

Certificates Truth-In-Savings

Except as specifically described, the following disclosures apply to all of the accounts.

- 1. Rate Information.** The Annual Percentage Yield is a percentage rate that reflects the total amount of interest to be paid on an account based on the interest rate and frequency of compounding for an annual period. For Certificate accounts, the Interest Rate and Annual Percentage Yield are fixed and will be in effect for the term of the account.
- 2. Interest Compounding and crediting.** The compounding and crediting of interest applicable to each account is set forth in the Rate Schedule.
- 3. Balance Information.** The minimum balance requirements applicable to each account are set forth in the Rate Schedule. For Certificate accounts, interest is calculated by the Average Daily Balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is determined by adding the full amount of the principal in the account for each day of the period and dividing that figure by the number of days in the period.
- 4. Accrual of Interest.** For Certificate accounts, interest will begin to accrue on noncash deposits (e.g. checks) on the business day you make the deposit to your account. For Certificate accounts, if you close your account before accrued interest is credited; accrued interest will not be paid.
- 5. Transaction limitations.** After your account is opened, your ability to make additional deposits to your account or withdrawals of interest and any limitations on such transactions are set forth in the Rate Schedule.
- 6. Maturity.** Your account will mature as indicated on the Rate and Fee Schedule or on your Account Receipt and Renewal Notice.

Early Withdrawal Penalty – We may impose a penalty if you withdraw any of the principal before the maturity date.

Amount of Penalty – For Certificate accounts, the amount of the early withdrawal penalty for your accounts is 90 days for the 6 months term, and 180 days interest for all other certificate terms, or number of days since purchase/maturity date, whichever is less.

How the Penalty Works. The penalty is calculated as a forfeiture of part of the interest that has been or would be earned on the account. It applies whether or not the interest has been earned. In other words, if the account has not yet earned enough interest or if the interest 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 establishment; or where the account is a Keogh Plan (Keogh) provided that the depositor forfeits an amount of at least equal to the simple interest 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 indicated in the first column. For Certificate accounts, your account will automatically renew for another term upon maturity. For Certificate accounts, you have seven (7) days after maturity in which to withdraw funds in the account without being charged an early withdrawal penalty.

Nontransferable/Nonnegotiable. Your account is nontransferable and nonnegotiable. The funds in your account may not be pledged to secure any obligations of an owner, except obligations with the Credit Union.