Truth-In-Savings Disclosure for Share Certificate Accounts
6. Transaction Limitations. After your account is opened, additional deposits and withdrawal of principal are not permitted without penalty. Withdrawal of dividends is permitted after maturity and after the dividends have been credited to the account.

7. Maturity. Your account will mature according to the terms listed on the Rate Sheet or on your Account Receipt or Renewal Notice.

8. Early Withdrawal Penalty. If you withdraw any of the principal amount before the maturity date of your account, we may impose a penalty, and your account must be closed. Upon your request, a new account will be opened with the remaining principal amount; otherwise, the entire amount will be paid to you. The new account will earn the Dividend Rate and APY stated for the date on which the new Share Certificate is opened.

   a. Amount of Penalty. The early withdrawal penalty is based on the term of your Share Certificate account. On certificates with terms of six months or less there is a loss of 90 days dividends. On certificates with terms of greater than six months there is a loss of 180 days dividends. IRA Certificates may be subject to IRS penalties for early withdrawal. Contact your tax advisor if you have questions regarding the penalties associated with early withdrawal of IRA Certificates.

   b. Calculation of Penalty. The penalty is calculated as a forfeiture of all or part of the dividends that have been or would be earned on the account in the absence of the early withdrawal. The penalty will be imposed whether or not the dividends have been earned. This means, if the account has not yet accrued enough dividends or if the dividends have been credited to the account, the penalty will be deducted from the principal.

   c. Exceptions to Early Withdrawal Penalties. At the option of HNCU, we may allow the account to be closed before the maturity date without applying an early withdrawal penalty under the following circumstances:

   1) When an account owner dies or is declared legally incompetent by a court or other body of qualified authority.

   2) Where the account is an Individual Retirement Account (IRA) and any part is paid within seven (7) days after establishment; or where the account is a Keogh Plan (Keogh) as long as the depositor forfeits an amount that equals, at minimum, the simple dividends earned in the amount withdrawn; or when the account is an IRA or Keogh and the owner reaches age 59 1/2 or becomes disabled.

9. Renewal Policy. We will send out a notice of maturity on your account(s) on the 15th of the month prior to the maturity date. Your account will automatically renew at maturity for the same period as the original term unless you prevent renewal by withdrawing all of the funds available in your account at the time of maturity or within the ten (10) day grace period following the maturity date. After the grace period, you may be charged early withdrawal penalties for withdrawing principal.

10. Nontransferable/Nonnegotiable. Your account is nontransferable and nonnegotiable. The funds in your account may not be pledged to secure any obligation of an owner, except obligations with HNCU, without our prior written consent.