

**NORTH GEORGIA CREDIT UNION
TRUTH-IN-SAVINGS DISCLOSURES**

I. SHARE SAVINGS ACCOUNTS AND CHECKING ACCOUNTS – Except as specifically described, the following disclosures apply to all of the accounts. All accounts described in this Truth-in-Savings Disclosure are share accounts.

- 1. RATE INFORMATION** – The Annual Percentage Yield is a 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 may change quarterly as determined by the Credit Union’s Board of Directors. The dividend rates and annual percentage yields are the rates and yields as of the last dividend declaration date that is set forth in the Rate Schedule.
- 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 frequency of dividends and the dividend period applicable to each account are stated in the Rate Schedule. The Dividend Period is the period of time at the end of which an account earns dividend credit. The Dividend Period begins on the first calendar day of the period and ends on the last calendar day of the period.
- 4. ACCRUAL OF DIVIDENDS** – For all earning 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, you will not receive the accrued dividends. However, for Christmas Club accounts, any accrued dividends will be paid if you close the account within seven (7) days of the date you open it.
- 5. BALANCE INFORMATION** – To open any account, you must deposit or already have on deposit the minimum required share(s) in a Share 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.
- 6. ACCOUNT LIMITATIONS** – For Share accounts, you may make no more than six (6) transfers and withdrawals from your account to another account of yours

or to a third party in any month by means of a preauthorized, automatic, or internet transfer, by telephonic order or instruction, or by check, draft, debit card or similar order. If you exceed these limitations, your account may be subject to a fee or be closed. For Christmas Club accounts, the entire balance will be transferred to another account of yours on or after November 1st and the account will remain open. For IRA accounts, you may not make any pre-authorized, automatic, or telephone transfers from your account to another account of yours or to a third party at any time. For Checking accounts, no account limitations apply.

- 7. FEE FOR OVERDRAWING ACCOUNTS** – Fees for overdrawing your account may be imposed on each check, draft, item, ATM transaction and one-time debit card transaction (if member has consented to overdraft protection plan for ATM and one-time debit card transactions), preauthorized automatic debit, telephone-initiated withdrawal or any other electronic withdrawal or transfer transaction that is drawn on an insufficient available account balance. The entire balance in your account may not be available for withdrawal, transfer or paying a check, draft or item. You may consult the Membership and Account Agreement and Funds Availability Policy Disclosure for information regarding the availability of funds in your account. Fees for overdrawing your account may be imposed for each overdraft, regardless of whether we pay or return the draft, item or transaction. If we have approved an overdraft protection limit for your account, such fees may reduce your approved limit. Please refer to the Schedule of Fees and Charges for current fee information.

For ATM and one-time debit card transactions, you must consent to the Credit Union’s overdraft protection plan in order for the transaction amount to be covered under the plan. Without your consent, the Credit Union may not authorize and pay an overdraft resulting from these types of transactions. Services and fees for overdrafts are shown in the document the credit union uses to capture the member’s opt-in choice for overdraft protection and the Schedule of Fees and Charges.

- 8. MEMBERSHIP** – As a condition of membership, you must purchase and maintain the minimum required share(s) and pay a nonrefundable membership fee as set forth below.

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|---------------------------|--------|
| Par Value of One Share | \$5.00 |
| Number of Shares Required | 1 |
| Membership Fee | \$5.00 |

- 9. RATES** – The rates provided in or with the Rate Schedule are accurate as of the last dividend declaration date indicated on this Truth-in-Savings Disclosure. If

you have any questions or require current rate information on your accounts, please call the Credit Union.

- II. CERTIFICATE ACCOUNTS** – Except as specifically described, the following disclosures apply to all of the accounts. All accounts described in this Truth-in-Savings Disclosure 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 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.
 - 2. 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.
 - 3. 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.
 - 4. BALANCE INFORMATION** – To open any account, you must deposit or already have on deposit the minimum required share(s) in a Share 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 all accounts, dividends are calculated by the daily balance method which applies a daily periodic rate to the principal in the account each day.
 - 5. ACCRUAL OF DIVIDENDS** – For Certificate accounts, dividends will begin to accrue on noncash deposits (e.g. checks) on the business day you make the deposit to your account.
 - 6. 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 subject to the early withdrawal penalties stated below.

7. **MATURITY** – Your account will mature as stated on this Truth-in-Savings Disclosure or on your Account Receipt or Renewal Notice.

8. **EARLY WITHDRAWAL PENALTY** – We may impose a penalty if you withdraw funds from your account before the maturity date.

a. **Amount of Penalty.** – For Certificate accounts, the amount of the early withdrawal penalty is based on the term of your account. The penalty schedule is as follows:

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| Terms of less than 12 months | Equal to the smaller of dividends earned since the date of issuance or renewal OR 90 days' dividends. |
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|---------------------------|--|
| Terms of 1 year or longer | Equal to the smaller of dividends earned since the date of issuance or renewal OR 180 days' dividends. |
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b. **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.

c. **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.

9. **RENEWAL POLICY** – The renewal policy for your accounts is stated in the Rate Schedule. For accounts that automatically renew for another term, 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. For accounts that do not automatically renew, you will not be paid interest on the account after the maturity date. Upon maturity, the account balance will be transferred to your Share account.

10. NONTRANSFERABLE/NONNEGOTIABLE – Your account is nontransferable and nonnegotiable.

11. MEMBERSHIP – As a condition of membership, you must purchase and maintain the required share(s) and pay a nonrefundable membership fee as set forth below.

| | |
|---------------------------|--------|
| Par Value of One Share | \$5.00 |
| Number of Shares Required | 1 |
| Membership Fee | \$5.00 |