

## Truth-in-Savings Act Disclosure

### For Variable Rate Shares

- 1. Rate Information:** The Dividend Rate and Annual Percentage Yield (APY) on your account(s) are listed in the rate and fee schedule that was given to you at the time of account opening, and can also be found on the deposit rates page of the Credit Union website. The APY 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 a 365-day period. The Dividend Rate and Annual Percentage Yield are variable and may change as determined by the Credit Union's Board of Directors. Fees may reduce your earnings.
- 2. Nature of Dividends:** Dividends are paid from current income and available earnings after providing for the required reserves.
- 3. Compounding and Crediting:** Dividends will be compounded and credited as listed on the deposit rates page of the Credit Union website. This information can also be found in the rate and fee schedule that was given to you at the time of account opening. The Dividend Period for each account is listed on the deposit rates page of the Credit Union website, as well as in the rate and fee schedule. The Dividend Period begins on the first calendar day of each month and ends on the last calendar day of each month.
- 4. Balance Information:** The Minimum Balance required to open each account is listed on the rate and fee schedule you were given at the time of account opening, and can also be found on the deposit rates page of the Credit Union website. Dividends and Minimum Balances are calculated using the Average Daily Balance method. 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 that period.

Dividends paid on CSA are based on the average daily balance in the account for the dividend period. As of the last dividend declaration date, if the average daily balance in a CSA was less than \$2,500, the dividend rate and corresponding annual percentage yield were the rate and yield disclosed above. If the average daily balance was \$2,500, but less than \$10,000; \$10,000, but less than \$50,000; or more than \$50,000, the dividend rates and corresponding annual percentage yields as disclosed above would have been paid on the entire balance in the account.

Dividends paid on Jumbo CSA are based on the average daily balance in each tier of the account for the dividend period. As of the last dividend declaration date, if the average daily balance in a Jumbo CSA was over \$500,000, the balance below \$50,000 would earn at the rate corresponding with the 1st or lowest tier, the balance below \$100,000 but greater than \$49,999 would earn at the rate for the 2nd tier, the balance below \$250,000 but greater than \$99,999 would earn at the rate for the 3rd tier, the balance below \$500,000 but greater than \$249,999 would earn at the rate for the 4th tier, and the balance greater than \$499,999 would earn at the rate for the 5th tier. This combination of split rates creates the composite Annual Percentage Yield for the dividend period.

5. **Accrual of Dividends:** Dividends will begin to accrue on cash and non-cash (e.g. checks) deposits on the business day you make the deposit to your account.
6. **Account Limitations:** After your account is opened, you may make withdrawals of dividends from your account in any amount as indicated on the schedule. For variable rate shares in which transfer limitations apply, no more than six (6) preauthorized, automatic, telephone transfers or transfers made by check, draft, or debit card may be made from these accounts to another of yours or to those of a third party in any month. If you exceed these limitations, your account may be re-classified as a transaction account, subject to a fee or closed.
7. **Nontransferable/Nonnegotiable:** Your account is nontransferable and nonnegotiable. The funds in your account may not be pledged to secure an obligation of an owner, except for any obligation with the credit union.

*Information appearing in this Disclosure is accurate and effective for deposit accounts as of August 2016. If you have any questions or require current rate information on your accounts, please call the credit union at (207)872-2771 or (207) 430-0779.*