

TRUTH IN SAVINGS DISCLOSURE

Dividend Rate and APY (Annual Percentage Yield)

SHARE SAVINGS ACCOUNT: The dividend rate as of the last dividend declaration date was **0.10%**, with a corresponding annual percentage yield of **0.10%** for share savings accounts with balances of at least \$50.00 and up to \$2,999.99. The dividend rate as of the last dividend declaration date was **0.15%**, with a corresponding annual percentage yield of **0.15%** for share savings accounts with balances of at least \$3,000.00.

CHRISTMAS and BACK TO SCHOOL CLUB SUB-SHARE SAVINGS ACCOUNT: The dividend rate as of the last dividend declaration date was **0.25%**, with a corresponding annual percentage yield of **0.25%** for Christmas and Back to School Club share savings accounts with balances of at least \$50.00.

SHARE DRAFT (CHECKING) ACCOUNT: The dividend rate as of the last dividend declaration date was **0.05%**, with a corresponding annual percentage yield of **0.05%** for share draft (checking) accounts with balances of at least \$50.00.

Variable Rate Accounts

The dividend rate and annual percentage yields on share savings and share draft (checking) accounts may change every quarter as determined by the credit union's board of directors.

Compounding

Dividends will be compounded quarterly and credited quarterly. The dividend period is a quarter. The beginning date of the first dividend period of the calendar year is January 1st and the ending date is March 31st. All other dividend periods follow this pattern of dates. The dividend declaration date is the date the credit union's board of directors declares a dividend for the preceding dividend period.

Effect of Closing an Account

If you close your account before the end of the dividend period, you will not be paid the accrued dividends for the period.

Minimum Balance Requirements

To open any account you must deposit or already have on deposit at least the par value of one full share in a Share Savings account. The par value amount is stated in the Fee Schedule.

SHARE SAVINGS ACCOUNTS: To open this account, you must have a minimum amount of \$5.00. To join this credit union, you must purchase a \$5.00 share. To earn the annual percentage yield disclosed, you must maintain a minimum daily balance of \$50.00 for each day of the dividend period. You will not earn dividends for any day that your balance drops below \$50.00.

CHRISTMAS & BACK TO SCHOOL CLUB SUB-SHARE SAVINGS ACCOUNTS: To open this account, a minimum opening deposit of at least \$10.00 is required. After opening there is no minimum balance to retain open. To earn the annual percentage yield disclosed, you must maintain a minimum daily balance of \$50.00 for each day of the dividend period. You will not earn dividends for any day that your balance drops below \$50.00.

SHARE DRAFT (CHECKING) ACCOUNTS: To open this account, you do not have a minimum amount required. To earn the annual percentage yield disclosed, you must maintain a minimum daily balance of \$50.00 for each day of the dividend period. You will not earn dividends for any day that your balance drops below \$50.00.



How Dividends are Calculated

Dividends are calculated using the daily balance method. This method applies a daily periodic rate to the balance in the account each day.

When Dividends Begin to Accrue

Dividends begin to accrue on cash and noncash deposits, such as checks, on the business day you make your deposit.

Nature of Dividends

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

Courtesy Pay Service

Courtesy Pay may allow members who are in "good standing" to overdraw their share draft (checking) account up to \$400. To be in "good standing", you must (1) have the checking account with us for at least 180 days. 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 limit. Courtesy Pay is a non-contractual privilege that requires no action on the member's part. It is not a loan. We will send you notice each time an overdraft occurs. If do not want Courtesy Pay eligibility, you must advise us to stop us from paying your overdrafts. Business Share Draft (Checking) Accounts do not qualify for this service.

Fees for Overdrawing Accounts

Fees for overdrawing your account may be imposed on each check, draft, item, ATM transaction and one-time debit transactions (if member has consented to overdraft protection plan for ATM and one-time debit card transactions), preauthorized automatic debit, telephone initiated withdrawal or any other electronic withdrawal or transfer transaction that is drawn on an insufficient available account balance. The entire balance in your account may not be available for withdrawal, transfer or paying a check, draft or item. You may consult the Funds Availability Policy Disclosure for information regarding the availability of funds in your account. Fees for overdrawing your account may be imposed for each overdraft, regardless of whether we pay or return the draft, item or transaction. If we have approved an overdraft protection limit for your account, such fees may reduce your approved limit. Please refer to the Fee Schedule for current fee information.

For ATM and one-time debit transactions, you must consent to the Credit Union's overdraft protection plan in order for the transaction amount to be covered under the plan. Without your consent, the Credit Union may not authorize and pay an overdraft resulting from these types of transactions. Services and fees for overdrafts are shown in the document the Credit Union uses to capture the member's opt-in choice for overdraft protection and the Fee Schedule.

Club Restrictions

CHRISTMAS & BACK TO SCHOOL CLUB SUB-SHARE SAVINGS ACCOUNT: Withdrawals from this account are restricted and will be assessed an early withdrawal fee (per request) when requested outside of the standard annual disbursement. All available funds, as outlined in the Funds Availability Disclosure, will be automatically disbursed to the member's regular share savings account (-RG) on November 1 of each year for Christmas Club and August 1 of each year for Back to School Club accounts. The disbursement will be made available no later than the end of the business day. If either day is a non-business day the disbursement will occur on the next business day. A business day is defined as every calendar day excluding weekends or federal holidays.

GOLDEN CHECKING CLUB ACCOUNT: Members are eligible to establish a Golden Checking Club account, which is a standard share draft checking account, offering additional club benefits if the primary member is age 55 or better. Additional club benefits may change at the discretion of the credit union.

Fees

Fees are disclosed in the attached Fee Schedule.



Regulation D: Share Savings Account Withdrawal Restriction

Every Mower County Employees Credit Union (MCECU) member has a share savings account. Some types of withdrawals and transfer transactions are limited for share savings accounts under the Federal Banking Regulation, commonly referred to as "Regulation D."

All transfers and withdrawals from a savings account are subject to the limit of no more than six per month. This includes: preauthorized or automatic withdrawals (e.g. ACH debit), telephone transfers, or transfers initiated by personal computer to another account at the same credit union or to a third party during a calendar month. Not counted against the six are those transfers that the member makes in person, at an automated teller machine (ATM), by mail, by messenger or by a telephone call that results in a share draft or check being mailed to the member.

In order to ensure that no more than the permitted number of withdrawals or transfers are made, MCECU must either:

- (a) Prevent withdrawals or transfers of funds from this account that are in excess of the limits established, or
- (b) Adopt procedures to monitor those transfers and contact members who exceed the established limits on more than an occasional basis.

For members who continue to violate those limits after they have been contacted must either close the account and place the funds in another account that the member is eligible to maintain, or take away the transfer and draft capacities of the account.

Reporting Negative Information

We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report. This includes information regarding your share savings or share draft accounts.

