

TRUTH IN SAVINGS CERTIFICATE DISCLOSURE



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. Dividend Rate and Annual Percentage Yield are fixed and will be in effect for the term of the account. Annual Percentage Yield assumes that dividends will remain on deposit until maturity. A withdrawal of dividends will reduce the Annual Percentage Yield. The Credit Union may offer special rate promotions from time to time based on your account relationship with us.

- a. **Flex Certificates.** You may make deposits of at least \$100 at any time during the term of your Flex Certificate provided the principal balance does not exceed twice your Original Principal Balance or \$100,000 whichever amount is less.
- b. **Bump-Rate Feature.** With a Flex Certificate, you have the option of changing the interest rate once, at any time during your initial and subsequent renewal terms, to the Credit Union's then-current dividend rate with a like term. Once you use this bump-rate option, the then-current dividend rate will be the rate on your account until maturity. Your Annual Percentage Yield will change accordingly if you exercise this option.
- c. **Super Bump Flex Certificates.** Same great benefits as a Flex Certificate but offers unlimited "bumps." This means that you can contact the Credit Union and have your rate increased to the current published rate for a like term as market rates rise during initial and subsequent renewal terms. You may make deposits of at least \$100 at any time during the term of your Flex Certificate provided the principal balance does not exceed twice your Original Principal Balance or \$100,000 whichever amount is less.
- d. **Individual Retirement Accounts (IRAs).** IRA Certificates can be opened for Traditional, Roth and Educational IRAs. An IRA booklet is furnished to you prior to account opening that includes the application, information about IRAs and IRA Disclosure Statement. Contact your tax accountant or attorney for questions and advice on setting up the best IRA account for you.
- e. **Veterans Family Fund Certificates.** After the dividends have been posted to the account, 50% of the dividends will be paid directly to the Veterans Family Fund.

2. Nature of Dividends

Dividends are paid from current income and available earnings after required transfers to reserves at the end of a dividend period. The Dividend Rate and Annual Percentage Yield set forth in the Deposit Rate & Fee Schedule are accurate as of the effective date which the Credit Union anticipates paying for the applicable dividend period.

3. Compounding and Crediting

Dividends are compounded and credited monthly. The dividend period for all accounts is monthly beginning on the first calendar day of the month and ending on the last calendar day of the month. You have the option to have dividends paid at maturity.

4. Balance Computation Method

Dividends are calculated by the daily balance method, which applies a daily periodic rate to the principal in your account each day.

5. Par Value of Shares

The par value of a regular share in this Credit Union is \$25. A \$25 minimum balance in a savings share is required except for Tree Fort Club and Teen Accounts.

6. Balance Information

The minimum balance requirements applicable to each account are set forth in the Deposit Rate & Fee Schedule. To open any account, you must deposit or already have on deposit at least the par value of one full share in any share savings account.

7. Accrual of Dividends

Dividends will begin to accrue on all deposits on the business day you make the deposit to your account. If you close your account before accrued dividends are credited, dividends will not be paid.

8. Transaction Limitations

After your account is opened, you may make withdrawals of dividends after crediting. For Flex Certificates, you can make additional deposits of \$100 at any time; see paragraph 1a and 1b above for additional deposit limitations.

9. Maturity

Your account will mature on the date set forth in the account Share Certificate. See the current Deposit Rate & Fee Schedule for a listing of all maturity terms.

10. Early Withdrawal Penalty

If you withdraw principal prior to the maturity date an Early Withdrawal Penalty may be assessed, and the account closed.

- a. **Amount of Penalty.** The amount of the early withdrawal penalty is based on forfeiture of dividends. The forfeiture of an amount equal to 90 days of dividends on the amount withdrawn or all dividends on the amount withdrawn since the date of issuance or renewal, whichever is less.
- b. **How the Dividend Forfeiture Penalty Works.** The Dividend forfeiture penalty is calculated as a forfeiture of part of the dividends that have been or would have been earned on the account. It applies whether or not the dividends have been earned. In other words, if the dividend has already been paid, the penalty will be deducted from the principal.
- c. **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 the grace period, or if the required annual minimum distribution amount is paid, or where the IRA owner becomes disabled.

11. Renewal Policy

For all accounts, your account will automatically renew for another term upon maturity at the current rates and terms of the specific certificate share account as published in the Deposit Rate & Fee Schedule. You have a grace period of ten (10) calendar days after maturity in which to withdraw funds in the account without being charged an early withdrawal penalty.

12. 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.

13. National Credit Union Share Insurance Fund

This credit union is federally insured by the National Credit Union Share Insurance Fund.