



P.O. Box 2069  
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## BUSINESS CERTIFICATE ACCOUNT DISCLOSURE

This disclosure supplements your Business Membership Agreement and Disclosure, Certificate Account Agreement and Receipt. Specific terms of your account(s) are included in your receipt documenting the opening of your account(s). Please note that we call our dividend-bearing term share accounts "Certificate Accounts." Your periodic statement will give you current status such as dividends earned. Please keep all these documents together for your records.

### **Business Membership Requirement**

You must open and maintain a Business Share Account before you can open any other account or obtain any service from the Credit Union. Please refer to the Business Membership Agreement and Disclosure.

### **Dividend Information**

Dividends begin to accrue on the business day you make a deposit regardless of whether the deposit is cash or non-cash, but do not accrue on the date of withdrawal for the amount of the withdrawal. Dividends are paid on a monthly basis on the last day of each month following the end of each dividend period. If you close your account before dividends are posted, we may credit any accrued dividends at the time you close your account.

Dividends are compounded monthly on a 365/365 basis, (366/366 basis during leap years) using the daily balance method. The dividend rate is divided by 365 days a year (366 days a year during leap years) to determine the daily periodic rate. The daily periodic rate is then calculated against the principal balance in the account each day.

At the Credit Union's discretion, we may change the dividend rate and applicable Annual Percentage Yield (APY) on your account at any time without prior notice. We advise members to periodically inquire at their branch or by calling 1-800-877-8328 or 707-449-4000 about current rates.

### **Annual Percentage Yield (APY)**

The Annual Percentage Yield (APY) is a percentage rate that measures the total amount of dividends paid on an account based on the dividend rate and the frequency of compounding for a twelve-month period. The stated Annual Percentage Yield assumes that dividends remain in the account until maturity. Withdrawal of dividends before maturity will reduce earnings.

### **Renewal Policy**

A renewal notice will be sent to your address of record thirty days in advance of the maturity date. Unless we receive notification from you before the end of the grace period, your Certificate Account will automatically renew on the maturity date for a new term that will be the same as the original term with the dividend rate adjusted at each automatic renewal to the dividend rate being paid by the Credit Union on that date for Certificate Accounts with similar terms and balances. Please note, however, dividend rates and yields may not yet have been determined, but will be determined on the date of maturity. Please call 1-800-877-8328 or 1-707-449-4000 to obtain the rate(s) applicable on the maturity date of your Certificate Account.

### **Promotional Certificates**

Promotional certificates will automatically renew on the maturity date at the nearest available standard term and dividend rate, not to exceed the term of the original promotional certificate. For example; an 11-month promotional certificate will renew for the term and corresponding dividend rate of a 12-month certificate account. If the promotional certificate is for a term of less than 6 months, it will automatically renew on the maturity date at the 6-month term and dividend rate.

### **Bump-Up Certificates**

The Bump-Up Certificate allows an opportunity to request a one-time increase to the dividend rate over the term of the certificate to the standard certificate dividend rate at the same term. An increase in the dividend rate does not extend the maturity date. Bump-Up certificates will automatically renew on the maturity date at the nearest available standard term and dividend rate. Upon maturity, your certificate will renew according to the above renewal policy as a standard certificate account and will no longer include the Bump-Up rate feature.

### **Terms No Longer Offered**

Some certificate account products may be discontinued from time to time. A renewal notice will be sent to your address of record thirty days in advance of the maturity date. This notice will advise you if the maturing certificate is for a term that will no longer be offered. If you do not advise us of your decision regarding the certificate and what term you elect, the certificate will automatically renew on the maturity date at the nearest available term and dividend rate, not to exceed the term of the original certificate. For example; a 7-month certificate might renew for the term and corresponding dividend rate of a 6-month certificate account.

### **Grace Period**

You have six (6) calendar days after the maturity date to withdraw funds without incurring an early withdrawal penalty or to change the terms of your Certificate Account. However, your Certificate Account will not automatically renew if you withdraw the funds in your Certificate Account after a maturity date and within the six (6) calendar day grace period. If you do withdraw funds during the grace period, Certificate Account dividends will not be paid on those funds after maturity date.

### **Transaction Limitations**

You cannot make additional deposits to certificate accounts during their term (other than credited dividends, if this election is made at the time the account is opened.) You cannot make withdrawals from certificate accounts without penalties with the exception of withdrawals that occur on, or within six days after the maturity date. The minimum withdrawal amount is \$500.

### **Statements**

Statements are mailed to the address of record. For this reason, always keep the Credit Union informed if your mailing address changes. If you only have a Business Share Account and a Business Certificate Account, you will receive a statement at least once each calendar quarter. You will only receive a monthly statement when ATM, Electronic Transfer or Call-24 activity has occurred. If you have an active Business Share Draft (Checking) Account, you will automatically receive a statement each month, even if no ATM, Electronic Transfer or Call-24 activity has occurred. Statements are mailed at the convenience of the Credit Union, usually during the first 10 business days of the month. If you would like a statement prior to the time one is normally furnished, you can request a printout of account history from the branch. The charge for this special printout service is listed in the Business Account Fee Schedule.

**Early Withdrawal Penalty**

Penalties are deducted whether or not the dividend has been earned, and may result in a reduction in the principal balance. The penalty will also result in a lower APY.

**Standard Penalty**

For terms of 182 days to 12 months the Standard Penalty will be an amount equal to 90 days dividends on the amount withdrawn, whether earned or not. For terms of 12 months or more the Standard Penalty will be an amount equal to 180 days dividends on the amount withdrawn, whether earned or not.

**Replacement Cost Penalty**

In a rising rate environment, the Replacement Cost Penalty method may be used. The Replacement Cost Penalty is calculated using the Standard Penalty method described above applied against a dividend rate variance. The dividend rate variance is the difference between the rate currently being paid on your certificate account, and the rate we would pay on a new certificate with the same term. If, on the date of withdrawal, the rate we would pay on a new certificate is less than the rate on your original certificate, or we do not offer the term of your current certificate, then the Standard Penalty will apply.

**Waiver of Penalties**

The penalties will be waived if the withdrawal is made: (a) after the death of the member-owner of the Share Certificate; (b) for any other reason which the law establishes as a valid condition for the waiver of an early withdrawal penalty, (c) as an incident of the liquidation of the Credit Union; or, (d) after the failure of the Credit Union to pay a dividend within 10 days after the agreed date.

**This credit union is federally insured by the National Credit Union Administration.**