



IRA & ESA Share Certificate Accounts

Truth-In-Savings Account Disclosure

Except as specifically described, the following disclosures apply to all of the above accounts.

- 1. Rate Information.** The Dividend Rate and Annual Percentage Yield on your accounts as of the last Dividend Declaration Date are set forth above. The Annual Percentage Yield is a percentage rate that reflects the total amount of dividends to be paid on an account based on the dividend rate and frequency of compounding for the term of the account. The Annual Percentage Yield is based on an assumption that the dividends will remain on deposit until maturity. A withdrawal will reduce earnings.
- 2. Nature of dividends.** Dividends are paid from current income and available earnings after required transfers to reserves at the end of a dividend period.
- 3. Compounding and Crediting.** Dividends will be compounded and credited as set forth above. The Dividend Period for each account is set forth above. The Dividend Period begins on the first calendar day of each month and ends on the last calendar day of each month.
- 4. Accrual of Dividends.** Dividends will begin to accrue on cash deposits and non cash deposits (e.g. checks) on the business day you make the deposit to your account.
- 5. Transaction Limitations.** After your account is opened, you may not add funds to your account or make withdrawals of dividends from your account in any amount as indicated above.
- 6. Maturity.** Your account will mature within the term set forth above or the maturity date set forth on your Certificate or Maturity Notice. The Credit Union will give the owner(s) at least 30 days notice prior to maturity.
7. The rate and yield will remain in effect for the entire term of the account.

Early Withdrawal Penalty. We may impose a substantial penalty if you withdraw any of the principal before the maturity date, or the renewal date, if this is a renewal account. There is a 10 day grace period after renewal in which principal may be withdrawn with no penalty.

Amount of Penalty. For IRA Share Certificate Accounts with terms less than 24 months, the amount of the early withdrawal penalty of your account is an amount equal to 90 days dividends, whether earned or not. For IRA Share Certificate Accounts with terms greater than or equal to 24 months, the amount of the early withdrawal penalty of your account is an amount equal to 180 days dividends, whether earned or not.

How the Penalty Works. The penalty is calculated as a forfeiture of part of the dividends that have been or would have been earned on the account. It applies whether or not the dividends have been earned. In other words, if the account has not yet earned enough dividends or if the dividend has already been paid, the penalty will be deducted from the principal.

Exceptions to the Early Withdrawal Penalties. At our option, we may pay the account before maturity without imposing an early withdrawal penalty under the following circumstances:

- (i) When an account owner dies.
- (ii) If withdrawal occurs within ten (10) days prior to Automatic Renewal Date.

Renewal Policy. Your account is an automatically renewable account, if indicated on the inside.

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

If you have any questions, please call Cumberland County Federal Credit Union at (207) 878-3441.