

SAVINGS CERTIFICATE ACCOUNT TERMS, CONDITIONS, AND DISCLOSURES

1. **General Information** - This information is provided to the Owner and Joint Owner(s), if any, opening a Savings Certificate Account (hereby referred to as "SC") at TTCU Federal Credit Union.
2. **Account Ownership** - An Account with Joint Owner(s) is owned jointly by all owners as joint tenants with rights of survivorship and not as tenants in common. Further, all Owners have equal rights in and to the account. **Change of account ownership and/or any additions or deletions of account owner(s) are subject to Section 5 and to withdrawal penalties as further outlined in Section 8.**
3. **Fixed Rate Savings Certificates** - All savings certificates are fixed rate. The dividend rate and annual percentage yield (hereby referred to as "APY") will never be less than the rates listed on the first page of the certificate, subject to early withdrawal(s) and Sections 6 and 8.
4. **Dividend Compounding, Frequency and Period** - Dividends are compounded quarterly and paid quarterly, except for the 45 day and 3-month certificates which are compounded and paid at maturity, and the income certificate which pays a monthly dividend deposited to your savings or checking account. The Dividend is compounded and paid based on the SC account balance, and it may be deposited to the savings, checking, compounded back to the certificate, or be mailed to the primary owner. Dividends are calculated using the average daily balance method, which applies a daily periodic rate to the SC account balance each day. Dividends will begin to accrue on non-cash deposits (checks) on the business day you make the deposit to your account.
5. **Non-Negotiability** - This SC is non-negotiable, non-assignable, and non-transferable except on the books and records of TTCU. The SC may not be sold or otherwise transferred or permitted to be transferred in any manner or by any means whatsoever except by closing the SC and opening a new Savings Certificate Account in the name(s) of the new owner(s). This does not by itself restrict the transfer of funds out of the SC by any method otherwise permitted. The SC may not be pledged, hypothecated or otherwise used to secure any obligations of the account owner or joint account owner(s), except for obligations to TTCU, or as otherwise permitted by regulations of the Federal Reserve Board.
6. **Reduced Earnings** - **The APY assumes dividend will remain on deposit until maturity. A withdrawal will reduce earnings.**
7. **Renewal** - Your savings certificate will automatically renew at maturity, unless you are notified in accordance with Section 12 except the Ready, Set, Grow certificate which is not renewable. Promotional certificates may automatically renew into varying terms: 45 Days renew to 3 month; 9 Month renew to 12 Month; 19 Month renew to 24 Month. You will have a grace period of ten (10) calendar days after the maturity date to withdraw the funds in the account without being charged an early withdrawal penalty. If a Maturity Date occurs on a day other than a Business Day, the ten (10) calendar days will begin to accrue on the next Business Day after the maturity date. If you close your account during the grace period you will not earn dividends from the maturity date to the date of closure.
8. **Early Withdrawal Penalties** - **Withdrawal of all or part of the principal amount from the certificate made prior to the maturity date, or the renewal maturity date of a renewed certificate, will be subject to the early withdrawal penalty rules as follows:**
 - a. **Penalty Amounts:** The penalty for withdrawal is dependent upon the certificate's term and amount as follows:
Penalty for amounts less than \$200,000: (i) 45 days/3 month – 30 days dividend, (ii) 6 months – 30 days dividend, (iii) 7-12 months – 90 days dividend, (iv) 13-24 months – 180 days dividend, (v) 25 months or greater (iv) 360 days dividend.
Penalty for amounts \$200,000 or greater: (i) 45 days – 30 days dividend, (ii) 3 months – 45 days dividend, (iii) 6 months – 90 days dividend, (iv) 7-12 months – 120 days dividend, (v) 18 months – 240 days dividend, (vi) 19-24 months – 360 days dividend, (vii) 36 months - 450 days dividend, (viii) 48 months - 720 days dividend.
 - b. **Insufficient Dividend to Satisfy Withdrawal Penalty:** Where the unpaid SC dividend is insufficient to pay a penalty, or where dividend has been paid to you or credited to your SC account, the penalty shall be deducted from the SC account balance. The penalty must be paid before any withdrawal may occur.
 - c. **Exceptions to Penalties:** When an account owner dies or is determined legally incompetent by a court or other body of competent jurisdiction, or when a certificate is withdrawn within ten (10) days after a specified maturity date even though the certificate provides for automatic renewal at the maturity date, or at TTCU's management's discretion, a penalty may not be applied. Additionally, one withdraw without penalty, may be

made each calendar quarter from the Flex certificate. The quarterly withdrawal from the Flex certificate is limited to 10% or less of the current certificate balance.

- d. **IRA SC's:** TTCU will waive withdrawal penalties upon the Account owner reaching the mandatory Required Minimum Distribution (RMD) age for distribution of any dividend or withdrawal of the SC principal balance. Withdrawal must be equal to or less than IRA owner's RMD amount.
9. **Additional Deposits** - Owners are prohibited from making additional deposits to a Savings Certificate, except deposits of \$1,000 or greater may be made to a Flex certificate. Deposits to the Flex certificate cannot exceed 20% of the opening balance over the life of the certificate. TTCU will not accept any additional deposits; to deposit funds, a new Savings Certificate Agreement must be executed under the then existing Savings Certificate rates and terms.
10. **Right of Setoff** – To the extent permitted by applicable law, TTCU reserves a right of setoff in the SC. You authorize TTCU, to the extent permitted by applicable law, to charge or setoff all sums owing on any indebtedness owed to TTCU by any account owner against the SC and, at TTCU's option, it may administratively freeze or hold the SC to allow TTCU to protect its charge and setoff rights provided for in this paragraph.
11. **Maturity Date** - The SC has a Maturity Date, and is for the term as stated above. A Maturity Date may occur on a day other than a Business Day of TTCU. If a Maturity Date occurs on a day other than a Business Day, the SC (principal and dividend) will be available for withdrawal on the next Business Day.
12. **Non-renewal** - TTCU may return to you, on any Maturity Date, any part or the whole amount of the SC, or stop the dividend thereon, upon giving thirty (30) days written notice, mailed to you at the address as shown on the records of TTCU for this SC.
13. **Deposits** - All deposits are accepted subject to correction as they are written. We assume no responsibility for the correctness of the listing on the original or duplicate of any deposit ticket and shall not be bound as to the contents thereof. Any non-cash items tendered for deposit (including items drawn "on us") will be given conditional credit only subject to final collection and payment and may be charged back at any time. After we have received final payment, we refer to these deposits as collected items. If TTCU incurs any fee to collect your deposit item, TTCU may charge such fees to your Account in addition to any penalties or costs that may be assessed against the SC. TTCU reserves the right to refuse or to return all or a part of a deposit or to close your Account. Any item credited to your Account shall be deemed endorsed by you, and you hereby authorize us to supply for you any missing endorsement that may be necessary or convenient. All transactions are subject to acceptance and verification by TTCU.
In the event an item is charged back against the SC, early withdrawal penalties will be assessed in accordance with Section 8. We also may use any legal remedy to recover the amount of our liability. You agree to indemnify the Credit Union for all losses the Credit Union incurs in connection with the SC. Your delivery to us of items for the purpose of entering into a SC agreement shall constitute your acceptance of the terms and conditions of this Agreement and our general rules, regulations and operation procedures as are in effect from time to time.
14. **Signatures** - The undersigned agree(s) to the terms of this contract, and acknowledge(s) receipt of at least one copy on the date stated below, including terms of renewal.
15. **Minimum Balance*** - Minimum Balance means the minimum balance to open the account; avoid the imposition of a fee; and obtain the APY disclosed.