



Certificates of Deposit TRUTH-IN-SAVINGS ACCOUNT DISCLOSURES

The following disclosure applies to Certificates of Deposit accounts (CD account), except where specifically described. Account fees and charges to your account at the Credit Union are explained in the Disclosure. The Credit Union will change and may offer other rates and terms for these accounts from time to time.

- 1. Rate Information.** The Dividend Rate and Annual Percentage Yield on your accounts are posted on the current Rate Sheet enclosed. 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 certificate accounts and IRA certificate accounts, the Dividend Rate and Annual Percentage Yield are fixed and will be in effect for the term of the account. The Annual Percentage Yield is based on an assumption that dividends will remain on deposit until maturity. Withdrawal will reduce earnings.
- 2. Compounding and Crediting.** Dividends will be compounded and credited quarterly. The dividend period begins on the first calendar day of the dividend period and ends on the last calendar day of the dividend period.
- 3. Balance Information.** Minimum balances are required to open each CD account (See the current Rate Sheet enclosed) Dividends are calculated by the Daily Balance method which applies a daily periodic rate to the principal in the CD account each day.
- 4. Accrual of Dividends.** Dividends will begin to accrue on cash and non-cash deposits (e.g. checks) on the business day you make the deposit to your CD account.
- 5. Transaction Limitations.** After your certificate account is opened, you may not add funds to your CD account. You may make withdrawals of dividends from your account in any amount. APY shown above assumes that dividends stay in your account until maturity.
- 6. Maturity.** Your CD account will mature within the stated term, at the maturity date.
- 7. Early Withdrawal Penalty.** A penalty is imposed if you withdraw any of the principal before the maturity date, or the renewal date, if this is a renewal account.
- 8. Amount of Penalty.** For CD accounts and IRA CD accounts, the amount of the early withdrawal penalty on your CD account is 90 days dividends, or all dividends earned during the first quarter of the CD account term.
- 9. How the Penalty Works.** The penalty is calculated as a forfeiture of part of the dividends that have been earned on the CD account.
- 10. Renewal Policy.** Your CD account is automatically renewable at maturity at our current non-special rate. A Certificate Maturity Notice will be sent at least twenty (20) calendar days prior to the maturity date. You have 7 business days following maturity to withdraw your funds without penalty.
- 11. 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. IRA Certificate Accounts may not be pledged as collateral.