



*Where Membership Has Value*

**Sweet Home Federal Credit Union**

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## TRUTH-IN-SAVINGS DISCLOSURE FOR TERM SHARE CERTIFICATE ACCOUNTS

Here are some of the basic facts about your Term Share Certificate (TSC) account. By opening and maintaining a TSC account with Sweet Home FCU, you have agreed to the terms for this account set forth here and on the certificate and any amendments thereto. If you have any questions regarding these disclosures or your TSC account, please ask a Member Service Representative.

**AMOUNT:** \_\_\_\_\_

**MATURITY:** \_\_\_\_\_

### NOMINAL DIVIDEND RATE AND ANNUAL PERCENTAGE YIELD

The nominal dividend rate on your TSC account is \_\_\_\_\_ %, which results in an annual percentage yield (APY\*) of \_\_\_\_\_ %.

### EARLY WITHDRAWAL PENALTIES

Dividends which have been credited to your TSC account may be withdrawn monthly, after crediting, but the APY\* disclosed above is based on the assumption that all dividends will remain in the TSC account until maturity. A withdrawal prior to maturity will reduce earnings and your APY therefore will be lower than the disclosed yield.

Any dividends in your TSC account at maturity will be considered part of the principal of the TSC account upon any renewal and thereafter become subject to Sweet Home FCU's rules concerning early withdrawal.

In the event of withdrawal of any portion of the principal in your TSC account prior to maturity, the following penalties apply:

- If the maturity date is one year or less from the date of issuance or renewal, the penalty is equal to 3 months dividends.
- If the maturity date is more than one year from the date of issuance or renewal; the penalty is an amount equal to 6 months dividends.

The penalty may be taken from the principal balance of your account. These penalties apply regardless of the length of time the funds have been on deposit at Sweet Home FCU. There is no penalty for early withdrawal in the event that a sole TSC account owner dies or becomes mentally incompetent. However, if the TSC account is in two or more names and one TSC owner dies or becomes mentally incompetent, the TSC account will remain in effect until its scheduled maturity under the remaining joint owners' name(s).

**TRANSACTION LIMITATIONS**

Once your TSC account is opened, you may not make additional deposits to it. You may however, open a separate TSC account at the current effective dividend rate.

**MATURITY NOTICES/RENEWALS**

You may renew, transfer, or close your TSC account at maturity. You will be asked to instruct Sweet Home FCU by mail or in person of which option you choose.

You will be notified in writing at least ten (10) days before the maturity date of your TSC account. If you do not respond prior to the maturity of your TSC account, the account balance will be transferred to your regular share account upon maturity. The transferred funds will then earn dividends at the variable rate applicable to that account.

Every notice of maturity will state the dividend rate that will apply to the TSC account upon renewal. If the renewal rate has not yet been determined, the notice will state the date that the renewal rate will be set. You can then call to inquire what the dividend rate and APY applicable to the TSC account during the renewal term will be.

**INSURANCE ON ACCOUNTS**

Sweet Home FCU carries NCUA Share Insurance on all deposit accounts (share, share draft, share certificate) cumulative to \$250,000.00.

Signature \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

(revised 01/09)