of any bonus and the conditions under which the bonus will be paid? (§ 230.4(b)(7))	Yes	No	N/A

Subsequent Disclosures—Section 230.5

18. a. Does the institution provide advance notification to depositors of any change to a term required to be disclosed under section 230.4(b) if the change may reduce the APY or adversely affect the consumer?	Yes	No	N/A
b. Does the notice include the effective date of the change?	Yes	No	N/A
c. Is the notice mailed or delivered at least 30 days before the effective date of the change? (§ 230.5(a)(1))	Yes	No	N/A
19. Are exceptions to the notice requirements limited to the following?			
a. Variable-rate changes (§ 230.5(a)(2)(i))	Yes	No	N/A
b. Check-printing fees (§ 230.5(a)(2)(ii))	Yes	No	N/A

c. Short-term time accounts (1 month or less) (§ 230.5(a)(2)(iii))	Yes	No	N/A
20. Are the proper subsequent disclosures provided for the following time accounts?			
a. Accounts with maturities of more than 1 year that renew automatically (§ 230.5(b)(1))	Yes	No	N/A
b. Accounts with maturities of more than 1 month but not more than 1 year that renew automatically (§ 230.5(b)(2))	Yes	No	N/A
c. Accounts with maturities of more than 1 year that do not renew automatically (§ 230.5(d))	Yes	No	N/A

Periodic-Statement Disclosures—Section 230.6

21. a. Is the annual percentage yield earned disclosed on the periodic statement, using that term?	Yes	No	N/A
b. Is the APY earned calculated in accordance with appendix A of the regulation? (§ 230.6(a)(1))	Yes	No	N/A
22. Is the amount of interest earned during the statement period accurately disclosed? (§ 230.6(a)(2))	Yes	No	N/A
23. Are the fees required to be disclosed under section 230.4(b) that were debited to the account during the statement period itemized by dollar and type? (§ 230.6(a)(3))	Yes	No	N/A
24. Is the total number of days in the statement period, or the beginning and ending dates of the period, disclosed? (§ 230.6(a)(4))	Yes	No	N/A
25. If the institution uses the average daily balance method and calculates interest for a period other than the statement period, is the APY earned and the amount of interest earned based on that period rather than the statement period? (§ 230.6(b))	Yes	No	N/A

Payment of Interest—Section 230.7

26. Does the institution calculate interest on the full amount of principal in the account each day by using either the daily balance method or the average daily balance method? (§ 230.7(a)(1))	Yes	No	N/A
27. Does the institution use the same method to determine any minimum balance required to earn interest as it uses to determine the balance on which interest is calculated? (§ 230.7(a)(2))	Yes	No	N/A
28. a. Does interest begin to accrue no later than the business day specified for interest-bearing accounts in section 606 of the Expedited Funds Availability Act?	Yes	No	N/A
b. Does interest accrue until the day the funds are withdrawn? (§ 230.7(c))	Yes	No	N/A

Advertising Requirements—Section 230.8

29. a. Do the advertisements refrain from misleading or inaccurate statements, and do they accurately represent the deposit contract?	Yes	No	N/A
b. Do the advertisements refrain from using the term ‘‘free’’ or ‘‘no cost’’ if any maintenance or activity fee may be imposed?	Yes	No	N/A
c. Do the advertisements refrain from using the word ‘‘profit’’ when referring to interest paid on an account? (§ 230.8(a))	Yes	No	N/A

30. a. If the institution advertises rates on accounts, are the rates stated as annual percentage yields? Yes No N/A

    b. If the institution uses the abbreviation ''APY,'' has the term ''annual percentage yield'' been stated at least once in the advertisement? Yes No N/A

    c. If the institution states the interest rate, using that term, in conjunction with the APY, is it not more conspicuous than the APY? (§ 230.8(b)) Yes No N/A

    d. Are the annual percentage yields and interest rates rounded to the nearest one-hundredth of 1 percent (.01%) and expressed to two decimal places? (§ 230.3(f)(1)) Yes No N/A

31. If the institution advertises tiered-rate accounts, does the institution state all the APYs, including ranges where applicable, as well as the corresponding minimum balance requirements? (§ 230.8(b)) Yes No N/A

32. If the institution advertises stepped-rate accounts, does the institution accurately disclose the APY? (§ 230.8(b)) Yes No N/A

33. If the institution's deposit advertisements state the APY, are the following disclosures stated clearly and conspicuously to the extent applicable?

    a. Variable-rate notice (§ 230.8(c)(1)) Yes No N/A

    b. Time the APY is offered (§ 230.8(c)(2)) Yes No N/A

    c. Minimum balance to obtain the APY (§ 230.8(c)(3)) Yes No N/A

    d. Minimum opening deposit (§ 230.8(c)(4)) Yes No N/A

    e. Effect of fees (§ 230.8(c)(5)) Yes No N/A

    f. For time accounts, the following features: (§ 230.8(c)(6))

    - Time requirements (§ 230.8(c)(6)(i)) Yes No N/A
    - Applicable early withdrawal penalties (§ 230.8(c)(6)(ii)) Yes No N/A

34. If a bonus is stated in an advertisement, does the advertisement state the following information, as applicable?

    a. The annual percentage yield, using that term (§ 230.8(d)(1)) Yes No N/A

    b. Time requirement to obtain the bonus (§ 230.8(d)(2)) Yes No N/A

    c. Minimum balance required to obtain the bonus (§ 230.8(d)(3)) Yes No N/A

    d. Minimum balance required to open the account (if that amount is greater than the minimum balance necessary to obtain the bonus) (§ 230.8(d)(4)) Yes No N/A

    e. When the bonus will be provided (§ 230.8(d)(5)) Yes No N/A

35. Are exemptions to the requirements made for those media set forth under section 230.8(e)? Yes No N/A

Record-Retention Requirements—Section 230.9

36. Has the institution retained evidence of compliance for a minimum of 2 years after the date disclosures are required to be made or action is required to be taken? (§ 230.9(c)) Yes No N/A