

REWARD Checking linked to REAL Saver

Description

REWARD Checking is a variable rate checking account that rewards accountholders with dividends and Domestic ATM fee refunds when they meet minimum requirements during the account's Monthly Qualification Cycle coupled with the REAL Saver account.

Purpose and Expected Use of REWARD Checking

This account is intended to be the accountholder's primary checking account for personal, family or household purposes in which payroll transactions and day-to-day spending activities including but not limited to grocery, gasoline, apparel, shopping, dining, sporting and entertainment transactions are posted. Commensurate with the spending activities identified above, we expect the account's debit card to be used frequently each month and transaction amounts reflect a wide dollar range. Small debit card transactions conducted on the same day at a single merchant and multiple transactions made during a condensed time period at the end of a Monthly Qualification Cycle are not considered normal, day-to-day spending habits. These types of transactions appear to be conducted with the purpose of qualifying for the account's rewards and thus will be deemed inappropriate transactions. We reserve the right to determine if the account is being maintained for a function other than day-to-day, primary use. Customers who persist in making debit card transactions in a calculated and limited fashion in order to meet monthly qualification may have their accounts converted to a different checking account or closed altogether. We reserve the right to close this account at any time, without advance notice. Our decision to close the account will not affect your existing obligations to us, including any obligation to pay fees or charges incurred prior to termination. Upon termination of your REWARD Checking account, any optional add-on products / services to this account will also be terminated at the same time.

Rate Information

The dividend rate and annual percentage yield (APY) may change quarterly, as determined by the credit union board of directors. As of the last dividend declaration date, if the REWARD Checking qualifications were not met during the Monthly Qualification Cycle, the dividend rate was _____% with an APY of _____%. As of the last dividend declaration date, if the REWARD Checking account qualifications were met during the Monthly Qualification Cycle, the dividend rate and corresponding APY were tiered. If your average daily balance was \$9,999.99 or less, the dividend rate paid on the entire balance was _____% with an APY of _____%. A dividend rate of _____% was paid only for that portion of your average daily balance that was greater than \$9,999.99. The APY for this tier ranged from _____% to _____%, depending on the balance in your REWARD Checking account.

Minimum Balance and Qualification Requirements

The minimum balance requirement to open REWARD Checking is \$25.00.

Your REWARD Checking account must meet the following qualifications during each Monthly Qualification Cycle to receive reimbursement of your ATM fees:

- Be enrolled and agree to receive eStatements (please contact us for details on how to enroll)
- Have at least one (1) direct deposit post and settle
- Have at least 15 debit card purchases post and settle
- Have at least one (1) automatic payment or bill pay transaction post and settle

Please note that transactions MUST post and settle to your REWARD checking account during the Monthly Qualification Cycle. They may not be in a pending state to qualify as one (1) of the qualifications. Transactions may take one (1) or more banking days from the date the transaction was made to post and settle to an account.

Dividend Period

For this account, 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 is the last day of the dividend period and for the example above is January 31.

Compounding and Crediting

Dividends will be credited to your REWARD Checking account every month. If you close your REWARD Checking account before dividends are paid, you will not receive the accrued dividends. Dividends are not compounded. Dividends will be automatically transferred to your REAL Saver account on the last day of the statement cycle. The REWARD Checking APY is based on compounding dividends. Please be aware that the dividends you earn in your REWARD Checking account are automatically transferred to your REAL Saver

account each statement cycle and do not compound. As a result, the actual dividend amount paid on your REWARD Checking account may be less than the APY disclosed above. The REAL Saver APYs may be less than the REWARD Checking APYs.

Average Daily Balance Computation Method

Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the Monthly Statement Cycle.

Accrual of Dividends on Noncash Deposits

Dividends will begin to accrue on the Business Day you deposit noncash items (for example, checks) in your account. "Business Day" means a calendar day other than a Saturday or a Sunday, January 1, the third Monday in January, the third Monday in February, the last Monday in May, July 4, the first Monday in September, the second Monday in October, November 11, the fourth Thursday in November, or December 25. If January 1, July 4, November 11, or December 25 fall on a Sunday, the next Monday is not a business day.

Monthly Qualification Cycle

"Monthly Qualification Cycle" means a period beginning one (1) day prior to the first day of the current statement cycle through one (1) day prior to the close of the current statement cycle. Your account will be automatically qualified on that one (1) day prior to the first day of the current statement cycle. What this means for you is if you did not qualify for the higher preferred rate, you might notice a slightly higher than the base rate APY earned on your statement due to the one day (the last day) being calculated with the higher preferred rate.

ATM Fees Reimbursement

If the REWARD Checking qualifications are met during the Monthly Qualification Cycle, we will reimburse you for up to a maximum of \$15.00 in Domestic ATM fees incurred on your REWARD Checking account per Monthly Qualification Cycle. Domestic ATM fees of \$4.99 or less will be reimbursed up to a maximum of \$4.99 per individual transaction. Domestic ATM fees of \$5.00 or higher will be reimbursed if the appropriate ATM receipt is presented to a representative at any of our branches. If you believe that you have not been reimbursed the correct amount, please contact us. "Domestic" ATM fees are defined as an ATM that is not assessed an exchange rate when used (i.e., not a foreign ATM), and may or may not be a part of the credit union's ATM network. Note: The following activities do not count as qualifying debit card transactions for purposes of meeting qualification requirements during the Monthly Qualification Cycle: ATM-processed transactions, transfers between accounts and debit-card transactions processed by merchants and received by us as ATM transactions. If you close your REWARD Checking account before ATM fees reimbursement is credited, you will not receive the ATM fees reimbursement. Domestic ATM fee reimbursements will be credited to your REAL Saver account on the last day of the statement cycle.

Reg E (Electronic Fund Transfer) Disclosure Modification, applied to REWARD Checking

Page 6 of the Account Information brochure, ATM Operator/Network Fees is replaced by:

When you use an ATM not owned by us, you may be charged a fee by the ATM operator or network. You may be charged a fee for a balance inquiry even if you do not complete a funds transfer. If the REWARD Checking qualifications are met during the Monthly Qualification Cycle, up to a maximum of \$15.00 in Domestic ATM fees incurred on your REWARD Checking account per Monthly Qualification Cycle will be reimbursed. Domestic ATM fees of \$4.99 or less will be reimbursed up to a maximum of \$4.99 per individual transaction. Domestic ATM fees of \$5.00 or higher will be reimbursed if the appropriate ATM receipt is presented to a representative at any of our branches. If you believe that you have not been reimbursed the correct amount, please contact us. Note: The following activities do not count as qualifying debit card transactions for purposes of meeting qualification requirements during the Monthly Qualification Cycle: ATM-processed transactions, transfers between accounts and debit-card transactions processed by merchants and received by us as ATM transactions.

Transaction Limitations

No transaction limitations apply to REWARD Checking unless otherwise stated in the Common Features of Account Information brochure.