

DISCLOSURES

Except as specifically described, the following disclosures apply to all of the accounts. All accounts described in this Rate & Fee Schedule are share accounts.

- 1. Rate Information:** 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 an annual period. For all accounts, the Dividend Rate and Annual Percentage Yield are fixed and will be in effect for the term of the account. The Annual Percentage Yield is based on an assumption that dividends will remain on deposit until maturity. A withdrawal of dividends 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 the dividend period.
- 3. Dividend Compounding and Crediting:** The compounding and crediting of dividends applicable to each account is set forth in the Rate Schedule. The Dividend Period begins on the first calendar day of the Dividend Period and ends on the last calendar day of the Dividend Period.
- 4. Balance Information:** The minimum balance requirements applicable to each account are set forth in the Rate Schedule. For all accounts, dividends are calculated by the Average Daily Balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is determined by adding the full amount of the principal in the account for each day of the period and dividing that figure by the number of days in the period.
- 5. Accrual of Dividends:** For all accounts, dividends will begin to accrue on noncash deposits (e.g. checks) on the business day you make the deposit to your account. For all accounts, if you close your account before accrued dividends are credited accrued dividends will not be paid.
- 6. Transaction Limitations:** After your account is opened, your ability to make additional deposits to your account or withdrawals of dividends and any limitations are set forth in the Rate Schedule.
- 7. Maturity:** Your account will mature as indicated on this Rate and Fee Schedule or on your Account Receipt or Renewal Notice.
- 8. Early Withdrawal Penalty:** A penalty will be imposed, as set forth in the Rate Schedule, if you withdraw any of the principal before the maturity date. The penalty is calculated as a forfeiture of part of the dividends that have been or would be 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. At our option, we may pay the account before maturity without imposing an early withdrawal penalty if an account owner dies or is determined legally incompetent by a court or other body of competent jurisdiction.
- 9. Renewal Policy:** For all accounts, your account will automatically renew for another term upon maturity. For all accounts, you have a grace period of ten (10) days after maturity in which to withdraw funds in the account without being charged any early withdrawal penalty.
- 10. Nontransferable/Nonnegotiable:** 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 Island Tradition Federal Credit Union.

The rates and fees appearing in this schedule are accurate and effective for accounts as of the effective date indicated on this Rate and Fee Schedule. If you have any questions or require current rate and fee information on your accounts, please call the Credit Union.