

Explanation of Rates & Service Charges

As explained in the MSA, the “Our Rates & Service Charges” applies to all the accounts we offer. Except as specifically described, the following terms apply to all of the accounts you have with us.

1. Rate Information

The Dividend Rate and Annual Percentage Yield on the accounts you have with us are identified above. For all accounts except certificates, the Dividend Rate and Annual Percentage Yield may change at any time as determined by the Credit Union. Money Market accounts are Tiered Rate Accounts. For Money Market Accounts, if the balance in the account falls within the range of a particular tier, the Dividend Rate for that tier will apply to the full balance in the account. The Dividend Rates and Annual Percentage Yields are the prospective rates as of the effective date shown above. For Certificate Accounts, the Dividend Rate and Annual Percentage Yield are fixed and will be in effect for the term of the account. For Certificate Accounts, 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. Nature of Dividends

Dividends are paid from current income and available earnings after required transfers to reserves at the end of a dividend period.

3. Compounding and Crediting

Dividends will be compounded and credited as identified above. For dividend bearing accounts, 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

Dividends will begin to accrue on noncash deposits (e.g., checks) on the business day you make the deposit to an account you have with us. If you terminate the account before accrued dividends are credited, accrued dividends will not be paid.

5. Balance Information

The minimum balance required to start each account and earn the stated Annual Percentage Yield is identified above. If you do not maintain the minimum balance, you will not earn the stated Annual Percentage Yield. For all accounts, dividends are calculated using the Average Daily Balance method, in which dividends are calculated by applying a periodic rate to the Average Daily Balance in the account for the dividend period. The Average Daily Balance is determined by adding the full amount of principal in the account for each day of the period, and dividing that figure by the number of days in the period.

6. Account Limitations

For all money market accounts, you may not make more than six (6) covered transactions per month. Covered transactions include your checks, transfers initiated through online banking or mobile banking, ACH transfers, merchant point of sale transactions, preauthorized or automatic transfers, and overdraft protection transfers. Transfers to pay a loan with us are not covered by this limit. The date we use to determine the number of transactions is the date a transaction is posted to (actually credited to or debited from) an account, rather than the date you initiate the transaction. If you exceed this limit, we may refuse or reverse the transaction, and we may impose a charge as specified in the listing of service charges provided below. If you repeatedly exceed this limit, we may terminate the account.

For a Christmas Club account, the entire balance will be paid to you by check or transferred to another account of yours on or after October 1 and the account will remain open. If any withdrawal is made from this account before the end of the club term, then the account will be terminated and pay you the full balance. You may make transfers or withdrawals in the first seven (7) days the account is open without restriction. For Escrow Club Accounts, withdrawals are allowed only for payment of property taxes and insurance.

7. Certificate Account Features

a. Account Limitations

After you start the account, you may not make additional deposits to a Certificate Account.

b. Maturity

The Certificate Account you have with us will mature on the maturity date identified on your Account Receipt or Renewal Notice.

c. Early Withdrawal Penalty

We may impose a penalty if you withdraw any of the principal of the Certificate Account before the maturity date.

1) Amount of Penalty. Our penalties are on earned dividends only and are equal to the lesser of: (1) all dividends earned since purchase or (2) 90-days dividend for Short Term Certificates or 180-days dividend for Certificates or IRA Certificates.

2) How the Penalty Works. The penalty is calculated on the amount of early withdrawal; however, if the account balance falls below the minimum required balance, the account will be terminated and the penalty calculated on the entire balance. If earned dividends have previously been withdrawn, the penalty will be deducted from the principle balance.

3) 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: when an owner on an account dies or is determined legally incompetent by a court or other body of competent jurisdiction. 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 an IRA and the owner attains age 59½ or becomes disabled and begins making periodic withdrawals.

d. Renewal Policy

Certificate Accounts are automatically renewable accounts. Automatically renewable accounts will renew for another term upon maturity. You have a grace period of ten (10) days after maturity in which to withdraw funds in the account without being charged an early withdrawal penalty.

e. Nontransferable/Nonnegotiable

The account(s) you have with us is/are nontransferable and nonnegotiable. This means that an account and the funds in the account may not be pledged to secure any obligation of an owner, except obligations with the Credit Union.