

TRUTH IN SAVINGS DISCLOSURE

Term Share Accounts

Here are some basic facts about your Term Share Certificate Account. These disclosures are in addition to those on the account certificate. By opening and maintaining a TSC account with the Credit Union, you have agreed to the terms of the account as set forth here and on the certificate and any amendments thereto. If you have any questions regarding these disclosures or your TSC account, please ask a member service representative.

Term Share Certificate Bump Rate Option

MATURITY

Maturity Date: _____.

DIVIDEND RATE and ANNUAL PERCENTAGE YIELD

RATE	APY*

*Annual Percentage Yield

DIRECT DEPOSIT

SAVES TIME & MONEY

Contact the Credit Union for More Details

SPECIAL RULES CONCERNING:

COMPOUNDING AND THE CREDITING OF DIVIDENDS:

- Term Share Certificate Accounts of 3 months or 6 months are paid simple interest at Maturity.
- Term Share Certificate Accounts of 12 months and longer are compounded MONTHLY and paid QUARTERLY based upon the AVERAGE DAILY BALANCE in your account.

THE MINIMUM BALANCE FOR A TERM SHARE CERTIFICATE:

- Minimum Deposit for all Certificates is: \$500.00.

BUMP RATE TERM SHARE CERTIFICATE OPTION

Ask for the Terms and Conditions offered for our Bump Rate Certificate program. Each Certificate has a minimum balance requirement of \$500.

Dividends are compounded MONTHLY and credited QUARTERLY. This certificate allows you the freedom of upgrading the dividend rate on your certificate without changing the maturity date or incurring a penalty. When the rates go up all you need to do is exercise the one-time Bump Rate option of the certificate by contacting a Credit Union Member Service Representative and signing a confirmation form.

A new Term Share Certificate will be issued as receipt of the new rate. All Term Share Certificate rules apply as explained in this Term Share Certificate Truth In Savings Disclosure.

Note: The Bump Rate option does not extend the maturity date. The new adjusted rate is paid from the date the rate is bumped to the maturity date.

TRANSACTION LIMITATIONS

Once your Term Share Certificate Account is opened, you may not make additional deposits to it, although you may open a separate Term Share Certificate Account at the then effective dividend rate.

EARLY WITHDRAWAL PENALTIES

You may withdraw all or some of the principal balance in your TSC account prior to maturity. Any withdrawals from your TSC account before maturity are subject to the penalties listed below, but you will be credited with any dividends earned on funds withdrawn prior to maturity, such dividends to be credited at the time of withdrawal.

Dividends that have been credited to your Term Share Certificate Account may be withdrawn at any time, without penalty, but the APY disclosed in this disclosure is based upon the assumption that all dividends will remain in the Term Share Certificate Account until maturity. A withdrawal prior to maturity will reduce earnings and your APY therefore will be lower than the disclosed yield.

Any dividends in your Term Share Certificate Account at maturity will be considered part of the principal of the Term Share Certificate Account upon any renewal and thereafter become subject to the Credit Union's rules concerning early withdrawal.

In the event of a withdrawal of any portion of the principal in your Term Share Certificate Account prior to maturity, the following penalties apply:

- If the maturity date is not more than one (1) year from the date of issuance or renewal, the penalty is an amount equal to: **90 days dividends.**
- If the maturity date is one (1) year or more from the date of issuance or renewal, the penalty is an amount equal to: **180 days dividends.**

The penalties apply regardless of the length of time the funds have been on deposit at the Credit Union. The penalty may be taken from the principal balance of your Term Share Certificate Account. The listed penalties do not apply to withdrawals subsequent to the death of a sole owner. We may waive or reduce this penalty in certain circumstances, such as the disability or incompetence of a sole owner. If the account is in two or more names and one owner dies or becomes mentally incompetent, the Term Share Certificate Account will remain in effect until its scheduled maturity under the remaining joint owner's name(s).

MATURITY NOTICES AND RENEWALS

You may renew, transfer, or close your Term Share Account at maturity. You will be asked to instruct the Credit Union by mail or in person.

You will be notified in writing at least **30 Days** before the maturity date of your Term Share Certificate Account and, unless you notify the credit union prior to maturity that your account is not to be renewed, your account will at maturity automatically be renewed for an identical term at the then effective rate.

Every notice of maturity will either state the dividend rate which will apply to the Term Share Certificate Account upon renewal or, if the renewal rate has not been determined, will state the date the renewal rate will be set and include a telephone number which you can call to learn what the dividend rate and APY applicable to the Term Share Certificate Account during the renewal term will be.

NONTRANSFERABLE / NON NEGOTIABLE

Your account is nontransferable and nonnegotiable. The funds in your account may not be pledged to secure any obligation of an owner, except obligations with the Cranston Municipal Employees Credit Union.

Call us at: (401) 463.3010