

## Truth-in-Savings Disclosure for Certificate Accounts

The terms applicable to your share and checking accounts at the Credit Union are provided in this Truth-in-Savings Disclosure. **Except as specifically described, the following disclosures apply to all of the accounts. All accounts described in this Truth-in-Savings Disclosure are certificate accounts.**

1. **Rate Information.** The Annual Percentage Yield is a percentage rate that reflects the total amount of dividends to be paid on an account based on the dividend rate and frequency of compounding for an annual period. For all accounts, the Dividend Rate and Annual Percentage Yield may change at any time as determined by the Credit Union's Board of Directors. For accounts subject to dividend compounding, the Annual Percentage Yield is based on an assumption that dividends will remain on deposit until maturity. A withdrawal of dividends will reduce earnings.
2. **Dividend Period.** For each account, the dividend period is the account's term. The dividend period begins on the first day of the term and ends on the maturity date.
3. **Dividend Compounding and Crediting.** The compounding and crediting of dividends are stated in the Rate Schedule (or on the Savings Rate page of the website).
4. **Balance Information.** The minimum balance requirements applicable to each account are set forth in the Rate Schedule. For all accounts, dividends are calculated by the Daily Balance method which applies a daily periodic rate to the principal in the account each day.
5. **Accrual of Dividends.** For all accounts, dividends will begin to accrue on noncash deposits (e.g. checks) on the business day you make the deposit to your account. For all accounts, if you close your account before accrued dividends are credited, accrued dividends will not be paid.
6. **Transaction Limitations.** After your account is opened, your ability to make additional deposits to your account or withdrawals of dividends and any limitations on such transactions are set forth in the Rate Schedule (or on the Savings Rate page of the website). \*For Certificate accounts, if the balance falls below the minimum deposit, the certificate must be closed.
7. **Maturity.** Your account will mature as indicated on the Truth-in-Savings Disclosure or on your Account Receipt or Renewal Notice.
8. **Early Withdrawal Penalty.** We may impose a penalty if you withdraw any of the principal before the maturity date.
9. **Amount of Penalty.** For all accounts, the amount of the early withdrawal penalty is based on the term of your account. The penalty schedule is as follows:
  - a. Terms of 1 year or less      90 days dividends
  - b. Terms of more than 1 year    180 days dividends
10. **How the Penalty Works.** The penalty is calculated as a forfeiture of part of the dividends that have been or would be earned on the account. It applies whether or not the dividends have been earned. In other words, if the account

has not yet earned enough dividends or if the dividend has already been paid, the penalty will be deducted from the principal.

- 11. Exceptions to Early Withdrawal Penalties.** At our option, we may pay the account before maturity without imposing an early withdrawal penalty under the following circumstances:
  - a. When an account owner dies or is determined legally incompetent by a court or other body of competent jurisdiction.
  - b. Where the account is an Individual Retirement Account (IRA) and any portion is paid within seven (7) days after establishment; or provided that the depositor forfeits an amount of at least equal to the simple dividends earned in the amount withdrawn; or where the account is an IRA or Keogh and the owner attains age 59 ½ or becomes disabled.
- 12. Renewal Policy.** The renewal policy for your accounts is indicated on the Rate Schedule. For all accounts, your account will automatically renew for another term upon maturity. For accounts, you have a grace period of ten (10) days after maturity in which to withdraw funds in the account without being charged an early withdrawal penalty.
- 13. Nontransferable/Nonnegotiable.** Your account is nontransferable and nonnegotiable. The funds in your account may not be pledged to secure any obligation of an owner, except obligations with the Credit Union.