

## Truth in Savings Disclosures

**Rate Information.** The annual percentage yield (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 an annual period. For Savings Accounts, the dividend rate and APY are the prospective rates and yields that the Credit Union anticipates paying for the applicable dividend period. For MMP, Everyday Account w/High-Yield Savings and HSA Accounts, the dividend rate for a particular tier, as set forth above, will apply to the entire account balance if the account balance is within the balance range for that tier. For Savings Accounts and IRA Accounts, the dividend rate and APY may change quarterly as determined by the Credit Union's Board of Directors. For MMP, Everyday Account w/High-Yield Savings and HSA Accounts, the dividend rate and APY may change at any time as determined by the Credit Union's Board of Directors. For Everyday Account w/Interest and Youth Checking accounts, the dividend rate and APY may change monthly as determined by the Credit Union Board of Directors. For Certificates, the dividend rate and APY are fixed and will be in effect for the term of the Certificate. The APY on Certificates is based on an assumption that dividends will remain on deposit until maturity. A withdrawal of dividends from a Certificate will reduce earnings.

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

**Dividend Compounding & Crediting.** The compounding and crediting of dividends and the dividend period applicable to each account are set forth in the rate schedules above. 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.

**Balance Information.** The minimum balance requirements to open an account, avoid imposition of fees, and obtain the annual percentage yield disclosed are set forth in the rate schedules above. Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day. Dividends will begin to accrue on noncash deposits (e.g. checks) on the business day you make the deposit to your account. For the Savings Account, Everyday Account, Everyday Account w/Interest, Youth Checking and IRA Accounts, if you close your account before accrued dividends are credited, accrued dividends will not be paid. For Everyday Account w/Interest, there is a \$250 minimum daily balance required avoid a \$10 per month minimum balance fee, and account will not earn dividends for any day the balance is less than \$250. For the MMP Account, your account will not earn dividends for any day the balance is less than \$1,000. For the Everyday Account w/High-Yield Savings, you will not earn dividends for any day the balance is less than \$500 or any balance greater than \$25,000. The Everyday Account w/High-Yield Savings is subject to closure if minimum balance is not met for 60 consecutive days. Fees may reduce earnings.

**Account Limitations.** The minimum balance requirements to open an account, avoid imposition of fees, and obtain the annual percentage yield disclosed are set forth in the rate schedules above. Dividends are calculated by the daily balance method which applies a daily periodic rate to the

balance in the account each day. Dividends will begin to accrue on noncash deposits (e.g. checks) on the business day you make the deposit to your account. For the Savings Account, Everyday Account, Everyday Account w/Interest, Youth Checking and IRA Accounts, if you close your account before accrued dividends are credited, accrued dividends will not be paid. For Everyday Account w/Interest, there is a \$250 minimum daily balance required avoid a \$10 per month minimum balance fee, and account will not earn dividends for any day the balance is less than \$250. For the MMP Account, your account will not earn dividends for any day the balance is less than \$1,000. For the Everyday w/High-Yield Savings, you will not earn dividends for any day the balance is less than \$500 or any balance greater than \$25,000; fees may reduce earnings. An Everyday w/High-Yield Savings with a \$0.00 balance on day sixty-one (61) following account opening will automatically be closed.

**Fees for Overdrawing Checking Accounts.** Courtesy Pay fees may be imposed on each overdraft per item, per occurrence (to include repeat presentments) from your checking account created by check, ATM, debit card or other electronic means.

### **Certificate Policies (including IRA Certificates)**

**Maturity:** Your account will mature as indicated on your request for Certificate Receipt or Renewal Notice.

**Early Withdrawal Penalty:** We may impose a penalty if you withdraw any of the principal before the maturity date.

**Amount of Penalty:** For all certificates, the amount of the early withdrawal penalty is based on the term of your certificate.

The penalty schedule is as follows:

Terms of 90 days and 6 months: 30 days dividends or dividends earned, whichever is less.

Terms of 1 year and 15 month Promo Certificate: 90 days dividends or dividends earned, whichever is less.

Terms of 18 months, 2 and 3 years, and 22 month Promo Certificate: 180 days dividends or dividends earned, whichever is less.

Terms of 4 and 5 years: 365 days dividends or dividends earned, whichever is less.

**How the Penalty Works:** The penalty is calculated as a forfeiture of part of the dividends that have been earned on the certificate. If the dividends have already been paid, the penalty may be deducted from the principal of the certificate or your share account.

**Exceptions to Early Withdrawal Penalties:** At our option, we may pay the certificate 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) When the certificate is an Individual Retirement Account (IRA) and any portion is paid within seven (7) days after establishment. (iii) Members taking a required minimum

distribution (RMD) from an IRA certificate, in accordance with the Internal Revenue Code and regulations, may withdraw their RMD without penalty.

**Renewal Policy:** The renewal policy on certificates is indicated above. All certificates will automatically renew for another term upon maturity. On all certificates, you have a grace period of ten (10) days after maturity in which to withdraw funds in the certificate without being charged an early withdrawal penalty.

**Nontransferable/Nonnegotiable:** Certificates are nontransferable and nonnegotiable. Certificates may not be pledged to secure any obligation of an owner, except obligations with Credit Union of Colorado. IRA certificates cannot be pledged.