

CERTIFICATE ACCOUNT TRUTH-IN-SAVINGS DISCLOSURE

In the following Agreement and Disclosure, the words “you” and “your” mean each and all of those (whether one or more persons) who are subject to this Agreement and Disclosure as a result of signing a Membership Application and Account Agreement or opening one or more account(s) with California Coast Credit Union. In this document, the word “Account” refers to sub-share accounts within the membership; the words “we,” “us,” “our,” and “credit union” mean CALIFORNIA COAST CREDIT UNION; and the word “certificate” refers to both standard certificate accounts and IRA certificate accounts. The terms and conditions listed in the *Important Account Information for Our Members* disclosure are incorporated by this reference.

- 1) **MINIMUM OPENING DEPOSIT:** The minimum balance required to open and maintain your certificate account is stated on the *Share Certificate Account Agreement*.
- 2) **MINIMUM BALANCE TO EARN DIVIDENDS:** You must maintain the minimum daily balance shown on your *Share Certificate Account Agreement* in your certificate account to obtain the stated Annual Percentage Yield (APY).
- 3) **PAYMENT OF DIVIDENDS:** The frequency and conditions upon which dividends are paid on all accounts are in accordance with the bylaws of this credit union, California law, and the Truth-in-Savings Act and Regulations. Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

For all dividend-bearing accounts, dividends will be compounded monthly and will be credited monthly. The dividend period is monthly; for example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the example is January 31. Current dividend rates and APYs are reflected on the accompanying Rate Sheet.

Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day. Dividends will begin to accrue on the business day you deposit non-cash items (e.g., checks) to your account if deposited before the close of business.

- 4) **RATE INFORMATION:** All certificate accounts are designated as fixed rate accounts on the Rate Sheet. You will be paid the dividend rate on your *Share Certificate Account Agreement* until maturity. The APY is based on the assumption that the original principal and dividends will remain on deposit until maturity. Dividend rates and APYs offered may change at any time as determined by the credit union's Board of Directors. For specific dividend rate(s) for each type of dividend bearing account, please refer to the accompanying Rate Sheet, which is incorporated by this reference.
- 5) **TRANSACTION LIMITATIONS:** You may not make deposits at any time into certificate accounts. You may not make withdrawals of principal from any certificate account without penalty until the maturity date. See Early Withdrawal Penalty. You may make withdrawals of credited dividends from your certificate account at any time during the current certificate term and the seven calendar day grace period following maturity.
- 6) **EARLY WITHDRAWAL PENALTY:** We may impose a penalty if you make a withdrawal of principal from your certificate account before the maturity date. The penalty imposed shall be as follows:
 - If the term of any certificate account is 6 months or less, you will forfeit an amount equal to all dividends for 90 days on the amount withdrawn.
 - If the term of any certificate account is greater than 6 months to 24 months, you will forfeit an amount equal to all dividends for 180 days on the amount withdrawn.
 - If the term of any certificate account is greater than 24 months, you will forfeit an amount equal to all dividends for 365 days on the amount withdrawn.
 - If a withdrawal is made that reduces the balance below the required minimum, the certificate account shall be closed and a penalty as stated above will be assessed on the entire amount in the account.
 - The penalty will not apply if the withdrawal is made subsequent to the death of any certificate account owner.
- 7) **MATURITY:** The maturity date is stated on your *Share Certificate Account Agreement*. At maturity, your certificate account will automatically renew for the same term at the prevailing rate in effect at that time, and credited dividends become part of the principal.
- 8) **GRACE PERIOD:** You have a grace period of seven calendar days after the maturity date of your certificate account to make changes or withdraw the funds in the account without being charged an early withdrawal penalty. Accrued dividends will be paid during the grace period if you choose not to renew your certificate account.