



# TRUTH IN SAVINGS DISCLOSURE STATEMENT

## SHARE CERTIFICATE ACCOUNT

This is your disclosure pursuant to the *Truth in Savings Act* regarding your share certificate account with us. We may impose requirements for opening and maintaining this account. These requirements are listed below.

**Disclosure Date:** This is the rate and annual percentage yield (APY) offered within the most recent seven days and is accurate as of November 10, 2018. The fees and charges are also accurate as of this date. Please call a Member Services Representative at 781-736-9900 to obtain current rate information.

**Dividend Rate:**

Term	Regular Share Certificates (\$1,000 to \$49,999.99)		Premium Share Certificates (\$50,000+)	
	Dividend Rate	APY	Dividend Rate	APY
60 months	2.28%	2.30%	3.01%	3.05%
48 months	2.03%	2.05%	2.47%	2.50%
36 months	1.83%	1.85%	2.23%	2.25%
24 months	1.59%	1.60%	1.74%	1.75%
12 months	1.14%	1.15%	1.39%	1.40%
6 months	0.50%	0.50%	0.60%	0.60%
3 months	0.30%	0.30%	0.45%	0.45%

Certificate holders will be paid the applicable rate on the entire balance until maturity. The APY is based on the assumption funds will remain on deposit until maturity. A withdrawal will reduce earnings.

**Minimum Balance Requirement to Open an Account:** The minimum balance required to open a regular share certificate account is \$1,000.00. The minimum balance to open a premium share certificate account is \$50,000.00.

**Minimum Balance Requirement to Obtain Annual Percentage Yield:** You must maintain a minimum balance of

- \$ 1,000.00 in your regular share certificate account or
- \$50,000.00 in your premium share certificate account each day to obtain the disclosed APY.

**Compounding and Crediting:** Dividends will be compounded and credited monthly and will also be credited at maturity. If you close your share certificate account before dividends are paid, you will receive the accrued dividends less any early withdrawal penalty.

**Date Dividends Accrue:** If we provide a dividend on this account, dividends will begin to accrue on the business day you deposit cash and non-cash items (e.g. share drafts) into this account.

**Balance Computation Method:** If we provide a dividend on this account, dividends are calculated by the daily balance method that applies a daily periodic rate to the principal in this account each day.

**Transaction Limitation:** You may not make any deposits into your share certificate account before maturity. You may not make withdrawals of principal from your account before maturity unless we agree at the time you request the withdrawal. We may impose a penalty if we grant your request.

**Maturity Date:** Your share certificate account will mature on the date shown on your certificate.

**Early Withdrawal Penalties:** A penalty may be imposed for withdrawals before maturity. If your account has an original maturity date of less than one year the early withdrawal penalty will equal three months dividends on the amount withdrawn. If your account has an original maturity of one year or longer, the early withdrawal penalty will equal six months dividends on the amount withdrawn. If dividends are not sufficient to cover the penalty, you may be required to forfeit a part of principal to cover the penalty.

**Renewability of Account:** This account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the account at maturity (or within any grace period mentioned below). We can prevent renewal if we mail notice to you at least 30 days before maturity. If either you or we prevent renewal, your deposit will no longer earn dividends after maturity. Each renewal term will be the same as the original term, beginning on the maturity date. Dividends will be calculated on the same basis as during the original term. The

(See page 2 for important information)

dividend rate will be the current dividend rate offered at the time of renewal. You will have 10 calendar days after maturity to withdraw the funds without a penalty.

<b>Fees and Charges:</b>	Statement copies	\$ 5.00 per statement
	Account printout	\$ 4.00 per printout
	Research (including Bill Payer)	\$25.00 per hour
	Levy fee	\$25.00 each
	Abandoned property	\$75.00 per account

**Nature of Dividends:** Credit unions are unique financial institutions. You are an owner of this credit union. The money you deposit with us represents an equity interest. Legally, it is more like buying a stock than making a deposit. That's why credit unions call the returns you earn on your accounts dividends instead of interest. For all accounts, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1<sup>st</sup> and the ending date of such dividend period is January 31<sup>st</sup>. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for this example is February 1<sup>st</sup>. The board of directors declares dividends based on current income and available earnings of the credit union after providing for the required reserves at the end of the month. The dividend rate and APY shown reflect the earnings the credit union anticipates having available for distribution. If you have a term share account, such as a share certificate, you will receive dividends according to the contract.

**Bylaw Requirements:** If you fail to complete payment of one share within six months of your admission to membership, or within 6 months from the increase in the par value in shares, or you reduce your share balance below the par value of one share and do not increase the balance to at least the par value of one share within six months of the reduction, you may be terminated from membership at the end of a dividend period. You may transfer shares to another member only by written instrument in such form as we may prescribe.

We reserve the right to require you to give us written notice of your intent to make a withdrawal from any account (except a checking account) not less than seven and up to 60 days before the withdrawal. You may not withdraw shareholdings that are pledged as required on security on loans without our written approval, except to the extent that such shares exceed your total primary or contingent liability with us. You may not withdraw any shareholdings below the amount of your primary or contingent liability to us if you are delinquent as a borrower, or if borrowers for whom you are comaker, endorser, or guarantor are delinquent, without our written approval.

**Share Insurance:** Your funds are federally insured by the National Credit Union Share Insurance Fund according to the rules and regulations of the National Credit Union Administration. Excess funds are insured by the Massachusetts Credit Union Share Insurance Corporation up to legal limits.

**Amendments:** We reserve the right to amend this disclosure statement from time to time without notice to you.

**Statutory Lien or Setoff:** We have the right of setoff on all of your deposit accounts with us as provided by contract or statute.

**Reliance on Signature Card:** By signing an account signature card, you agree that you have received a copy of this disclosure statement. Further, you have agreed to abide by the terms and conditions outlined in this disclosure.

**Incorporation by Reference:** We hereby incorporate by reference our expedited funds availability policies, service charge schedules, deposit account agreement, and electronic banking disclosures.

**Suspension of Services:** We reserve the right to suspend services to you, if you are not a member in good standing with us.

**Captions:** The section titles or captions in this disclosure are for convenience of reference only. They shall not be considered to be a part of this disclosure, and they in no way define, limit, extend or describe the scope or intent of any provision hereof.

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600 Main Street ♦ Waltham, MA 02452  
rtn.org ♦ 781-736-9900, Member Services

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(See page 1 for important information)

*Share Certificate Truth in Savings Disclosure as of November 10, 2018, page 2 of 2*



# RTN Federal Credit Union

781-736-9900 ♦ rtn.org ♦ info@rtn.org

Member Number \_\_\_\_\_  
Certificate No. \_\_\_\_\_

## Share Certificate

### Certificate Type

Regular Share Savings

Premium Share Savings

### Certificate Ownership

Individual  Joint payable to either or survivor  Totten Trust  Partnership  Revocable Trust (*additional paper work required*)

Business  Association  Uniform Transfer to Minors (UTMA)  Irrevocable Trust (*additional paper work required*)

### Member Information

**NOTE:** Certificate owner #1 must be the same owner and taxpayer ID as listed on the Main Share account.

Certificate owner #1

(Minor's name under UTMA) \_\_\_\_\_

Certificate owner #2 \_\_\_\_\_

Street \_\_\_\_\_

Street \_\_\_\_\_

City, State, ZIP \_\_\_\_\_

City, State, ZIP \_\_\_\_\_

Telephone No. \_\_\_\_\_

Telephone No. \_\_\_\_\_

### Deposit

A minimum balance of \$1,000 for a regular share savings certificate or \$50,000 for a premium share savings certificate is required to open and obtain the disclosed annual percentage yield (APY).

Initial Deposit Amount \$\_\_\_\_\_ (Please transfer this amount from RTN FCU account #\_\_\_\_\_)

### Certificate Information

*This certificate will earn the APY in effect on the business day this agreement is received.*

Initial Term of Certificate (*indicate term*) \_\_\_\_\_ Months (*minimum three, maximum 60*)

#### Credit Union Use Only

Date Issued	Initial Maturity Date	Initial Dividend Rate	Crediting	Compounding Method	APY
		%	Monthly	Monthly	%

### Rate of Earnings

Fixed Dividend Rate: The Initial Dividend Rate and Annual Percentage Yield indicated above will remain the same for the initial term of this certificate. Dividends will be calculated using the daily balance method and compounded and credited monthly.

### Dividend Disbursement

By checking this box, I request dividends to be paid monthly and deposited to my Main Share savings account #\_\_\_\_\_

### Massachusetts UTMA Custodian

*Complete if Massachusetts Uniform Transfers to Minors Account only*

\_\_\_\_\_  
(name), as

custodian for \_\_\_\_\_ (name) under the Massachusetts Uniform Transfers to Minors Act.

### Designation of Beneficiary For Totten Trust certificates only

I/We, \_\_\_\_\_, trustee(s), hold this account in trust to control and dispose of as I/we see fit during my/our lifetime but on my/our death to pay to the beneficiary(s) the full amount then standing to the credit of this account:

\_\_\_\_\_  
Beneficiary's name, address and Social Security number

\_\_\_\_\_  
Beneficiary's name, address and Social Security number

\_\_\_\_\_  
Beneficiary's name, address and Social Security number

### Signatures All owners (or custodian/trustees) of certificate account must sign

I acknowledge that I have read and understand the terms on the front page of this form and the Additional Terms and Conditions of Share Certificates on the reverse side of this page and agree to abide by those terms and conditions in addition to the Credit Union's *Truth in Savings Disclosure Statement* for share certificate accounts.

\_\_\_\_\_  
Certificate Owner's (or UTMA Custodian's) Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Joint Certificate Owner's (or Trustee(s)) Signature

\_\_\_\_\_  
Date

**NON-TRANSFERABLE** — See the *Additional Terms and conditions of Share Certificates* page for important information

## Additional Terms and Conditions of Share Certificates

<b>Definitions</b>	<p>The words “you” and “your” mean the member(s) named on the front side and the words “we,” “us” and “our” mean the Credit Union.</p> <p>The “principal” amount of the certificate is the Initial Deposit Amount, or in the case of the automatic renewal of this certificate, the entire value of this certificate on the renewal date. Except for certificates which have automatically renewed, the principal shall not include dividends earned.</p>
<b>Our Obligation</b>	<p>Unless this certificate is automatically renewed, we will pay you at the initial maturity date the initial deposit amount plus dividends earned less any withdrawals and early withdrawal penalties. This obligation is subject to other terms and conditions of this certificate.</p>
<b>Deposit Information</b>	<p>The Annual Percentage Yield assumes that the dividends remain on deposit until maturity and that a withdrawal will reduce earnings.</p>
<b>Additional Deposits</b>	<p>Additional deposits are not permitted except at renewal.</p>
<b>Rate of Earnings</b>	<p>The daily balance method of calculating dividends means that application of a daily periodic rate to the full amount of principal in the account each day.</p>
<b>Automatic Renewal</b>	<p>On each maturity date, this certificate will be automatically renewed for an additional period equal to the initial term unless one of the conditions listed below occurs. The dividend rate, compounding frequency and other terms of the certificate for each renewal term shall be the same as those certificates of this type and term which are offered on the renewal date.</p> <p>This certificate will not automatically renew if one of the following events occur:</p> <ol style="list-style-type: none"><li>1. You present this certificate for payment in person to us on a maturity date or within ten (10) calendar days after a maturity date.</li><li>2. We receive a written notice from you before a maturity date which expresses your intention to cash this certificate.</li><li>3. At least thirty (30) days before a maturity date, we mail to you a written notice of our intention not to renew this certificate.</li></ol>
<b>Early Withdrawal Penalties</b>	<p>You cannot withdraw any principal from this certificate before the maturity date without our consent. If you withdrawn any principal from this certificate, we will impose the following early withdrawal penalty:</p> <ol style="list-style-type: none"><li>1. Three months’ dividend penalty on certificates with an initial maturity of less than one year, or</li><li>2. Six months’ dividend penalty on certificates with an initial maturity of one year or greater.</li></ol> <p>The applicable early withdrawal penalty will be deducted from the amount requested to be withdrawn or the principal balance. If the dividends are not sufficient to cover the penalty, then you must forfeit enough of the principal to cover the penalty.</p>
<b>Exceptions to Early Withdrawal Penalty</b>	<p>The <i>Early Withdrawal</i> penalty is not applicable for the following:</p> <ol style="list-style-type: none"><li>1. When this certificate is withdrawn within 10 days after a specified maturity date even though the certificate provided for automatic renewal at the maturity date.</li><li>2. On the death of any owner of this certificate.</li><li>3. When any owner of this certificate is determined by a court or other administrative body of competent jurisdiction to be legally incompetent.</li><li>4. If the merger of two federally insured credit unions would result in a portion of this certificate becoming uninsured.</li></ol>
<b>Collateral</b>	<p>This certificate may not be pledged or assigned to any party.</p>
<b>Non-Transferable</b>	<p>This certificate is not transferable except on the books of the Credit Union.</p>