



## Dawson Co-op Credit Union

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## TRUTH-IN-SAVINGS DISCLOSURE

The Truth-in-Savings Act (TIS) is a section of the Federal Deposit Insurance Corporation Improvement Act of 1991. The National Credit Union Administration is charged with enforcing this Act, which applies to all Credit Unions.

The purpose of TIS is to promote and simplify comparisons among accounts at all financial institutions. TIS enables consumers to make informed choices/comparisons among competing claims of financial institutions by requiring disclosure of the interest rates payable on these accounts and the fees assessable against these accounts.

It is the intent of Dawson Co-op Credit Union to maintain compliance with this federal law pertaining to disclosure of the terms and conditions of all savings programs. The following disclosure information illustrates the various savings alternatives available to members of Dawson Co-op Credit Union.

The Fee Schedule sets forth certain conditions, rates, fees, and charges applicable to your accounts at Dawson Co-op Credit Union. The Fee Schedule is incorporated as part of this disclosure. If you have any questions regarding any of the accounts offered at Dawson Co-op Credit Union, please call a member service representative.

### MEMBERSHIP ACCOUNT(S)

#### Dividend Rate Information:

The dividend rate and annual percentage yield may change every dividend period, as determined by the Credit Union board of directors.

#### Compounding and Crediting:

Dividends will be compounded quarterly and will be credited to your account quarterly.

#### Dividend Period:

For this account type, the dividend period is quarterly, for example the beginning date of the first dividend period of the calendar year is January 1 through March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above is March 31. If you close your account prior to payment of a dividend, you will not receive any accrued dividend.

#### Daily Balance Computation Method:

Dividends are calculated by the daily balance method that applies a daily periodic rate to the balance in the account each day.

#### Minimum Balance Requirements for Membership Account:

The minimum required to open this account is \$10.00, which is the par value of one share. The minimum daily balance required to maintain this account and receive the disclosed annual percentage yield (APY) is \$10.00. Fees, as disclosed in our Fee Schedule, may reduce the earnings on this account. Contact DCCU staff for further information about applicable fees and terms.

#### Transaction Limitations:

During any month you may not 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 transfers; transfers authorized by phone, fax, or online; and transfers by check, debit card, or similar order payable to third parties. Other types of transfers and withdrawals, such as those made in person, by mail, or at an ATM can be made without limitation. If you exceed the transfer limitations herein, your account may be assessed additional fees and/or will be subject to closure.

### PASSBOOK ACCOUNT(S)

#### Dividend Rate Information:

The dividend rate and annual percentage yield may change every dividend period, as determined by the Credit Union board of directors.

#### Compounding and Crediting:

Dividends will be compounded quarterly and will be credited to your account quarterly.

#### Dividend Period:

For this account type, the dividend period is quarterly, for example the beginning date of the first dividend period of the calendar year is January 1 through March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above is March 31. If you close your account prior to payment of a dividend, you will not receive any accrued dividend.

#### Daily Balance Computation Method:

Dividends are calculated by the daily balance method that applies a daily periodic rate to the balance in the account each day.

#### Minimum Balance Requirements for Passbook Account(s):

There is no minimum balance required to open or maintain this account. Fees, as disclosed in our Fee Schedule, may reduce the earnings on this account. Contact DCCU staff for further information about applicable fees and terms.

#### Transaction Limitations:

During any month you may not 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 transfers; transfers authorized by phone, fax, or online; and transfers by check, debit card, or similar order payable to third parties. Other types of transfers and withdrawals, such as those made in person, by mail, or at an ATM can be made without limitation. If you exceed the transfer limitations herein, your account may be assessed additional fees and/or will be subject to closure.

### SHARE DRAFT ACCOUNT(S)

#### Dividend Rate Information:

The dividend rate and annual percentage yield may change every dividend period, as determined by the Credit Union board of directors.

#### Compounding and Crediting:

Dividends will be compounded monthly and will be credited to your account monthly.

#### Dividend Period:

For this account type, the dividend period is monthly, for example the beginning date of the first dividend period of the calendar year is January 1 through January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above is January 31. If you close your account prior to payment of a dividend, you will not receive any accrued dividend.

Daily Balance Computation Method:

Dividends are calculated by the daily balance method that applies a daily periodic rate to the balance in the account each day.

Minimum Balance Requirements for **Share Draft Account(s)**: There is no minimum balance required to open or maintain this account; however, a minimum daily balance of \$500.00 must be maintained to obtain the disclosed annual percentage yield. (APY) Fees, as disclosed in our Fee Schedule, may reduce the earnings on this account. Contact DCCU staff for further information about applicable fees and terms.

Transaction Limitations:

No transaction limitations apply to this account unless otherwise stated in the Common Features section.

**SEP/SHARE ACCOUNT(S)**

Dividend Rate Information:

The dividend rate and annual percentage yield may change every dividend period, as determined by the Credit Union board of directors.

Compounding and Crediting:

Dividends will be compounded quarterly and will be credited to your account quarterly.

Dividend Period:

For this account type, the dividend period is quarterly, for example the beginning date of the first dividend period of the calendar year is January 1 through March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above is March 31. If you close your account prior to payment of a dividend, you will not receive any accrued dividend.

Daily Balance Computation Method:

Dividends are calculated by the daily balance method that applies a daily periodic rate to the balance in the account each day.

Minimum Balance Requirements for **SEP/Share Account(s)**:

There is no minimum balance required to open or maintain this account.

Transaction Limitations:

No transaction limitations apply to this account unless otherwise stated in the Common Features section.

**FUNERAL TRUST ACCOUNT(S)**

Dividend Rate Information:

The dividend rate and annual percentage yield may change every dividend period, as determined by the Credit Union board of directors.

Compounding and Crediting:

Dividends will be compounded quarterly and will be credited to your account quarterly.

Dividend Period:

For this account type, the dividend period is quarterly, for example the beginning date of the first dividend period of the calendar year is January 1 through March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above is March 31. If you close your account prior to payment of a dividend, you will not receive any accrued dividend.

Daily Balance Computation Method:

Dividends are calculated by the daily balance method that applies a daily periodic rate to the balance in the account each day.

Minimum Balance Requirements for **Funeral Trust Account(s)**:

There is no minimum balance required to open or maintain this account.

Transaction Limitations:

No transaction limitations apply to this account unless otherwise stated in the Common Features section.

**ROTH/COVERDELL IRA SHARE ACCOUNT(S)**

Dividend Rate Information:

The dividend rate and annual percentage yield may change every dividend period, as determined by the Credit Union board of directors.

Compounding and Crediting:

Dividends will be compounded quarterly and will be credited to your account quarterly.

Dividend Period:

For this account type, the dividend period is quarterly, for example the beginning date of the first dividend period of the calendar year is January 1 through March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above is March 31. If you close your account prior to payment of a dividend, you will not receive any accrued dividend.

Daily Balance Computation Method:

Dividends are calculated by the daily balance method that applies a daily periodic rate to the balance in the account each day.

Minimum Balance Requirements for **ROTH/COVERDELL IRA Share Account(s)**:

There is no minimum balance required to open or maintain this account.

Transaction Limitations:

No transaction limitations apply to this account unless otherwise stated in the Common Features section.

## TERM SHARE CERTIFICATE(S)

**Ownership:** If your term share certificate is opened in the names of two or more persons, it is a joint ownership account with full rights of survivorship. Any of the joint owners may obtain withdrawals from the account at or prior to maturity. This certificate may not be pledged, transferred, or assigned to any party other than the Credit Union (12 CFR, Part 204)

**Dividend Rate Information:** The dividend rate and annual percentage yield may change at maturity, as determined by the credit union board of directors. The dividend rate can be found in our rate schedule. You will be paid this rate until your initial certificate matures. Dividends are based on the Credit Union's available earnings at the end of a dividend period and, by Federal Regulations, cannot be guaranteed.

**Average Balance Computation:** Dividends begin to accrue on date of deposit and are computed on the average daily balance, which is calculated by adding the balance in the account each day of the quarter and dividing that by the number of days in the quarter.

**Compounding and Crediting:** Dividends will be compounded daily and will be credited to your account monthly. Dividends will be earned daily for each day on which the account balance equals or exceeds the minimum daily balance requirements for this account.

**Dividend Period:** For this account type, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1 through January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above is January 31.

**Minimum Balance Requirements:** The minimum balance required to open a term share certificate is listed in our rate schedule. You must maintain this minimum balance on a daily basis to earn the annual percentage yield disclosed in our rate schedule.

**Early Withdrawal Penalties:** If certificate funds other than dividends are withdrawn prior to maturity, **A SUBSTANTIAL PENALTY IS IMPOSED** as follows: The penalty is a forfeiture of earned dividends. The principal amount upon which earned dividends are forfeited is the amount withdrawn unless the amount withdrawn reduces the balance below the minimum balance required for the certificate. In that event the principal amount upon which earned dividends are forfeited is the entire amount of the certificate. If the maturity of the certificate is less than one year, the forfeiture of dividends is equal to the smaller of the following two amounts: dividends since the date of issuance or renewal, OR three months' dividends. If the maturity of the certificate is one year or more, the forfeiture of dividends is equal to the smaller of the following two amounts: dividends since the date of issuance or renewal, OR six months' dividends. The penalty does not apply to any withdrawal subsequent to the death of any owner or if the withdrawal is made after age 59 1/2 from the credit union's Standard Individual Retirement Certificate. There may be certain circumstances, such as death or incompetence of any owner, where we may waive or reduce this penalty. See your Plan Disclosure if this account is part of an IRA or other tax qualified plan.

**Withdrawal of dividends prior to maturity:** The annual percentage yield (APY) is based on an assumption that dividends and principle will remain in the term share certificate account until maturity. A withdrawal will reduce earnings. However, you may withdraw dividends monthly, quarterly or semi-annually.

**Transaction Limitations:** You may withdraw posted dividends monthly, quarterly or semi-annually. During any month you may not 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, automatic, Debit Card transfer, internet computer transfer, telephonic order of instruction, or similar order to a third party. No more than three of the six transfers may be made by draft, Debit Card, (if applicable), or similar order to a third party. If you exceed the transfer limitations herein, your account may be assessed additional fees and/or will be subject to closure. You may not add funds to this account during the term.

**Renewal Policy:** The account will automatically renew on the maturity date. Each renewal term will be the same as the original one, beginning on the maturity date (unless we notify you in writing, before a maturity date, of a different term). On the maturity date, the dividend rate you receive will be the same as those rates the Credit Union offers on new term share certificates which have the same term, minimum balance and other features of your original term share certificate. To obtain current dividend rate information call 320-769-2908 or 320-329-3152.

There is a ten (10) day grace period for withdrawals from this term share certificate after it matures. If this term share certificate is presented for payment on its maturity date or within ten (10) days thereafter, no penalty shall be imposed but no interest shall be earned after the maturity date. Notices will be mailed to you at least 20 days prior to the maturity date.

### NON-NEGOTIABLE/NON-TRANSFERABLE AS DEFINED IN REGULATION D

The original/renewal certificate is subject to the terms and conditions of the Membership and Account Agreement and Truth in Savings Disclosure.

## COMMON FEATURES OF ALL ACCOUNTS

All accounts offered by Dawson Co-op Credit Union share several common features. These features are:

### Membership:

You must complete purchase of a \$10.00 par value share in the Credit Union (par value of one share is \$10.00) and be a member in good standing. If the balance in your Membership Share Account decreases below \$10.00, the Credit Union may, at its option, close your account.

We reserve the right to suspend services to a member who is not in good standing, which include, but are not limited to, members who: (i) are delinquent on any loan with this Credit Union; (ii) have a Regular Share Savings balance of less than a \$10.00 minimum; (iii) have caused any financial loss to this Credit Union; (iv) have any unresolved Non-Sufficient Fund Checks outstanding, whether in regard to a deposit or otherwise; (v) have not paid the Credit Union any fees or costs owing to it; or (vi) have a negative balance in any account.

### Nature of Dividends:

Dividends are paid from current income and available earnings, after required transfers to reserves at the end of the dividend period.

### Accrual of Dividends on Noncash Deposits:

Dividends will begin to accrue on the business day after the banking day you deposit noncash (e.g. checks) to your account.

### Federal Deposit Insurance:

The National Credit Union Share Insurance Fund federally insures member accounts to at least \$250,000.00.

### Transaction Limitations:

We reserve the right to at any time require not less than seven days written notice, nor more than 60 days written notice before each withdrawal from an interest-bearing account other than a time deposit, or from any other savings account as defined by Federal Reserve Regulation D.

**Fees:** Please refer to our separate fee schedule for additional information fees that may apply to your account.