

## INDIVIDUAL RETIREMENT ACCOUNT DISCLOSURE

Wright-Patt Credit Union, Inc., offers 4 Individual Retirement Accounts ("IRA").

You have selected: ~ \_\_\_\_\_ *Fixed Rate* ~ \_\_\_\_\_ *Add-on Variable*~  
\_\_\_\_\_ *Add-On Fixed* \_\_\_\_\_ *Totally Fair IRA Share Certificate Variable*

### I. FIXED RATE IRA

#### A. Rate Information:

1. Your dividend rate and annual percentage yield ("APY") are fixed for the term of the IRA and will remain in effect until the maturity date.
2. If this is a new IRA, a Rate Sheet is attached showing the dividend rate and APY on your new IRA. If you are renewing an existing IRA, an Automatic Renewal Notice is attached.
3. The APY is based on the assumption that dividends will be credited to the IRA and will remain in the account until maturity. A withdrawal will reduce earnings.

#### B. Minimum Balance Requirements:

1. The minimum balance required to open a Single Deposit IRA is \$500.00.
2. You must maintain a minimum daily balance of \$500.00 in your IRA account each day to earn dividends for that day.
3. You must maintain a minimum daily balance of \$100,000.00 in your IRA account each day to earn dividends at the higher rate. If at any time during the dividend period, the daily balance falls below \$100,000.00, the rate paid for the remaining term of the IRA account will be the Regular IRA rate in effect at that time.

#### C. Transaction Limitations:

Deposits can be made to the IRA only during the maturity grace period. Withdrawals cannot be made without penalty until the maturity date which is (DATE) ~ \_\_\_\_\_, except upon the member's attainment of age 59-1/2 years, disability (as defined in Internal Revenue Code 26 U.S.C. ' 72 (m) (7)), or death of the account owner.

### II. ADD-ON VARIABLE

#### A. Rate Information:

1. Your dividend rate and APY may change at any time at the sole discretion of the Credit Union.
2. If this is a new IRA, a Rate Sheet is attached showing the dividend rate and APY on your new IRA. If you are renewing an existing IRA, an Automatic Renewal Notice is attached showing dividend rate and APY information.
3. The APY is based on the assumption that dividends will be credited to the IRA and will remain in the account until maturity. A withdrawal will reduce earnings.

#### B. Minimum Balance Requirements:

1. The minimum balance required to open an Add-On IRA is \$100.00.
2. You must maintain a minimum daily balance of \$100.00 in your IRA account each day to earn dividends for that day.
3. You must maintain a minimum daily balance of \$100,000.00 in your IRA account each day to earn dividends at the higher rate. If at any time during the dividend period, the daily balance falls below \$100,000.00, the rate paid for the remaining term of the IRA account will be the Regular IRA rate in effect at that time. .

#### C. Transaction Limitations:

1. Funds can be added to this account after the account is opened. Withdrawals cannot be made without penalty until the maturity date which is (DATE) ~ \_\_\_\_\_, except upon the member's attainment of age 59-1/2 years, disability (as defined in Internal Revenue Code 26 U.S.C. ' 72 (m) (7)), or death of the account owner.
2. Funds posted by a teller or by mail during the period between January 1 and April 15 can be designated by you as prior tax year contributions at the time of the posting. Funds received via electronic funds transfer and those without a designated tax year will be credited for the calendar year in which they are posted to the account.

### III. ADD-ON FIXED

#### A. Rate Information:

1. Your dividend rate and APY are fixed for the term of the IRA and will remain in effect until the maturity date.
2. If this is a new IRA, a Rate Sheet is attached showing the dividend rate and APY on your new IRA. If you are renewing an existing IRA, an Automatic Renewal Notice is attached showing dividend rate and APY information.
3. The APY is based on the assumption that dividends will be credited to the IRA and will remain in the account until maturity. A withdrawal will reduce earnings.

#### B. Minimum Balance Requirements:

1. The minimum balance required to open an Add-On IRA is \$100.00.
2. You must maintain a minimum daily balance of \$100.00 in your IRA account each day to earn dividends for that day.
3. You must maintain a minimum daily balance of \$100,000.00 in your IRA account each day to earn dividends at the higher rate. If at any time during the dividend period, the daily balance falls below \$100,000.00, the rate paid for \_\_\_\_\_ the remaining term of the IRA account will be the Regular IRA rate in effect at that time.

#### C. Transaction Limitations:

1. Funds can be added to this account after the account is opened. Withdrawals cannot be made without penalty until the maturity date which is (DATE) ~ \_\_\_\_\_, except upon the member's attainment of age 59-1/2 years, disability (as defined in Internal Revenue Code 26 U.S.C. ' 72 (m) (7)), or death of the account owner.

2. Funds posted by a teller or by mail during the period between January 1 and April 15 can be designated by you as prior tax year contributions at the time of the posting. Funds received via electronic funds transfer and those without a designated tax year will be credited for the calendar year in which they are posted to the account.

#### IV. TOTALLY FAIR IRA SHARE VARIABLE

##### A. Rate Information:

1. If this is a new IRA, a Rate Sheet is attached showing the base dividend rate and APY on your new IRA. If you are renewing an existing IRA, an Automatic Renewal Notice is attached.
2. Your dividend rate and APY may change each month during the term of your IRA based on the criteria listed below.
3. In order to receive the bonus rate at the end of each month of your IRA, you must meet the following criteria:
  - i. Must be a Member in Good Standing at the time dividends are paid to the account. A Member in Good Standing is any member of the Credit Union who meets all the following guidelines:
    - a. The member currently has at least \$5.00 on deposit in his/her TrueSaver Account,
    - b. The member is not delinquent on any loan obligation to the Credit Union,
    - c. The member does not have a negative balance in any share account he/she owns with the Credit Union, and
    - d. The member has not previously caused the Credit Union a financial loss of any kind.
  - ii. The account must have an active checking account. An active checking account is defined as an account that has a minimum of four (4) qualifying transactions per calendar month, in any combination. Qualifying transactions are:
    - a. Bill Pay Transactions
    - b. ACH deposits and withdrawals
    - c. Debit Card Transactions
    - d. Point of Sale Transactions
    - e. Cleared drafts
  - iii. There must be a debit card on the account.
  - iv. The account must have at least one (1) direct deposit transaction within a 45 day period OR be set up to receive EStatements.
4. If you do not meet these criteria for the month, you will only receive the base dividend rate on your IRA for that month.
5. The APY is based on the assumption that dividends will be credited to the IRA and will remain in the account until maturity. A withdrawal will reduce earnings.
6. The bonus rate is only available during the original term of the IRA.

##### B. Minimum Balance Requirements:

1. The minimum balance required to open a Totally Fair IRA is \$500.00.
2. You must maintain a minimum daily balance of \$500.00 in your Totally Fair IRA account each day to earn dividends for that day.
3. You must maintain a minimum daily balance of \$100,000.00 in your Totally Fair IRA account each day to earn dividends at the higher rate. If at any time during the dividend period, the daily balance falls below \$100,000.00, the rate paid for the remaining term of the IRA account will be the Regular Totally Fair IRA rate in effect at that time.

##### C. Transaction Limitations:

Deposits can be made to the IRA only during the maturity grace period. Withdrawals cannot be made without penalty until the maturity date which is (DATE) ~ , except upon the member's attainment of age 59-1/2 years, disability (as defined in Internal Revenue Code 26 U.S.C. ' 72 (m) (7)), or death of the account owner.

#### IV. ADDITIONAL INFORMATION PERTAINING TO BOTH SINGLE DEPOSIT AND ADD-ON IRAs

##### A. Compounding and Crediting:

Dividends are compounded and credited monthly. The dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. Dividends are declared by the last day of each dividend period.

##### B. Balance Computation Method:

1. Dividends are calculated by the daily balance method which applies a periodic rate to the balance in your account each day.
2. Dividends begin to accrue on the business day you deposit cash and/or non-cash items, such as checks, to your IRA.

##### C. Fee Information:

1. Fees and charges may be assessed against your account. See the attached General Fee Schedule for current fees.
2. A fee of \$10.00 will be assessed for each transfer of funds directly to another financial institution. This fee must be paid in advance and will not be deducted from the principal.
3. Fees are deducted from your draft account. If funds are not available or you do not have a draft account, fees will be deducted from your share account.

##### D. Early Withdrawal Information and Penalties:

1. There is a penalty for the withdrawal of funds, including transfers and rollovers, from this account prior to the maturity date. The penalty for IRAs with a term of 6 months or greater is the loss of 6 months of dividends, whether earned or not. For IRAs with a term less than 6 months, the penalty will be the loss of dividends equal to the original term of the certificate, whether earned or not. The dividend rate used to calculate this penalty will be the dividend rate in effect at the time of withdrawal. The penalty will be deducted from the amount withdrawn. This penalty provision will be waived in the event of the depositor's death or disability (as defined in Internal Revenue Code 26 U.S.C. ' 72 (m) (7)), or attainment of age 59-1/2 years.
2. You may also be subject to federal income taxes and penalties. You may contact the IRS or your tax adviser for information.

**E. Renewal Policy:**

1. Your IRA will automatically renew at maturity. You will have a grace period of 10 calendar days after the maturity date to withdraw funds in the account without being charged an early withdrawal penalty. Deposits can be made to the IRA only during the maturity grace period. No dividends will be paid on the IRA during the ten-day grace period if the IRA is not renewed.
2. 2-Month IRAs with an open date on or between 02/19/2015 and 03/19/2015 will renew automatically into a 12-Month IRA at the dividend rate and APY in effect for 12-Month IRAs at the time of renewal.
3. All other IRAs will renew automatically for another term at the dividend rate and APY in effect at the time of renewal.

**F. Bump Rate Feature:**

1. Certificates with an open date on or between 12/1/13 and 4/30/14 and with a term of 24 months or greater have a bump rate option.
2. Certificates with an open date on or between 1/1/15 and 2/28/15 and with a term of 52 months have a bump rate option.
4. At the written or verbal request of any certificate owner, the rate can be changed to the current rate offered on new certificates without incurring a penalty.
5. The bump rate will remain in effect until the Certificate maturity date.
6. The bump rate option may be exercised one time during the term of the Certificate.
7. Certificates receiving special promotion rates do not qualify for the Bump Rate Feature.

**Other Terms and Conditions:**

1. Accounts of members with whom there has been no contact for five (5) years will be considered unclaimed funds and will be forwarded to the Department of Commerce as provided by Chapter 169 of the Revised Code. California residents are subject to a three (3) year escheat period.
2. Changes in the terms and conditions of this account may be made at the discretion of the Credit Union. The Credit Union will give you advance notice of changes if required to do so under applicable law.
3. The par value of a share in the Credit Union is \$5.00.
4. Additional terms and conditions are stated in the attached Rate Sheet or Automatic Renewal Notice and the General Fee Schedule and are incorporated by reference into this Disclosure.
5. By opening your IRA account and signing the IRA Application, you accept and agree to the terms of this Disclosure and acknowledge that it is part of your IRA Agreement with the Credit Union.



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