

A. Minimum Balance to Avoid SERVICE FEES (Continued)

Please indicate the period the credit union uses to determine if the minimum balance has been met.

- Dividend Period (the same period of time used to calculate and pay dividends) – Dividend Accounts
- Crediting Period (the same period of time used to calculate and pay interest) – Interest Account
- Statement period (the length of time covered by the statement)
- Other: _____ (e.g. calendar month)

B. Minimum Balance to EARN DIVIDENDS/INTEREST

- A minimum balance of \$_____ is required to earn dividends/interest.
(If the minimum balance is not maintained, the account will not earn the APY disclosed.)

Please indicate the calculation method the credit union uses to determine whether the minimum balance has been met:

- Daily Balance
- Average Daily Balance

Tip: Credit union *must* use the same balance method to calculate dividends/interest as well as to calculate minimum balances for the purpose of determining whether dividends/interest will be paid. A different method *may* be used to calculate minimum balances for the purpose of imposing a fee.

7. Balance Method for Dividend/Interest Payments – Please indicate the balance method used to calculate dividends/interest:

- Daily Balance
- Average Daily Balance
- Non-dividend/Non-interest bearing account

ACCOUNT LIMITATIONS

8. Account Limitations – Describe any limitations on the number or amount of withdrawals or deposits. **(Select all that apply.)**

- A. **None** – There are no limitations on the number or dollar amount of deposits, withdrawals, or transfers for the account.
- B. **Transfer Limitations.** Mark this box for this account you if do not permit members to make more than six (6) withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized or automatic transfer, by telephone order or instructions, or by check, draft, or debit card, if applicable, or similar order per month.
- C. **Club Account Limitations. Question “C” only applies to club accounts.**
 - No – **(Skip to 8 D.)**
 - Yes – This account has a “club period.”

If the account balance will be paid out to the member on or after a certain date, please state the date payout occurs. Payout of the account occurs on or after (mm/dd) ____/____.

Please state how the account balance will be paid:

- Account balance will be paid to the member by check.
- Account balance will be transferred to another account owned by the member.
- Account balance will be paid to the member by check or transferred to another account owned by the member.
- Account balance will be _____.

When members make withdrawals from the account other than during any permitted withdrawal period, please state whether the account remains open or if you require the member to close the account to make the withdrawal. Also, please state whether any fees are imposed on withdrawals made outside any applicable withdrawal periods.

- Club Account Remains Open**
 - No fee imposed; withdrawals may be made at any time without a fee.
 - A fee of \$_____ is imposed for each withdrawal made outside of the permitted withdrawal periods.

OR

- Club Account Must be Immediately Closed.**
 - No fee/penalty imposed for closing the account.
 - Fee/penalty is imposed as follows:
 - \$_____ (This must be listed as an even dollar amount.)
 - _____ forfeit days’ dividends/interest.
 - Member forfeits all accrued, un-credited dividends/interest when the account is closed.

- D. **Other Withdrawal, Deposit or Transfer Limitations.** Complete this sentence with a brief description of the limitations for this account; for example, you may make three (3) withdrawals or transfers from your account each month. If you exceed this limitation, your account may be closed **or** you will be charged a fee as disclosed in the Fee Schedule]. **For XXX account,** _____

RATE INFORMATION

9. Type of Rate – Describe the type of rate applicable to this account. (**Select one.**)

Nondividend/Interest-bearing – This account does not pay dividends/interest. (**Skip to Question 15.**)

Fixed Rate – How long do you promise to pay this rate on the account?

Indefinitely

Other: _____

Variable Rate as Determined by the Credit Union's Board of Directors.

Potential frequency of rate changes – State when the rate usually changes for this account:

At any time

Monthly

Annually

Quarterly

Other: _____

Tip: Savings and transaction accounts are typically disclosed as accounts with variable rates that are determined by the Credit Union's Board of Directors.

Describe any rate limitations. Include limits on the amount rates may increase or decrease during a specific time period.

None

Maximum increase: _____% per (**Select period below.**)

Month

Quarter

Six-month period

Year

Lifetime of account

Maximum decrease: _____% per (**Select period below.**)

Month

Quarter

Six-month period

Year

Lifetime of account

Other: _____

Variable Rate Based on an External Index.

Name the external index and the date upon which changes are made (i.e. Prime Rate published in *The Wall Street Journal* as of the third Tuesday of the month.):

Describe when the rate change goes into effect (i.e. on the last business day of each month):

Indicate the margin, if applicable. A margin is an amount that is added or subtracted from the index. The result of the index and the margin is the dividend/interest rate.

+ _____%

- _____%

None

Identify how frequently the rate may change.

Monthly

Quarterly

Annually

Other: _____

Describe any rate limitations during the lifetime of the account. Include limits on the amount of increase or decrease during a specific time period.

None

Maximum increase: _____% per (**Select period below.**)

Month

Quarter

Six-month period

Year

Lifetime of account

Maximum decrease: _____% per (**Select period below.**)

Month

Quarter

Six-month period

Year

Lifetime of account

Other: _____

10. Application of Dividend/Interest Rate – Describe how the dividend/interest rate will apply to the account balance. (**Select one.**)

A single rate applies to the entire balance. (**Go to Question 13.**)

Tiered Rates apply – a tiered rate account pays dividend/interest rates based on the balance level of the account. (**Go to Question 11.**)

Stepped Rates apply – a stepped rate account has two or more rates that are effective for two or more successive time periods. The rates and exact times periods must be known. (**Go to Question 12.**)

TIERED AND STEPPED RATE INFORMATION

Complete the applicable portion(s) of this section only if you offer an account with either a tiered or stepped rate feature; otherwise skip to **Question 13**.

11. Tiered Rates – Complete the following question if this account has two or more rates that are effective for different balances.

Indicate how the Tiered Rates will apply:

- Tiering Method A** - Once a balance range is met, one rate will apply to the entire balance in the account. Most credit unions follow Tiering Method A.
- Tiering Method B** - Each tiered rate will apply only to that portion of the account balance within each tier.

Indicate the range of balances to which the rates will apply (Do not include 0% tiers.):

First Tier: \$ _____	to	\$ _____
Second Tier: \$ _____	to	\$ _____
Third Tier: \$ _____	to	\$ _____
Fourth Tier: \$ _____	to	\$ _____
Fifth Tier: \$ _____	to	\$ _____
Sixth Tier: \$ _____	to	\$ _____

Tip: Do not confuse a minimum balance requirement with a tier. If dividends/interest are paid on balances below a certain amount, this range of balances is not a tier; it is a minimum balance to earn dividends/interest and should be disclosed in Question #6R

12. Stepped Rates. (Rates are covered in a different section.)

	Time Period (i.e. Rate applies for 30 days, 4 weeks, 6 months)		Date (day/month/year) (i.e. Rate applies until 01/01/07)
First Step Period _____		or until	_____
		(complete <u>one</u> blank not both)	
Second Step Period _____		or until	_____
List any additional Stepped Rate Periods using above format.		or until	_____
_____		or until	_____

DIVIDENDS/INTEREST ACCRUAL

13. Noncash Deposits – Indicate when dividends/interest will begin to accrue on noncash deposits.

- On the date of deposit
- When the Credit Union receives provisional credit

14. Account Closing – If an account holder closes the account before accrued dividends/interest is credited, will accrued dividends/interest be paid?

- No
- Yes

BONUS INFORMATION

15. Bonus Offering – Will a bonus be offered with this account?

- No – (Skip to Question 16.)
- Yes – Describe the bonus (Complete 1 through 4. If not applicable, indicate "N/A."):

1. Dollar amount or type of bonus: _____

2. The bonus will be provided: For opening account
 For increasing balance by \$ _____
 Other: _____

3. Minimum balance required to obtain the bonus:
 None \$ _____ Other: _____

4. Minimum period funds must be on deposit to obtain bonus: "until _____."

Tip: The payment of a higher dividend/interest rate as part of a relationship pricing program is not considered a "bonus."

PRINTING OPTION INFORMATION

NOTE: Do NOT complete this page if your rates will not be printed on your TIS Disclosure.

16. Dividends/Interest Rate(s): Complete the following information with respect to the rate(s) applicable to this account.

- A. Effective/Last Dividend Declaration Date. If you disclose your rates as those rates paid on the last dividend declaration date, you must include the dividend declaration date. The dividend declaration date is the date the rates you paid were determined.

The date of the rate(s): _____

TIP: The APY must be shown to two decimal places.

- B. Effective Date of Interest Rate. The effective date of interest rate is the date the rates you paid were determined.

The date of the rate(s): _____

- C. Dividend Rate. This account will have a single Dividend Rate of _____% and an APY of ____ . ____ %

- D. Stepped Rates. If you completed Question 11, indicate the applicable rates and the composite Annual Percentage Yield:

Stepped Period 1: Dividends/Interest Rate _____ %

Stepped Period 2: Dividends/Interest Rate _____ %

Additional Step Periods Dividends/Interest Rates _____ %

Dividends/Interest Rate applicable after Step Period: _____ %

Composite Annual Percentage Yield: ____ . ____ %

List any additional periods and dividends/interest rates: _____

- E. Tiered Rates. If you completed Question 12, indicate the applicable rates and the Annual Percentage Yield:

If you use Tiering Method A:

First Tier: Dividends/Interest Rate _____% APY ____ . ____ %

Second Tier: Dividends/Interest Rate _____% APY ____ . ____ %

Third Tier: Dividends/Interest Rate _____% APY ____ . ____ %

Fourth Tier: Dividends/Interest Rate _____% APY ____ . ____ %

List any additional dividends/interest rates and APYs: _____

If you use Tiering Method B:

First Tier: Dividends/Interest Rate _____% APY ____ . ____ %

Second Tier: Dividends/Interest Rate _____% Lowest APY ____ . ____ % Highest APY ____ . ____ %

Third Tier: Dividends/Interest Rate _____% Lowest APY ____ . ____ % Highest APY ____ . ____ %

Fourth Tier: Dividends/Interest Rate _____% Lowest APY ____ . ____ % Highest APY ____ . ____ %

List any additional dividends/interest rates and APYs: _____
