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# Our Certificate Rates and Explanation of Rates & Service Charges

Credit Union 1

## Rates for Certificate Accounts

"Our Rates and Explanation of Rates & Service Charges" sets forth current conditions and rates applicable to the certificate accounts we offer. We may offer other rates or amend the rates contained in this schedule from time to time. Each account holder agrees to the terms set forth on this Rate Disclosure and acknowledges that it is a part of the Member Service Agreement (MSA) and Business Service Agreement (BSA).

Effective: 10/18/2024	Dividend Rate	Annual Percentage Yield	Minimum Balance to Earn APY
<b>3 Month Certificate</b> \$500.00 – \$99,999.99 (1003) (1503) \$100,000 or more (1003) (1503)	1.25% 1.25%	1.26% 1.26%	\$500.00 \$100,000.00
<b>6 Month Certificate</b> \$500.00 – \$99,999.99 (1006)(1506) \$100,000 or more (1006)(1506)	2.25% 2.25%	2.27% 2.27%	\$500.00 \$100,000.00
<b>1 Year Certificate</b> \$500.00 – \$99,999.99 (1012)(1512) \$100,000 or more (1012)(1512)	4.00% 4.00%	4.06% 4.06%	\$500.00 \$100,000.00
<b>1.5 Year Certificate</b> \$500.00 – \$99,999.99 (1018)(1518) \$100,000 or more (1018)(1518)	3.50% 3.50%	3.55% 3.55%	\$500.00 \$100,000.00
<b>2 Year Certificate</b> \$500.00 – \$99,999.99 (1024)(1524) \$100,000 or more (1024)(1524)	2.50% 2.50%	2.52% 2.52%	\$500.00 \$100,000.00
<b>2.5 Year Certificate</b> \$500.00 – \$99,999.99 (1030)(1530) \$100,000 or more (1030)(1530)	2.75% 2.75%	2.78% 2.78%	\$500.00 \$100,000.00
<b>3 Year Certificate</b> \$500.00 – \$99,999.99 (1036)(1536) \$100,000 or more (1036)(1536)	3.00% 3.00%	3.03% 3.03%	\$500.00 \$100,000.00
<b>4 Year Certificate</b> \$500.00 – \$99,999.99 (1048)(1548) \$100,000 or more (1048)(1548)	2.50% 2.50%	2.52% 2.52%	\$500.00 \$100,000.00
<b>5 Year Certificate</b> \$500.00 – \$99,999.99 (1060)(1560) \$100,000 or more (1060)(1560)	2.65% 2.65%	2.68% 2.68%	\$500.00 \$100,000.00
<b>IRA Certificate</b> 1 year (3012)(5012)(2012)(4012)(8012) 2 year (3024)(5024)(2024)(4024)(8024) 3 year (3036)(5036)(2036)(4036)(8036) 4 year (3048)(5048)(2048)(4048)(8048) 5 year (3060)(5060)(2060)(4060)(8060)	4.00% 2.50% 3.00% 2.50% 2.65%	4.06% 2.52% 3.03% 2.52% 2.68%	\$500.00

## Explanation of Rates and Service Charges

As explained in the MSA and BSA, the “Our Rates & Service Charges” applies to all the accounts we offer. Except as specifically described, the following terms apply to all of the accounts you have with us:

### 1. Rate Information

The Dividend Rate and Annual Percentage Yield (APY) on the certificate accounts you have with us are identified above. The Dividend Rates and Annual Percentage Yields are the prospective rates as of the effective date identified above. The Dividend Rate and Annual Percentage Yield are fixed and will be in effect for the term of the account. The APY 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 a dividend period.

### 3. Compounding and Crediting

For most certificates, the dividend period begins on the first calendar day of the quarter and ends on the last calendar day of the quarter. Dividends will be compounded and credited at the end of each calendar quarter and upon maturity. For certificates with terms of one month and three months, dividends will be paid upon maturity only.

### 4. Accrual of Dividends

Dividends will begin to accrue on noncash deposits (e.g., checks) on the business day you make the deposit to a certificate account you have with us. If you close the account before accrued dividends are credited, accrued dividends will not be paid.

### 5. Balance Information

The minimum balance required to open each account and earn the stated APY is indicated above. If you do not maintain the minimum balance, you will not earn the stated APY. Dividends are calculated by using the Daily Balance method, which applies a periodic rate to the balance in the account for each day in the period.

## 6. Certificate Account Features

#### a. Account Limitations

After you start the account, you may not make additional deposits to a Certificate Account.

#### b. Maturity

The Certificate Account you have with us will mature on the maturity date identified on your Account Receipt or Renewal Notice.

#### c. Early Withdrawal Penalty

We may impose a penalty if you withdraw any of the principal of the certificate account before the maturity date.

- 1) **Amount of Penalty.** The amount of the early withdrawal penalty is 60 days' dividends calculated on the amount withdrawn for certificates with terms of 1 year or less, and 180 days' dividends for certificates with terms of more than 1 year.
- 2) **How the Penalty Works.** The penalty is calculated as a forfeiture of part of the dividends that has been or would be earned at the nominal dividend rate on the account. It applies whether or not the dividend has 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.
- 3) **Exceptions to Early Withdrawal Penalties.** At our option, we may pay the account before maturity without imposing an early withdrawal penalty under the following circumstances:
  - For any reason which the law establishes as a valid condition for the waiver of a pre-payment penalty such as the member's death or total disability
  - On the basis of any permissible early distribution of an IRA recognized by federal law
  - As an incident of the liquidation of the Credit Union or
  - After the failure of the Credit Union to pay a dividend within 10 days after the agreed date.
  - IRAs may be revoked within 7 days of an account opening without paying the early withdrawal penalty applicable to other term accounts.

#### d. Renewal Policy

Certificate Accounts are automatically renewable accounts. Automatically renewable accounts will renew for another term upon maturity. You have a grace period of ten (10) days after maturity in which to withdraw funds in the account without being charged an early withdrawal penalty.

#### e. Nontransferable/Nonnegotiable.

The account(s) you have with us is/are nontransferable and nonnegotiable. This means that an account and the funds in the account may not be pledged to secure any obligation of an owner, except obligations with the Credit Union.