

## SHARE CERTIFICATE TRUTH IN SAVINGS TERMS & CONDITIONS DISCLOSURE

By opening a share certificate, you have agreed to keep the funds on deposit for the agreed upon stated term beginning on the issue date and expiring on the maturity date. The share certificate will not be considered open until we receive your funds. If we do not receive your funds within five (5) days of your request, the interest rate in effect when we receive your funds shall apply.

1. **RATE INFORMATION:** The Dividend Rate and Annual Percentage Yield (APY) on share certificates is a percentage rate reflecting the total amount of dividends to be paid on a share certificate based on the dividend rate, APY, and frequency of compounding. On all share certificate accounts the dividend rate and APY are fixed and will be in effect for the term of the account. The APY is based on an assumption that dividends will remain on deposit until maturity. The Dividend Rates are subject to change at any time.
2. **COMPOUNDING AND CREDITING:** Dividends will be compounded daily and credited quarterly. The Dividend Period begins on the first calendar day of the period and ends on the last calendar day of the period.
3. **ACCRUAL OF DIVIDENDS:** Dividends will begin to accrue on the business day you open and make a cash or non-cash (ex. check) deposit to the share certificate account.
4. **MINIMUM BALANCE INFORMATION:** The minimum balance to open a fixed-rate share certificate account is \$500.00.
5. **BALANCE COMPUTATION METHOD:** Dividends are calculated by the average daily balance method, which applies a periodic rate to the average daily balance in the account for each day in the period and dividing that figure by the number of days in the period. You must maintain the minimum balance of \$500.00 each day to obtain the disclosed APY.
6. **FEES AND CHARGES:** No fees are directly attributable to this account except otherwise disclosed.
7. **TRANSACTION LIMITATIONS:** After the account is opened, you may make deposits into the account before the stated maturity date but not to exceed a principal balance of \$10,000.00. A maximum purchase of ten Share Certificates at \$10,000.00 per calendar year, per household is permitted. The Credit Union reserves the right to require a member intending to make a withdrawal from any account (except a share draft account) to give written notice of such intent not less than seven (7) days and up to sixty (60) days before such a withdrawal.
8. **MATURITY:** Your share certificate will mature on the maturity date set forth on your share certificate or renewal notice.
9. **EARLY WITHDRAWAL PENALTY:** You will be assessed an Early Withdrawal Penalty if you withdraw any of the principle before the maturity date.

### Amount of share certificate Account Penalty

12 month term or less = 90 days of dividends  
18 month term or more = 180 days of dividends

### How the share certificate Account 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 share certificate Account Penalties

At the Credit Union's 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 or disabled by a court or other body of competent jurisdiction.
- II. When a withdrawal is made as a result of the liquidation of the Credit Union.
- III. Withdrawal of dividends earned prior to maturity is permitted.

10. **RENEWAL POLICY:** Your share certificate account is not an automatically renewable account. At maturity, any dividends due and the principle balance will be deposited into your primary share account.
11. **NON-TRANSFERABLE/NON-NEGOTIABLE:** Your Share Certificate is non-transferable/non-negotiable. The funds in your account may not be pledged to secure any obligations of an owner.
12. **NATIONAL CREDIT UNION SHARE INSURANCE FUND:** Member accounts in the Credit Union are insured by the NCUSIF.

Member Signature \_\_\_\_\_

Date \_\_\_\_\_