

ABNB Federal Credit Union

Truth-In-Savings Disclosure

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.
 - a. Savings and Checking Accounts: The Dividend Rate and the Annual Percentage Yield may change monthly or quarterly as determined by the credit union Board of Directors.
 - b. Certificates: Annual Percentage Yield is based on an assumption that dividends will remain on deposit until maturity. A withdrawal will reduce earnings. *See Footnote.
2. Nature of Dividends - Dividends are paid from current income and available earnings after providing for the required reserves. The Dividend Rate and Annual Percentage Yield are the prospective rates and yields that the credit union anticipates paying for the applicable dividend period. *See Footnote.
3. Compounding and Crediting - The Dividend Period begins on the first calendar day of the period. Dividends will be on the last calendar day of the credited Dividend Period. *See Footnote.
4. Accrual of Dividends - Dividends will begin to accrue on cash deposits on the business day you make the deposit to your account. Dividends will begin to accrue on non-cash deposits (e.g. checks) on the business day you make the deposit to your account. If you close your account before accrued dividends are credited, accrued dividends will not be paid, except for Certificates. *See Footnote.
5. Balance Information - Dividends are calculated using the Average Daily Balance Method which applies a periodic rate to the Average Daily Balance in the account for the Dividend Period and dividing that figure by the number of days in the period. The Average Daily Balance is calculated by adding the full amount of each day of the dividend period and dividing the figure by the number of days in the period. *See Footnote.
6. Account Limitations - (Savings Accounts) A Savings, Club and Money Market account in which transfer limitations apply, no more than six (6) preauthorized, automatic or telephone transfers may be made from these accounts to another account of yours or to a third party in any month and no more than three (3) of these six (6) transfers may be made by check, draft or debit card to a third party. (Individual Retirement Account) There will be a \$25 early withdrawal fee prior to age 59 ½. (Christmas Club) Matures on the first Saturday of October. Funds may be deposited to your savings or checking account.
7. Maturity - (Certificates) Your account will mature within the term or at the maturity date set forth on your account or Renewal Notice.
8. Par Value - Par value for share savings is \$1. No services will be provided if the balances falls below \$1.
9. Effective October 1, 2006 Single Service User - Members who have only one service (share/savings account) and whose average monthly balance is less than \$500 will be assessed a fee of \$5.00 each month. Youth accounts regardless of balance are exempt from this fee.
10. Accounts with less than the required minimum balance - Any regular share account with a balance less than the minimum balance required to own a share (one dollars - \$1.00) for three months will be closed and the funds transferred to the general ledger. Funds may be withdrawn and transferred from any other jointly owned account or sub account (including share certificate accounts) to maintain the required minimum balance. If such transfer is made, written notice will be provided to the member. Any Youth account with a balance less than one dollars (\$1.00) for three months will be closed and the funds transferred to the general ledger.

11. Sub-share accounts with no activity - Share draft/ Checking accounts, Demand Deposit, Christmas Club, Anytime/All Purpose Club, Money Market and Escrow accounts with no member initiated activity for six (6) months will be closed and the balance transferred to the regular share account.

12. Dormant Accounts - Any regular share account (to include Youth accounts) with no member initiated activity for twelve (12) months will be classified as a dormant account. Dormant accounts will be assessed an inactive account fee each month until the account balance is less than the minimum \$1.00 required to retain credit union membership. At that time the account will be closed and the funds transferred to the general ledger. If an account balance is greater than the minimum required to retain membership after five years of being dormant, the balance in the account, in accordance with the Virginia Unclaimed Property Act (Escheat Law) the funds will be forwarded to the State of Virginia. It is the responsibility of the member to take the appropriate action to recover the funds from the state.

Certificate Account Information

1. Renewal Policy - Unless otherwise notified upon receipt of maturity notice, Certificates will automatically renew at the same terms and conditions at the rate currently being offered for the Certificate type. You may withdraw the funds within ten (10) days of the renewal date without penalty. No dividends will be paid during that grace period if the funds are withdrawn.

2. Early Withdrawal Penalty - We may impose a penalty if you withdraw any of the principal before the maturity date. However, when establishing a new certificate, you may elect to have your dividends compounded (placed back into the certificate) or deposited to your account. If you elect dividends to be deposited to your account, you may withdraw these dividends after they are posted to your account.

3. Amount Penalty - For Certificates and IRA Certificates, the amount of the early withdrawal penalty on your account is 15 days dividends on the amount withdrawn for each month of the original term of the certificate.

4. How the Penalty Works - The penalty is calculated as a forfeiture of the part of the dividend that has 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.

5. 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:

a. When an account owner dies or is determined legally incompetent by a court or other body of competent jurisdiction.

b. Where the account is an Individual Retirement Account (IRA) and any portion is paid within seven (7) days after establishment, provided that the depositor forfeits an amount at least equal to the simple dividend earned on the amount withdrawn or where the account is an IRA and the owner attains age 59 ½, or becomes disabled.

6. Non-transferable / Non-negotiable - Your account is non-transferable and non-negotiable. The funds in your account may not be pledged to secure an obligation of an owner, except obligations with ABNB Federal Credit Union. *See Footnote.

**Footnote: Along with this information, the credit union's Member Service Representatives can provide you a separate sheet with the current rates and minimum requirements for our savings products. You may, also, visit our E-Branch (www.abnbfcu.org) and go to the rate pages to view this information.*

Note: See Lifestyle Checking Disclosure for additional information on ABNB checking products.