



Savings/Checking Account Truth In Savings

- 1. Rate Information** – The annual percentage yield (APY) 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 Savings, Christmas/Club Accounts and Health Savings Accounts, the dividend rate and annual percentage yield may change at any time as determined by the Credit Union's Board of Directors. Ascent Savings, Elevated High Interest Checking, Premium Interest Checking, Direct Interest Checking, Money Market, IRA Savings and Power Savings are tiered-rate accounts. The balance ranges and corresponding dividend rates and annual percentage yields applicable to each tier are established in the Rate Schedule. For tiered accounts, once a particular range is met, the dividend rate and annual percentage yield for that balance will apply to the full balance of your account. If you have questions or require additional rate information, please call the Credit Union at (303) 422-6221 or visit our website at www.partnercoloradocu.org.
- 2. Nature of Dividends** – The Credit Union's Board of Directors declares monthly dividends based on current income and available earnings after required transfers to reserves at the end of the dividend period. The dividend rates and annual percentage yields are the prospective rates and yields that the Credit Union anticipates paying for the applicable dividend period and are not guaranteed.
- 3. Dividend Compounding and Crediting** – The compounding and crediting frequency of dividends and the dividend period applicable to each account are stated in the Rate Schedule. Unless otherwise disclosed, dividends are compounded on a monthly basis. The dividend period is the period of time at the end of which an account earns a dividend credit. The dividend period begins on the first calendar day of the period and ends on the last calendar day of the period.
- 4. Accrual of Dividends** – For all earning accounts, dividends will begin to accrue on noncash deposits (e.g. checks) on the business day you make the deposit to your account. If you close your account before accrued dividends are credited, you will not receive the accrued dividends.
- 5. Balance Information** – To open any account, you must deposit or already have on deposit the minimum required deposit in a Regular Savings account. Some accounts may have additional minimum opening deposit requirements. The minimum balance requirements applicable to each account are set forth in the Rate Schedule. For Ascent Savings, Elevated High Interest Checking, Savings, Premium Interest Checking, Christmas/Club Accounts, Money Market, Health Savings Account and IRA Savings there is a minimum average daily balance required to earn the annual percentage yield disclosed for the dividend period. If the minimum average daily balance requirement is not met, you will not earn the annual percentage yield stated in the Rate Schedule. For accounts using the average daily balance method as stated in the Rate Schedule, dividends are calculated by applying a periodic rate to the average daily balance in the account for the dividend period. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.
- 6. Account Limitations** – For Ascent Savings, Elevated High Interest Checking, Premium Interest Checking, Direct Interest Checking and Power Savings, you are eligible for the higher tiered dividend rate if you meet the applicable minimum qualification requirements during the calendar month. Each member is limited to one Power Savings Account. The minimum monthly qualification requirements are disclosed on the Rate Sheet. The interest rate and APY is applied to the daily balance and is paid at tiered rates on the balances within each tier. Dividends are compounded and credited monthly based on the average daily balance present in the Power Savings account. To earn interest on Premium Interest Checking, you must maintain a minimum daily balance of \$1,500. Fees may reduce earnings on Premium Interest Checking. To be eligible to earn interest on Direct Interest Checking, you must set up an automatic payment or direct deposit. For Elevated High Interest Checking you must complete twenty (20) \$5 minimum signature-based debit card transactions every month, sign up and receive eStatements, and use Online or Mobile Banking with a valid e-mail address; non-qualifying accounts will be paid the listed rate on total balance. For Ascent Savings accounts, eligibility is limited to members between the ages of 18 and 26. For all other deposit accounts, no account limitations apply.
- 7. Fees for Overdrafting Accounts** – Fees for overdrawing your account may be imposed on each check, draft, item, ATM transaction and one-time debit transaction (if member has consented to overdraft protection plan for ATM and one-time

debit card transactions), preauthorized automatic debit, telephone-initiated withdrawal or any other electronic withdrawal or transfer transaction that is drawn on an insufficient available account balance. The entire balance in your account may not be available for withdrawal, transfer or paying a check, draft or item. You may consult the Funds Availability Policy Disclosure for information regarding the availability of funds in your account. Fees for overdrawing your account may be imposed for each overdraft, regardless of whether we pay or return the check, item or transaction. If we have approved an overdraft protection limit for your account, such fees may reduce your approved limit. Please refer to the Fee Schedule for current fee information. For ATM and one-time debit transactions, you must consent to the Credit Union's overdraft protection plan in order for the transaction amount to be covered under the plan. Without your consent, the Credit Union may not authorize and pay an overdraft resulting from these types of transactions. Services and fees for overdrafts are shown in the document the Credit Union uses to capture the member's opt-in choice for overdraft protection and the Schedule of Fees and Charges.

- 8. Membership** – As a condition of membership, you must purchase and maintain the minimum required savings as set forth below.
 - a. Par Value of One Savings: \$5
 - b. Number of Savings Required: 1
 - c. Membership Fee: \$5
- 9. Rates** – The rates and fees appearing with 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.

Certificate/IRA Truth In Savings

- 1. Rate Information** – The annual percentage yield (APY) 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 Term Certificates and IRA Certificates, except Bump-Rate Certificates, the dividend rate and APY are fixed and will be in effect for the initial term of the account. The dividend rate and APY may change each dividend period as determined by the Credit Union's Board of Directors. For accounts subject to dividend compounding, the APY is based on an assumption that dividends will remain on deposit until maturity. A withdrawal of dividends will reduce earnings. The dividend rate and APY may change on the first day of each month based on an index (third Monday's three-month Treasury Bill auction as published in the Wall Street Journal, rounded up to the nearest tenth) and a margin as determined by the Credit Union's Board of Directors. If you have questions or require additional rate information, please call the Credit Union at (303) 422-6221 or visit our website at www.partnercoloradocu.org.
- 2. Nature of Dividends** – The Credit Union's Board of Directors declares dividends based on current income and available earnings of the Credit Union after providing for required reserves at the end of the month. The dividend rate and annual percentage yield set forth above are prospective rates and yields reflecting the earnings the Credit Union anticipates having available for distribution and are not guaranteed.
- 3. 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.
- 4. Dividend Compounding and Crediting** – The compounding and crediting frequency of dividends and the dividend period applicable to each account are stated in the Rate Schedule. If you elect to have dividends transferred to another account, compounding will not apply.
- 5. Accrual of Dividends** – Dividends will begin to accrue on the business day you make the deposit to your account.
- 6. Balance Information** – To open any account, you must deposit or already have on deposit the minimum required deposit in a Regular Savings account. Some accounts may have additional minimum opening deposit requirements. Any minimum deposit to open an account to earn the APY stated for your account is set forth in the Rate Schedule. For all accounts, dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the dividend period. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period. Accounts that fall below the required minimum balance or accounts that are closed early may forfeit dividends.
- 7. 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. You may elect to have accrued interest transferred to a credit union savings or checking account at account opening.
- 8. Transaction Limitations** – For all accounts, your ability to make deposits to your account and any limitations on such transactions are stated in the Rate Schedule. After your account is opened, you may make withdrawals subject to the early withdrawal penalties stated herein. You may not pledge accounts as collateral for a loan at the Credit Union.

- 9. Maturity** – Your account will mature as stated on this Truth-in-Savings Disclosure or on your Account Receipt or Renewal Notice.
- 10. Early Withdrawal Penalty** – We may impose a penalty if you withdraw funds from your account before the maturity date.
- a. Amount of Penalty.** For accounts with terms of 12 months or less, the amount of the early withdrawal penalty is 90 days' interest. For accounts with terms over 12 months, the amount of the early withdrawal penalty for your account is 180 days' dividends.
 - b. 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 dividends have already been paid, the penalty will be deducted from the principal.
 - c. 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:
 - i. When an account owner dies or is determined legally incompetent by a court or other body of competent jurisdiction;
 - ii. Withdrawal as a result of the liquidation of the credit union;
 - iii. Where the account is an Individual Retirement Account (IRA) and any portion is paid within seven (7) days after the establishment of the account; or where the account is a Keogh Plan (Keogh), provided that the depositor forfeits an amount 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.
 - d. IRA Penalties:**
 - i. If you make a withdrawal from your IRA for any reason prior to attaining age 59 and ½, penalties apply as follows:
 - 1. Variable Rate Account: None;
 - 2. CD: A penalty will be imposed if you close your CD prior to the maturity date. The penalty will be equal to 90 days' interest. The penalty may affect principal.
 - e. The SECURE Act made major changes to the Required Minimum Distribution (RMD) rules.** For plan participants and IRA owners who reached the age of 70 ½ in 2019, the prior rule applies and the first RMD must start by April 1, 2020. For plan participants and IRA owners who reach age 70 ½ in 2020, the first RMD must start by April 1 of the year after the plan participant or IRA owner reaches 72. However, a penalty equal to 90 days of interest for certificate terms of 12 months or less and 180 days of interest for certificate terms over 12 months. This penalty may affect principle and will reduce earnings. There are penalties on IRA accounts after age 70½ if considered a Required Minimum Distribution (RMD).
 - f. IRS Penalties:**
 - i. If you make a withdrawal from your IRA prior to attaining age 59½ without re-depositing the funds into this or another IRA within 60 days, the funds are subject to an IRS 10% premature withdrawal tax. Funds are subject to income tax in the year of withdrawal, regardless of your age. The IRS allows one rollover (a transfer which you make directly to us, not institution-to-institution) per year.
 - ii. Partner Colorado is not a tax advisor. Please contact your tax advisor before withdrawing funds or to learn more regarding interest tax deductibility.
- 11. Renewal Policy** – The renewal policy for your accounts is stated in the Rate Schedule. For accounts that automatically renew for another term, you have a grace period of ten (10) days after maturity in which to withdraw funds in the account without being charged an early withdrawal penalty.
- 12. Nontransferable/Nonnegotiable:** Your account is nontransferable and nonnegotiable.