

TERM SHARE CERTIFICATE DISCLOSURES

- 1. DIVIDENDS** – Dividends earned will be paid at the end of each month. The APY will be realized only if the dividends are added to the certificate each month. If the dividends are mailed or added to another account each month, the APR return amount will be realized. Dividends added to another account type will be compounded at its APR – APY.
 - a. **Dividend Period.** For each account, the dividend period is the account's term. The dividend period begins on the first day of the term and ends on the maturity date.
 - b. **Dividend Compounding and Crediting.** The compounding and crediting frequency of dividends are stated in the Rate Schedule. For Certificate accounts, at your option, you may choose to have dividends credited to your certificate account, paid to you by check or transferred to another account of yours. If you elect to have dividends paid to you by check or transferred to another account, compounding will not apply.
 - c. **Accrual of Dividends.** For Certificate accounts, dividends will begin to accrue on noncash deposits (e.g. checks) on the day the Credit Union receives provisional credit. For Certificate accounts, if you close your account before accrued dividends are credited, accrued dividends will not be paid.
- 2. BALANCE INFORMATION** – To open any account, you must deposit or already have on deposit the minimum required share(s) in a Regular Savings account. Some accounts may have additional minimum opening deposit requirements. The minimum balance requirements applicable to each account are set forth in the Rate Schedule. For accounts using the average daily balance method as stated in the Rate Schedule, dividends are calculated by applying a periodic rate to the average daily balance in the account for the dividend period. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.
- 3. EARLY WITHDRAWAL PENALTY** – We may impose a penalty if you withdraw funds from your account before the maturity date. Any amount withdrawn prior to the maturity date of this Certificate will be assessed a penalty equal to the amount of the withdrawal times the remaining term (days) of this certificate at the rate of 2 times the current APR (divided by 365) paid on this certificate. The penalty amount will be deducted from the amount withdrawn. Dividend penalty may require a reduction of the principal amount. Withdrawal of the principal amount of your Certificate may be made only with the consent of CommunityWide. The penalty will, if necessary, be taken from the principal amount of the deposit. There will be no early withdrawal penalty if either of the undersigned Owner(s) should die before the Maturity Date.
 - a. **How the Penalty Works.** 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 dividends have already been paid, the penalty will be deducted from the principal.
 - b. **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:
 - i. When an account owner dies or is determined legally incompetent by a court or other body of competent jurisdiction.
 - ii. Where the account is an Individual Retirement Account (IRA) and any portion is paid within seven (7) days after the establishment of the account; or where the account is a Keogh Plan (Keogh), provided that the depositor forfeits an amount at least equal to the simple dividends earned in the amount withdrawn; or where the account is an IRA or Keogh, and the owner attains age 59½ or becomes disabled.
- 4. MATURITY & RENEWAL POLICY** – Your account will mature as stated on this disclosure or on your Account Receipt or Renewal Notice. On the Maturity Date, Certificate funds will be deposited into Regular Shares unless other arrangements have been made. You will not be paid dividends on the Certificate account after the maturity date.
- 5. NONTRANSFERABLE/NONNEGOTIABLE** – Your account is nontransferable and nonnegotiable.
- 6. OWNERSHIP & MEMBERSHIP** – Certificate Ownership will be as indicated on the Application for Membership. As a condition of membership, you must purchase and maintain the minimum required share(s) as set forth below:

Par Value of One Share: \$5.00
Number of Shares Required: 1
- 7. 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 Certificate accounts, the dividend rate and annual percentage yield are fixed and will be in effect for the initial term of the account. For accounts subject to dividend compounding, the annual percentage yield is based on an assumption that dividends will remain on deposit until maturity. A withdrawal of dividends will reduce earnings.
- 8. TRANSACTION LIMITATIONS** – For all accounts, your ability to make deposits to your account and any limitations on such transactions are stated in the Rate Schedule. After your account is opened, you may make withdrawals of principal subject to the early withdrawal penalties stated above. Withdrawals of dividends are not subject to penalty.

