

# Truth in Savings Disclosure

## Certificate Accounts

*Except as specifically described, the following disclosures apply to all of the accounts. All accounts described in this Truth-In-Savings Disclosure are share 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 Share Certificate, Happy Tracker Certificate, Quarterly Pay Share Certificate, Flexible Term Share Certificate and Quarterly Pay Flexible Term Share Certificate accounts, the Dividend Rate and Annual Percentage Yield are fixed and will be in effect for the initial term of the account. 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. During the term of your Bump-Up Share Certificate, Bump-Up Flexible Term Certificate and TruChoice Certificate account you may increase the rate one time to the rate currently in effect for accounts of this type with the same term.
- 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 frequency of dividends are stated in the Rate Schedule.
- 4. Balance Information:** The minimum balance requirements applicable to each account are set forth in the Rate Schedule. To open any account you must deposit or already have on deposit at least the par value of one full share in any account. The par value amount is stated in the Fee Schedule. Some accounts may have additional minimum opening deposit requirements. For all accounts, dividends are calculated by the Average Daily Balance method, which calculates dividends by applying a periodic rate to the Average Daily Balance in the account for the dividend period. The Average Daily Balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in each period.
- 5. Accrual of Dividends:** For all accounts, dividends will begin to accrue on non-cash deposits (e.g. checks) on the business day you make the deposit to your account. If you close your account before accrued dividends are credited, accrued dividends will not be paid.
- 6. Transaction Limitations:** For Share Certificate, Happy Tracker Certificate, Quarterly Pay Share Certificate, Bump-Up Share Certificate, Flexible Term Share Certificate, Quarterly Pay Flexible Term Share Certificate and Bump-Up Flexible Term Certificate accounts, after your account is opened you may make withdrawals subject to the early withdrawal penalties stated below. For TruChoice Certificate accounts you may make one (1) withdrawal during the term of your account in an amount not to exceed 50% of the balance at the time of the early withdrawal. Any additional withdrawals will be subject to the early withdrawal penalties state below.
- 7. Maturity:** Your account will mature as stated in this Truth in Savings Disclosure, on your Account Receipt or Renewal Notice.

**Early Withdrawal Penalty:** We may impose a penalty if you withdraw from your account before the maturity date.

**Amount of Penalty:** For Share Certificate, Happy Tracker Certificate and Flexible Term Share Certificate accounts, the penalty will equal all dividends earned from account opening to the date of withdrawal. For Quarterly Pay Share Certificate, Bump-Up Share Certificate, Quarterly Pay Flexible

Term Share Certificate, Bump-Up Flexible Term Certificate and TruChoice Certificate accounts, the amount of early withdrawal penalty for you account will equal 180 days' dividends.

**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.

**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:

- I. When an account owner dies or is determined legally incompetent by a court or other body of competent jurisdiction.
- II. Where the account is an Individual Retirement Account (IRA) and any portion is paid within seven (7) days after the establishment; or where the account is a Keogh Plan (Keogh) 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.

**Renewal Policy:** The renewal policy for your accounts is stated in the Rate Schedule. For Share Certificate, Quarterly Pay Share Certificate, Bump-Up Share Certificate, and TruChoice Certificate accounts, your account will automatically renew for another term upon maturity. 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.

For Happy Tracker Certificate accounts, your account will automatically renew for another term upon maturity as long as you are younger than 18 years of age. You will have a grace period of ten (10) days after maturity in which to withdraw funds in account without being charged an early withdrawal penalty. Once you reach 18 years of age, your account will no longer renew automatically. Dividends will not be paid after the final maturity date following your 18<sup>th</sup> birthday. The account balance will be paid to you by check or will be transfer to another account of yours.

For Flexible Term Share Certificate, Quarterly Pay Flexible Term Share Certificate, and Bump-Up Flexible Term Certificate accounts, your account will not automatically renew for another term. Dividends will not be paid after maturity. Upon maturity, the account balance will be paid to you by check or will be transferred to another account of yours.

**Nontransferable/Nonnegotiable.** Your account is nontransferable and nonnegotiable.

**Share Value**

- Par value of one share ..... \$25.00

The rates and fees appearing in the Schedule are accurate as of the Effective Date indicated on this Truth-In-Savings Disclosure. If you have any questions or require current rate and fee information of your accounts, please call the Credit Union.