

# Truth-in-Savings Disclosure

Version: 02/01/2014



## I. SAVINGS AND CHECKING 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 all accounts, the dividend rate and annual percentage yield may change monthly as determined by the Credit Union's Board of Directors. The dividend rates and annual percentage yields are the rates and yields as of the last dividend declaration date that is set forth in the Rate Schedule. The Money Market accounts are tiered rate accounts. If your daily balance is from \$2,500.00 to \$19,999.99, the first dividend rate and annual percentage yield listed for this account in the Rate Schedule will apply. If your daily balance is \$20,000.00 or greater, the second dividend rate and annual percentage yield listed for this account will apply. Once a particular range is met, the dividend rate and annual percentage yield for that balance range will apply to the full balance of your account.

2. **NATURE OF DIVIDENDS** — Dividends are paid from current income and available earnings after required transfers to reserves at the end of the dividend period.

3. **DIVIDEND COMPOUNDING AND CREDITING** — The compounding and crediting frequency of dividends and the dividend period applicable to each account are stated in the Rate Schedule. The dividend period is the period of time at the end of which an account earns dividend credit. The dividend period begins on the first calendar day of the period and ends on the last calendar day of the period.

4. **ACCRUAL OF DIVIDENDS** — For all earning accounts, dividends will begin to accrue on noncash 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, you will not receive the accrued dividends. However, for Christmas Savings accounts, any accrued dividends will be paid if you close the account within seven (7) days of the date you open it.

5. **BALANCE INFORMATION** — To open any account, you must deposit or already have on deposit the minimum required share(s) in a Savings account. Some accounts may have additional minimum opening deposit requirements. The minimum balance requirements applicable to each account are set forth in the Rate Schedule. For Savings accounts, there is a minimum daily balance required to avoid a service fee for the dividend period. If the minimum daily balance requirement is not met during each day of the dividend period, you will be charged a service fee as stated in the Fee Schedule. For Savings, IRA Accumulation Savings, and Money Market accounts, there is a minimum daily balance required to earn the annual percentage yield disclosed for the dividend period. If the minimum daily balance requirement is not met each day of the dividend period, you will not earn the stated annual percentage yield. For accounts using the daily balance method as stated in the Rate Schedule, dividends are calculated by applying a daily periodic rate to the principal in the account each day.

6. **ACCOUNT LIMITATIONS** — For IRA Accumulation Savings accounts, you may make no more than six (6) transfers and withdrawals from your account to another account of yours or to a third party in any month by means of a preauthorized, automatic, or Internet transfer, by telephonic order or instruction, or by check, draft, debit card or similar order. If you exceed these limitations, your account may be subject to a fee or be closed. For Savings accounts, you may make three (3) withdrawals/transfers during a calendar month, for each withdrawal/transfer in excess of three (3) per calendar month there will be a fee as disclosed in the Fee Schedule. For Christmas Savings accounts, the entire balance will be paid to you by check or transferred to another account of yours on or after October 31 and the account will remain open. If you withdraw from your account, you will be charged a fee as disclosed in the Fee Schedule. For Money Market accounts, you may make two (2) withdrawals/transfers during a calendar month, for each withdrawal/transfer in excess of two (2) per calendar month there will be a fee as disclosed in the Fee Schedule. For Checking accounts, no account limitations apply.

7. **FEES FOR OVERDRAWING ACCOUNTS** — Fees for overdrawing your account may be imposed on each check, draft, item, ATM transaction and one-time debit card transaction (if member has consented to overdraft protection plan for ATM and one-time debit card transactions), preauthorized automatic debit, telephone initiated withdrawal or any other electronic withdrawal or transfer transaction that is drawn on an insufficient available account balance. The entire balance in your account may not be available for withdrawal, transfer or paying a check, draft or item. You may consult the Funds Availability Policy Disclosure for information regarding the availability of funds in your account. Fees for overdrawing your account may be imposed for each overdraft, regardless of whether we pay or return the draft, item or transaction. If we have approved an overdraft protection limit for your account, such fees may reduce your approved limit. Please refer to the Fee Schedule for current fee information.

For ATM and one-time debit card transactions, you must consent to the Credit Union's overdraft protection plan in order for the transaction amount to be covered under the plan. Without your consent, the Credit Union may not authorize and pay an overdraft resulting from these types of transactions. Services and fees for overdrafts are shown in the document the Credit Union uses to capture the member's opt-in choice for overdraft protection and the Schedule of Fees and Charges.

8. **MEMBERSHIP** — As a condition of membership, you must purchase and maintain the minimum required share(s) as set forth below.

Par Value of One Share \$5.00

Number of Shares Required 1

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

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## II. 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 all 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.
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** — To open any account, you must deposit or already have on deposit the minimum required share(s) in a Savings account. Some accounts may have additional minimum opening deposit requirements. 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.
6. **TRANSACTION LIMITATIONS** — For all accounts, your ability to make deposits to your account and any limitations on such transactions are stated in the Rate Schedule. After your account is opened, you may make withdrawals subject to the early withdrawal penalties stated below.
7. **MATURITY** — Your account will mature as stated on this Truth-in-Savings Disclosure or on your Account Receipt or Renewal Notice.
8. **EARLY WITHDRAWAL PENALTY** — We may impose a penalty if you withdraw funds from your account before the maturity date.
  - a. **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:
    - Terms of 1 year or less 90 days' dividends
    - Terms greater than 1 year but less than 3 years 180 days' dividends
    - Terms of 3 years or longer 365 days' dividends
  - b. **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 dividends have 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 seven (7) days after the establishment of the account; or where the account is a Keogh Plan (Keogh), provided that the depositor forfeits an amount 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 59½ or becomes disabled.
9. **RENEWAL POLICY** — The renewal policy for your accounts is stated in the Rate Schedule. For accounts that automatically renew for another term, you have a grace period of seven (7) days after maturity in which to withdraw funds in the account without being charged an early withdrawal penalty.
10. **NONTRANSFERABLE/NONNEGOTIABLE** — Your account is nontransferable and nonnegotiable.
11. **MEMBERSHIP** — As a condition of membership, you must purchase and maintain the minimum required share(s) as set forth below.

Par Value of One Share \$5.00  
Number of Shares Required 1

The rates and fees appearing with this 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 on your accounts, please call the Credit Union.

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### Certificate Information

Open Date \_\_\_\_\_ Term \_\_\_\_\_ Maturity Date \_\_\_\_\_ APY \_\_\_\_\_