

Truth-In-Savings Disclosures

Truth-In-Savings Account for Share & Share Draft Accounts

Except as specifically defined, the following disclosures apply to all share accounts offered by Horizons North Credit Union (HNCU).

1. Rate Information

For all accounts, the Annual Percentage Yield (APY) and Dividend Rate may change at any time as determined by HNCU's Board of Directors. The Dividend Rate and APY* are the prospective rates and yields that the Credit Union anticipates paying for the applicable dividend period.

2. Nature of Dividends

Dividends are paid from HNCU's available earnings after required transfers to reserves at the end of the dividend period.

3. Dividend Compounding & Crediting

Dividends are compounded daily and credited monthly on all accounts. The dividend period for all accounts is the calendar month.

4. Accrual of Dividends

Dividends will begin to accrue on the business day you deposit non-cash items (e.g. checks) or cash items to your account. Dividends will begin to accrue on electronic direct deposits on the business day that the deposits are credited to your account. If you close your account before accrued dividends are posted to your account, accrued dividends will not be paid.

5. Balance Information

The minimum balance specifications required to open each account and earn dividends are set forth below.

a. Regular Share Accounts. The minimum balance required to open a Regular Share account is \$5. The minimum average daily balance required to earn dividends is \$500. If the primary account owner is a minor, dividends will accrue as long as the minimum account balance of \$5 is sustained, and the account will automatically earn the highest rate. For Regular Share accounts, the average daily balance is calculated by adding the entire principal amount in the account for each day of the period and dividing that figure by the number of days in the period. You will not earn the stated APY*, if your balance falls below the minimum average daily balance.

b. Club Accounts. There is no minimum balance required to earn interest, and the account will automatically earn the highest share rate. For Club accounts, the average daily balance is calculated by adding the entire principal amount in the account for each day of the period and dividing that figure by the number of days in the period.

c. IRA Share Accounts. The minimum balance required to open an IRA Share account is \$25.00. No minimum balance required to receive dividends. For IRA Share accounts, the average daily balance is calculated by adding the entire principal amount in the account for each day of the period and dividing that figure by the number of days in the period. IRA rules and regulations apply.

d. Share Draft Accounts. There is no required minimum balance for Share Draft accounts. Dividends will not be paid on Share Draft accounts.

e. Interest Checking Accounts. The minimum balance required to open is \$100.00. The minimum average daily balance required to earn dividends is \$500.00. If the minimum daily balance is not met, you will not earn dividends for the days that the account is below the minimum balance and a monthly fee, set forth in the Fee Schedule, will be assessed. You will not earn the stated APY* if your account falls below the required minimum daily balance. For Interest Checking accounts a Daily Balance method is used, which means a daily periodic rate is applied to the principal balance in the account each day, to calculate the dividends. If the balance falls below \$500.00 at any time during the calendar month, a service charge of \$7.50 will be charged.

f. Money Management Accounts. The minimum daily balance required to open a Money Management Account and earn dividends is \$2,500. You will not earn the stated APY* if your account falls below the required minimum daily balance. For Money Management accounts a Daily Balance method is used, which means a daily periodic rate is applied to the principal balance in the account each day, to calculate the dividends.

g. Horizons Accounts. The minimum daily balance required to open a Horizons Account and earn dividends is \$25,000. If the minimum daily balance is not met, you will not earn dividends for the days that the account is below the minimum balance and a monthly fee, set forth in the Fee Schedule, will be assessed. You will not earn the stated APY* if your account falls below the required minimum daily balance. For Horizons Accounts a Daily Balance method is

used, which means a daily periodic rate is applied to the principal balance in the account each day, to calculate the dividends. Minimum withdrawal amount is \$500.00.

6. Account Limitations

For all account limitations, refer to the Membership & Account Agreement.

7. Account Fees

For all account fees, refer to the Fee Schedule.

8. Funds Availability Policy

a. Funds Availability. Our policy is to make funds from your deposits available to you on the first business day after we receive your deposit. Electronic deposits will be available on the day the deposit is credited to your account. Once the funds are available, you may withdraw the funds in cash and/or we will use them to pay checks you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays and federal holidays. If you make a deposit before 5:00 p.m. on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 5:00 p.m., or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

b. Holds on Deposits. In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, it may not be available until the fifth business day after the day of your deposit. However, the first \$100 of your deposit will be available on the business day you make your deposit. If you make your deposit through our ATM or night drop, the funds from your deposit will not be available until the business day following the day we receive the deposit. If we are not going to make all the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises we will mail you the notice by the day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available. In addition, funds you deposit by check may be delayed for a longer period.

*APY = Annual Percentage Yield

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Circumstances in which we may place a hold on deposited items include, but are not limited to, the following:

- The checks you deposit on any one day exceed \$5,000
- We received notice that the check is being returned unpaid
- The check is drawn on an account with repeated overdrafts
- There are circumstances beyond our control, which prevent us from making your funds available.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available, no later than the fifth business day after the day of your deposit.

9. Special Rules For New Accounts. If you are a new member, the following special rules will apply during the first 30 days your account is open. The first \$5,000 from a deposit of U.S. Treasury checks will be available on the first business day after the day of your deposit. The amount exceeding \$5,000 will be available on the ninth business day after the day you make your deposit. Funds from wire transfers into your account will be available on the first business day after the day we receive the transfer. Funds from deposits of cash and the first \$5,000 of a day's total deposits of cashier's, certified, travelers and state and local government checks will be available on the first business day after the day of your deposit only if the deposit meets certain conditions. For example, the checks must be payable to you and include proper endorsement. The excess over \$5,000 will be available on the ninth business day after the day of your deposit. If you do not make the deposit in person to one of our employees, for example, you deposit your items in the ATM or night drop, the first \$5,000 will not be available until the business day following the day we receive your deposit. Funds from all other check deposits will be available on the ninth business day after the day of your deposit.

The information disclosed in this brochure is accurate as of May 11, 2009.



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