



P.O. Box 140 • Battle Creek, MI 49016-0140  
 269.968.9251 • 800.854.5421  
 www.kelloggfcu.org

# TRUTH-IN-SAVINGS DISCLOSURE

The rates, fees and terms applicable to your account at the Credit Union are provided in this Truth-in-Savings Disclosure. The Credit Union may offer other rates for these accounts from time to time.

Effective Date:

July 27, 2010



## TERM SHARE RATE SCHEDULE

	Dividend Rate (%)	APY (%)	Terms	Minimum Opening Deposit	Dividends Compounded	Dividends Credited	Dividend Period	Additional Deposits	Withdrawals	Renewable
<b>Term Share Accounts</b>										
<b>IRA Term Share Accounts</b>										
6 Month	0.80%	0.80%	Fixed	\$500.00	Quarterly	Quarterly	Account's Term	Not Allowed	Allowed - See Transaction Limitations Section	Automatic
1 Year	1.19%	1.20%								
2 Year	1.69%	1.70%								
3 Year	1.99%	2.00%								
4 Year	2.38%	2.40%								
5 Year	2.82%	2.85%								
<b>Golden Term Share Accounts</b>										
<b>IRA Golden Term Share Accounts</b>										
6 Month	0.85%	0.85%	Fixed	\$50,000.00	Quarterly	Quarterly	Account's Term	Not Allowed	Allowed - See Transaction Limitations Section	Automatic
1 Year	1.29%	1.30%								
2 Year	1.79%	1.80%								
3 Year	2.08%	2.10%								
4 Year	2.48%	2.50%								
5 Year	2.97%	3.00%								

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.

- 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 all 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.
  - 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.
  - Dividend Compounding and Crediting.** The compounding and crediting frequency of dividends are stated in the Rate Schedule.
  - Balance Information.** The minimum balance requirements applicable to each account are set forth in the Rate Schedule. To open any account, you must deposit or already have on deposit at least the par value of one full share in a Savings account. The par value amount is stated in the Fee Schedule. Some accounts may have additional minimum opening deposit requirements. For all accounts, dividends are calculated by the Daily Balance method, which applies a periodic rate to the balance in the account each day.
  - Accrual of Dividends.** For all accounts, dividends will begin to accrue on noncash deposits (e.g. checks) on the business day you make the deposit to your account.
  - Transaction Limitations.** For all accounts, after your account is opened you may make withdrawals subject to the early withdrawal penalties stated below.
  - Maturity.** Your account will mature as stated on this Truth-in-Savings Disclosure or on your Account Receipt or Renewal Notice.
- Early Withdrawal Penalty.** We may impose a penalty if you withdraw from your account before the maturity date. We do allow early withdrawal of dividends without penalty.
- Amount of Penalty.** For all accounts, the amount of the early withdrawal penalty is based on the term of your account. The penalty schedule is as follows:

Terms of 12 months or less 90 days dividends

Terms of 13 months or more 180 days dividends

**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 dividend has already been paid, the penalty will be deducted from the principal.

**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:

- When an account owner dies or is determined legally incompetent by a court or other body of competent jurisdiction
- Where the account is an Individual Retirement Account (IRA) and any portion is paid within seven (7) days after the establishment; or where the account is a Keogh Plan (Keogh) provided that the depositor forfeits an amount of 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.

**Renewal Policy.** The renewal policy for your accounts is stated in the Rate Schedule. For all accounts, your account will automatically renew for another term upon maturity. You will have a 7 day grace period after maturity to withdraw funds without being charged an early withdrawal penalty. To avoid a withdrawal penalty, all withdrawals must be made on or before the 7<sup>th</sup> day after maturity date.

**Nontransferable/Nonnegotiable.** Your account is nontransferable and nonnegotiable. The funds in your account may not be pledged to secure any obligation of an owner, except obligations with the Credit Union.

## FEE SCHEDULE

### Share Value

- Par value of one share .....\$5.00

The rates appearing in this Schedule are accurate as of the Effective Date indicated on this Truth-in-Savings Disclosure. If you have any questions or require current rate and fee information on your accounts, please call the Credit Union.



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ACCOUNT TYPE	DIVIDEND RATE (%)	APY (%)	TERMS	MINIMUM OPENING DEPOSIT	DIVIDENDS COMPOUNDED	DIVIDENDS CREDITED	DIVIDEND PERIOD	ADDITIONAL DEPOSITS	WITHDRAWALS	RENEWABLE
9-Month Term Share Account IRA Term Share Account	0.80%	0.80%	Fixed	\$1,000.00	Quarterly	Quarterly	9 Months	Not Allowed	1 One-Time Withdrawal with NO Penalty	Renewable
9-Month Golden Term Share Account IRA Term Share Account	0.85%	0.85%	Fixed	\$50,000.00	Quarterly	Quarterly	9 Months	Not Allowed	1 One-Time Withdrawal with NO Penalty	Renewable
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17-Month Term Share Account IRA Term Share Account	1.19%	1.20%	Fixed	\$500.00	Quarterly	Quarterly	17 Months	Not Allowed	See Transaction Limitations Section	Renewable
17-Month Golden Term Share Account IRA Term Share Account	1.29%	1.30%	Fixed	\$50,000.00	Quarterly	Quarterly	17 Months	Not Allowed	See Transaction Limitations Section	Renewable

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