

Generations Credit Union Share Certificate Truth In Savings

Dividend Rates

The dividend rates and annual percentage yields are set forth on the reverse page. The Annual Percentage Yield is a percentage that reflects the total amount of dividends to be paid on an account based on the Dividend Rate and frequency of an annual period. The Dividend Rate and Annual Percentage Yield are fixed and will be in effect for the term of the account. The annual percentage yield assumes dividends remain on deposit until maturity. A withdrawal will reduce earnings. If you select monthly dividend payments, interest for your account will be compounded and credited monthly or quarterly depending on the type of Certificate.

Compounding and Crediting

Dividends will be earned daily and be credited (compounded) monthly or quarterly from the issue date of your certificate. A withdrawal of dividends will reduce earnings. The dividend period begins on the day of deposit and ends one month later. **Accrual of Dividends:** Dividends will begin to accrue on the day of the certificate is opened. **Balance Computation Method:** Dividends are calculated using the Daily Balance Method, which applies a daily periodic rate to the full balance of the certificate each day.

Transaction Limitations

Once the certificate account has been opened, you may not make withdrawals of principal from the account until the maturity date without being charged a penalty. You may however, make withdrawals of accrued, un-accredited dividends at the time of posting. **Grace Period:** you have seven calendar days after the maturity date or after the maturity of any renewal term to withdrawal funds without being charged a penalty.

Minimum Balance Requirements

In order to open a Share Certificate you must deposit a minimum of \$500.00 unless noted elsewhere.

Early Withdrawal Penalty

If the share certificate funds other than dividends are withdrawn before maturity date, a substantial penalty will be imposed in accordance with the provisions of this paragraph. Dividend withdrawals will reduce your earnings (the annual percentage yield earned). If the withdrawal reduces the balance in the share certificate account below the opening amount, then (a) dividends from 30 days up to 9 months will be forfeited and (b) the certificate account will be closed and the account funds will be paid to the owner.

Maturity/Renewals

Your certificate will mature on the anniversary date of the day the certificate was issued depending on the term of the certificate you choose. The Credit Union will mail a notice to the owner (s) at least 15 days prior to the Date of Maturity. The share certificate account shall automatically renew upon the same terms and conditions at the rates currently offered at the maturity date. As originally issued, unless the Credit Union states in said notice (a) that the share certificate account will not be renewed in the manner in which the funds shall be made available to the owner (s) or (b) that the share certificate account will be renewed but upon different terms and conditions. Any renewal of the share certificate account will be effective as the close of business on the Date of Maturity unless the owner (s) objects to the renewal and so notifies the Credit Union on or before the Date of Maturity.

All information in this brochure is accurate as of the printing date (December 2004). Fees and penalties may reduce earnings. Rates are subject to change at anytime without notice.