

IV. TRUTH IN SAVINGS

1. Share Accounts and Transaction Accounts

Except as specifically described, the following disclosures apply to all of the accounts. All accounts described in this disclosure are share accounts.

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 Share, Youth Accounts, Holiday Club, and All Purpose Club accounts, the Dividend Rate and Annual Percentage Yield may change quarterly as determined by the Credit Union's Board of Directors. For IRA, Share Draft Checking Accounts, and Money Market 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 Yield as of the last dividend declaration date, which is set forth in the Rate Schedule.

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 and Crediting. The compounding and crediting frequency of dividends and 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.

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. If you close your account before accrued dividends are credited, you will not receive the accrued dividends.

Balance Information. To open any account, you must deposit or already have on deposit at least the par value of one full share in a Share account. The par value amount is stated in the Fee Schedule. Some accounts may have additional minimum opening deposit requirements. The minimum balance requirements applicable to each account are stated in the Rate Schedule. For Share and Money Market Accounts, there is a minimum daily balance required to avoid a service fee for the dividend period. If the minimum daily balance is not met during each day of the dividend period, there may be a service fee as stated in the Rate Schedule. For Share, Holiday Club, All Purpose Club, Money Market, and Youth Accounts, there is a minimum Daily Balance required to earn the Annual Percentage Yield disclosed for the dividend period. If the minimum daily balance 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 on the Rate Schedule, dividends are calculated by applying a daily periodic rate to

the balance in the account each day.

Account Limitations. For Share, Money Market, and Youth Accounts, no more than six (6) preauthorized, automatic, or telephone transfers may be made from each account to another account or to a third party in any month, and no more than three (3) of these six (6) transfers may be made by check, draft, or debit card to a third party. If you exceed these limitations, your account may be subject to a fee or be closed. For Holiday Club accounts, the entire balance will be paid to you by transfer to a designated account on or after November 1st and the account will remain open. For All Purpose Accounts, the entire balance will be paid to you by transfer to a designated account on or after July 1st and the account will remain open. For IRA and Share Draft accounts, no account limitations apply.

Certificate Accounts

Except as specifically described, the following disclosures apply to all of the accounts.

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. For Share Certificate accounts, dividends must be paid directly to the certificate.

Dividend Period. For each account the dividend period is monthly. The dividend period begins on the first day of the month and dividends are paid at each month end. If the maturity date of the dividend falls during the month, dividends are paid to the date of maturity.

Dividend Compounding and Crediting. The compounding and crediting frequency of dividends are stated in the Rate Schedule.

Balance Information. The minimum balance requirements applicable to each account are set forth in the Rate Schedule. To open any account, you must deposit or already have on deposit at least the par value of one full share in a Share account. The par value amount is stated in the Fee Schedule. Some accounts may have additional minimum opening deposit requirements. For Share Certificate accounts, dividends are calculated by the Daily Balance method, which applies a periodic rate to the balance in the account each day.

Accrual of Dividends. For Share Certificates accounts, dividends will begin to accrue on noncash deposits (e/g/ checks) on the business day you make the deposit to your account. For Share Certificate accounts, if you close your account before accrued dividends are credited, accrued dividends will not be paid.

Transaction Limitations. For Share Certificate accounts, after your account is opened you may make withdrawals subject to the early withdrawal penalties stated below.

Maturity. Your account will mature as stated on this Rate and Fee Schedule or on your account receipt or renewal notice.

Early Withdrawal Penalty. We may impose a penalty if you withdraw from your account before the maturity date.

Amount of Penalty. For Share Certificate accounts, the amount of early withdrawal penalty for your account is 30 days dividend.

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 dividend has already been paid, the penalty will be deducted from the principal.

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 account owner 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 the establishment; or where the account is an IRA and the owner attains age 59 ½ or becomes disabled.

Renewal Policy. The renewal policy for your accounts is stated in the Rate Schedule. For Share Certificate accounts, your account will automatically renew for another term. You will be notified by mail of your new rate for another term. There is a ten (10) day grace period in which you can close the share certificate without the credit union imposing an early withdrawal penalty.

Nontransferable/Nonnegotiable. Your account is nontransferable and nonnegotiable.