

SPERRY ASSOCIATES FEDERAL CREDIT UNION  
SHARE CERTIFICATE RECEIPT AND DISCLOSURE

TYPE:

DIVIDEND PAYMENT OPTIONS

**IRA Certificates:**

Notices will be sent at least 30 days before maturity. All IRA certificates automatically renew for same term at the rate then in effect unless we are notified otherwise. Dividends will be posted to the IRA certificate.

**Regular Certificates:**

Notices will be sent at least 30 days before maturity. All regular certificates automatically renew for the same term at the rate then in effect unless we are notified otherwise. Choose one of the following options:

POST DIVIDENDS TO:

Member Signature

Joint Signature

Authorized Credit Union Signature

## TRUTH IN SAVINGS DISCLOSURE

### DIVIDEND RATES

The dividend rates on share certificates will remain fixed for the life of the certificate. The established rates are based on the judgment of Management, and are not based on a formula or index. Management may change rates on new certificates at any time. The Annual Percentage Yield assumes dividends will remain in the certificate until maturity. Early withdrawals will result in a penalty and reduce the earnings on the account.

Step-Up Certificate-One "step-up" to a currently higher rate on this type of CD is permitted during the life of the CD. The new rate will be paid from the first business day the credit union is notified, through the remaining maturity. All other terms and conditions of Regular CD's apply.

### DIVIDEND COMPUTATION METHOD

Dividends are calculated by the daily balance method, which applies a daily periodic rate to the principal in your account.

### COMPOUNDING AND CREDITING

Dividends are compounded monthly and credited on the first day of the following month. The partial month maturity dividend is credited at maturity. Dividends begin to accrue on the first business day the deposit is received.

### MINIMUM BALANCES AND TRANSACTION AMOUNTS

The minimum share certificate is \$100 for regular certificates, \$100 for the regular Step-UP certificate, \$100,000 for the Jumbo certificate and \$100 for IRA certificates. Additional deposits can only be accepted at maturity.

The minimum early withdrawal is \$100 for regular and Step-Up certificates and \$100 for IRA certificates. (see section on Early Withdrawal Penalties)

### EARLY WITHDRAWAL PENALTIES

Early withdrawals will not be permitted in the first 30 days.

Certificates of 1 year or less-penalty are 90 days dividends or dividends since date of issuance, whichever is less. Penalty is calculated on the amount withdrawn.

Certificates greater than 1 year-penalty is 180 days dividends or dividends since date of issuance, whichever is less. Penalty is calculated on the amount withdrawn.

Dividends which are credited to certificates are also subject to early withdrawal penalties (unless the transfer of dividends option is chosen at date of purchase).

Exceptions to Early Withdrawal Penalties:

Members 59 ½ and over: Penalties will be waived for up to \$2,000 per month withdrawn from any one IRA certificate.

Members 70½ and over: From any one IRA certificate: greater of:

- a. Minimum monthly, quarterly, or annual RMD based on total SAFCU IRA plan, or
- b. Up to 10% per year of IRA Plan Fair Market Value at previous year end, or
- c. Up to \$2,000 per month

The above stated penalties will not apply if the withdrawal is made subsequent to the death of any owner.

### RENEWALS

The credit union provides a 7 day grace period to change your term or to cancel your renewal. Call the credit union to obtain the latest rate information.

### BENEFICIARY

The beneficiary on the savings account will automatically be the beneficiary on all regular and Step-Up certificates. The beneficiary on the original IRA agreement will automatically be the beneficiary on all IRA certificates.