



The following disclosures and terms apply to your accounts with the University Federal Credit Union (Credit Union). The Membership and Account Agreement, Fee Schedule and Deposit Rate Sheet also sets out terms of your accounts and is hereby incorporated by reference as if fully set forth herein.

SAVINGS, CHECKING, AND MONEY MARKET ACCOUNTS:

- 1. RATE INFORMATION.** Please see our current Deposit Rate Sheet for current Annual Percentage Yield (APY) and any applicable tiers. The APY 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. The dividend rate and APY may change at any time as determined by our Board of Directors. You must provide and maintain minimum opening deposits and/or minimum daily balances in order to earn the APYs stated below, if so indicated.
- 2. COMPOUNDING AND CREDITING.** The frequency with which dividends will be compounded and credited is set forth below. The "Month" or "Quarter" begins on the first calendar day of the month or quarter and ends on the last calendar day of the month or quarter.
- 3. MINIMUM BALANCE REQUIREMENTS.** The minimum balance requirements for each account type are set forth below. Minimum balance requirements may include a minimum opening deposit, the minimum balance that you must maintain in the account to avoid service fees, and the minimum balance that you must maintain each day to earn the stated APY for that account. The par value of a share in this credit union is disclosed on the Fee Schedule.
- 4. BALANCE COMPUTATION METHOD.** Unless otherwise indicated, we use the *Daily Balance Method* to calculate dividends on your account. The *Daily Balance Method* applies a daily periodic rate to the balance in the account each day.
- 5. ACCRUAL OF DIVIDENDS.** Dividends will begin to accrue on the day that you deposit cash/noncash items (e.g. checks) to your account. If you close your account before dividends are paid, you will receive the accrued dividends.
- 6. COURTESY PAY.** Courtesy Pay may allow members who are in "good standing" to overdraw their personal checking account up to the amounts set forth by Credit Union policies. To be in "good standing" the following conditions must be met: (1) you bring your account to a positive balance at least once every 45 days; (2) you are current on all loans and obligations; (3) you have no past charge-offs that have not been fully recovered; (4) there are no tax levies, garnishments, or other legal action against your account; (5) do not have a delinquent loan, a regular Savings account balance below the \$5.00 minimum, an unresolved deposited returned check, unpaid or uncollected Credit Union fees, a negative balance on an account with us; and (6) you have not caused a financial loss to the Credit Union, nor have been found to have violated our Member Conduct Policy.

The Courtesy Pay program is not available on the Ability Account or any non-checking accounts.

If you overdraw your account, we may, at our discretion, pay overdrafts up to the limit. You will be assessed either a NSF Fee or Courtesy Pay Fee, but not both. These fees will be included in the overdraw limits set forth above. **Courtesy Pay is a service that requires opt-in* on the member's part. It is not a loan.** You can set up alerts each time an overdraft occurs through on-line banking. If you receive a direct deposit of your monthly Social Security payment into your checking account and do not want Courtesy Pay eligibility, you must advise us to stop us from paying your overdrafts with these funds in writing.

We may return debits (e.g., ACH payments) submitted for payment against the checking account if the amount of the debit exceeds the funds available in the checking account. Each time we return a debit for insufficient funds, we will assess an NSF fee in the amount shown on our current Fee Schedule for each returned debit item. The entity that submitted the debit may submit another debit to us even if we have already returned the prior debit for insufficient funds in the checking account. If the resubmitted debit again exceeds the funds available in the checking account, we again will return the debit, resulting in an additional NSF fee. Thus, you may be charged multiple NSF fees in connection with a single debit that has been returned for insufficient funds multiple times.

7. VARIABLE RATE INFORMATION. If your rate is variable as indicated below, the rate is based on the Board of Director's discretion. We may change the rate at every dividend period. There are no limitations on the amount the rate can change.

Regular and Special Savings Account

- Rate is: Variable
- Dividends are Compounded: Daily
- Dividends are Credited: Quarterly
- Minimum Opening Deposit: \$5.00
- Minimum Balance to Avoid a Service Fee: N/A
- Minimum Balance to Earn the Stated APY: \$100.00

Teen and Kidz Savings Account

- Rate is: Variable
- Dividends are Compounded: Daily
- Dividends are Credited: Quarterly
- Minimum Opening Deposit: \$5.00
- Minimum Balance to Avoid a Service Fee: N/A
- Minimum Balance to Earn the Stated APY: \$5.00

Money Market Account

Rate is: Variable

Dividends are Compounded: Daily

Dividends are Credited: Monthly

Minimum Opening Deposit: \$2,500.00

Minimum Balance to Avoid a Service Fee: N/A

Minimum Balance to Earn the Stated APY: N/A

Bonus Dividend: Upon engaging in ten (10) or more checking transactions in a given month, existing account holders may receive bonus dividend rates paid on Money Market Accounts for that month. Bonus Dividends are compounded daily and credited monthly and are paid on balances up to \$100,000.00. Balances in excess of \$100,000.00 will earn dividends at the current available rate.

Free Checking Account

Rate is: N/A

Dividends are Compounded: N/A

Dividends are Credited: N/A

Minimum Opening Deposit: \$25.00

Minimum Balance to Avoid a Service Fee: N/A

Minimum Balance to Earn the Stated APY: N/A

Plus Checking Account

Rate is: Variable

Dividends are Compounded: Daily

Dividends are Credited: Monthly

Minimum Opening Deposit: \$2,500.00 or in the alternative, aggregate balances of \$2,500.00 (Savings, Checking, Money Market, Certificates and IRA Accounts Combined)

Minimum Balance to Avoid a Service Fee: \$2,500.00 or in the alternative, aggregate balances of \$2,500.00 (Savings, Checking, Money Market, Certificates and IRA Accounts Combined)

Minimum Balance to Earn the Stated APY: \$1,000.00

Teen Checking Account

Rate is: Variable

Dividends are Compounded: Daily

Dividends are Credited: Monthly

Minimum Opening Deposit: \$25.00

Minimum Balance to Avoid a Service Fee: N/A

Minimum Balance to Earn the Stated APY: N/A

Ability Account

Rate is: N/A

Dividends are Compounded: N/A

Dividends are Credited: N/A

Minimum Opening Deposit: \$25.00

Minimum Balance to Avoid a Service Fee: N/A

Minimum Balance to Earn the Stated APY: N/A

Variable Rate IRA Account

Rate is: Variable

Dividends are Compounded: Daily

Dividends are Credited: Monthly

Minimum Opening Deposit: \$100.00

Minimum Balance to Avoid a Service Fee: N/A

Minimum Balance to Earn the Stated APY: N/A

CERTIFICATE ACCOUNTS:

1. RATE INFORMATION. Please see our current Deposit Rate Sheet available at www.ufcu.org for current APY and any applicable tiers. The APY 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. If the dividend rate and APY are fixed and will be in effect for the initial term of the account as indicated below. If the dividend rate and APY are variable as indicated below, it is based on the Credit Union's discretion as further described below. The rates for renewals shall be those rates in effect at the time of renewal. The APY stated is based on the assumption that dividends will remain on deposit until maturity; a withdrawal of dividends will reduce earnings.

2. COMPOUNDING AND CREDITING. The frequency with which dividends will be compounded and credited is set forth below.

3. MINIMUM BALANCE REQUIREMENTS. The minimum balance requirements for each account are set forth below. The par value of a share in this credit union is disclosed on the Fee Schedule.

4. BALANCE COMPUTATION METHOD. We use the *Daily Balance Method* to calculate dividends on your account. The *Daily Balance Method* applies a daily periodic rate to the balance in the account each day.

5. ACCRUAL OF DIVIDENDS. Dividends will begin to accrue on the day that you deposit noncash/cash items (e.g. checks) to your account. If you close your account before dividends are paid, you will receive the accrued dividends minus, if applicable, early withdrawal penalties.

6. MATURITY. Your account will mature according to the term indicated on your account summary or statement.

7. EARLY WITHDRAWAL; PENALTIES. We will impose a penalty if you withdraw any of the funds in your certificate before the maturity date. The amount of the penalty will reduce dividends paid and will equal the lesser of (a) all accrued dividends on the certificate; or (b) 25% of dividends on the entire term. The APY disclosed for your certificate is based on an assumption that dividends will remain in the certificate until maturity; a withdrawal will reduce earnings. **Exceptions to Early Withdrawal Penalties:** We may, at our option, pay the account before maturity without imposing an early withdrawal penalty under the following circumstances: (1) If an account owner dies or is determined to be legally incompetent by a court or other body of competent jurisdiction; or (2) if the account is an IRA and the owner attains the age of 59 1/2 or becomes disabled.

8. RENEWAL POLICY. Unless you instruct us otherwise, you hereby direct us to automatically renew your certificate(s) at maturity. You will have a grace period of 7 days after the applicable maturity date to withdraw the funds in the certificate without being charged an early withdrawal penalty. The dividend rate and APY for the renewed term will be set by the Credit Union. Once you attain the age of eighteen (18), the Early Savers Certificate will not be renewed, and will be placed into the associated savings share.

9. VARIABLE RATE INFORMATION. If your rate is variable as indicated below, the rate is based on the Board of Director's discretion. We may change the rate at every dividend period. There are no limitations on the amount the rate can change.

| | Fixed Rate Certificate | Fixed Rate IRA Certificate | Step Up Certificate | Early Savers Certificate |
|--|---|-----------------------------------|----------------------------|---------------------------------|
| Rate is: | Fixed | Fixed | Fixed | Variable |
| Dividends are Compounded: | Daily | Daily | Daily | Daily |
| Dividends are Credited: | Monthly | Monthly | Monthly | Monthly |
| Minimum Opening Deposit: | \$1,000.00 | \$1,000.00 | \$1,000.00 | \$100.00 |
| Additional Deposits: | Not Allowed | Not Allowed | At time of step-up | Anytime |
| Early Withdrawal Penalty (See Section 7 above) | The amount of the penalty will reduce dividends paid and will equal the lesser of (a) all accrued dividends on the certificate; or (b) 25% of dividends on the entire term. | | | |

*Courtesy Pay OPT-In for ACH and Checks is not required