

**REDSTONE FEDERAL CREDIT UNION®**  
REGULAR, JUMBO, AND MEMBER'S CHOICE SHARE CERTIFICATE ACCOUNTS  
TRUTH IN SAVINGS DISCLOSURE SUPPLEMENT

OUR REGULATIONS PROHIBIT PAYMENT OF DIVIDENDS IN EXCESS OF AVAILABLE FUNDS.

**TRUTH IN SAVINGS DISCLOSURES:**

**Regular Share Certificate**

1. Rate information. Please refer to the Share Certificate Rate Sheet for the current dividend rate and annual percentage yield. For new accounts, the annual percentage yield (APY) and dividend rate are disclosed on the Share Certificate Rate Sheet. For renewing accounts, please refer to the Share Certificate Maturity Notice for the new APY and dividend rate information. These rates will be in effect for the term of the account.

2. Compounding and crediting. **Non-compounding Share Certificates:** Dividends will be calculated daily and credited quarterly. Dividends will begin to accrue on the date of issuance and shall be credited to the designated share account quarterly. No dividends will be added to the share certificate account and dividends cannot remain on the account. Payout of dividends is mandatory. If you close your certificate account before dividends are credited, you will receive dividends due at the time the account is closed. Dividends will not be earned for the day the account is closed. **Compounding Share Certificates:** Dividends will be compounded and credited to the share certificate account quarterly. Dividends are earned on the basis of the principal amount remaining on deposit in the share certificate account. A withdrawal will reduce earnings. If you close your certificate account before dividends are credited, you will receive dividends due at the time the account is closed. Dividends will not be earned for the day the account is closed.

3. Minimum balance requirements. The minimum balance required to open and maintain this account and obtain the disclosed APY is \$1,000.00.

4. Balance computation method. Dividends are calculated by the daily balance method, which applies a daily periodic rate to the principal in your account each day.

5. Accrual of dividends. Dividends will begin to accrue on the business day you deposit noncash items (e.g., checks) to your account.

6. Fees and charges. THE FOLLOWING FEES MAY BE ASSESSED IN CONNECTION WITH YOUR ACCOUNT(S):

Address Locator Fee	\$5.00 (per occurrence)	Domestic Wire Fee	\$16.00 (per wire)
International Wire Fee	\$30.00 (per wire)	Chargeback Fee	\$25.00 (per presentment)
Check Copy	\$3.00 (per copy)	Escheat Fee (per member)	\$25.00 (if available)
Miscellaneous Copies	\$3.00 (per copy)	Money Order Fee	\$2.00 (per item)
Official Check Fee	\$5.00 (per item)	Research Fee (if over one hour)	\$20.00 (per hour over one hour)
Statement Copy Fee	\$3.00 (per copy)	Stop Payment Order Fee (Check / Official Checks / ACH/Money Orders)	\$25.00 (per request)

All transaction charges deducted from your account will appear on your account statement. The charges listed above may be changed if our process changes or if we find it necessary to add additional charges. To obtain a list of other charges, please contact RFCU®.

7. Transaction limitations. After the account is opened, you may not make deposits into or withdrawals from the account until the maturity date stated on the Member's Share Certificate Account Receipt.

8. Maturity date. Please refer to the Member's Share Certificate Account Receipt for the correct maturity date. For renewing accounts, refer to the Share Certificate Maturity Notice for the new maturity date.

9. Early withdrawal penalties. We may impose a penalty if you withdraw any of the funds before the maturity date. The penalties are as follows:

- a) 1 through 12 month certificates, the member shall forfeit an amount equal to all dividends at the stated rate for 90 days on the amount withdrawn.
- b) 13 through 36 month certificates, the member shall forfeit an amount equal to all dividends at the stated rate for 180 days on the amount withdrawn.
- c) 37 through 60 month certificates, the member shall forfeit an amount equal to all dividends at the stated rate for 270 days on the amount withdrawn.
- d) 72 and 84 month certificates, the member shall forfeit an amount equal to all dividends at the stated rate for 365 days on the amount withdrawn.
- e) 96 and 108 month certificates, the member shall forfeit an amount equal to all dividends at the stated rate for 540 days on the amount withdrawn.
- f) 120 and 144 month certificates, the member shall forfeit an amount equal to all dividends at the stated rate for 730 days on the amount withdrawn.

10. Renewal policies. With the exception of a special or promotional certificate, your share certificate will renew automatically at the then current rate at maturity. If your certificate is a special or promotional certificate, it will automatically transfer to the next lowest standard term (6, 12, 18, 24, 36, 48, 60, 72, 84, 96, 108, 120, and 144 month), at the then current rate, at maturity. For example: a 16-month promotional certificate will automatically transfer to a 12-month certificate, at the then current rate, at maturity. You will have a grace period of five (5) calendar days after the maturity date to withdraw the funds in the account without being charged an early withdrawal penalty.

11. Bylaw requirements. A member who fails to complete payment of one share within six (6) months of admission to membership, or within six (6) months from the increase in the par value in shares, or a member who reduces the share balance below the par value of one share within six (6) months of the reduction may be terminated from membership at the end of a dividend period. Shares may be transferred only from one member to another, by written instrument in such form as the Credit Union may prescribe. The Credit Union reserves the right, at any time, to require members to give, in writing, not more than 60 days notice of intention to withdraw the whole or any part of the amounts so paid in by them. Shares paid in under an accumulated payroll deduction plan may not be withdrawn until credited to a member's account. No member may withdraw shareholdings that are pledged as required as security on loans without the written approval of a loan officer, except to the extent that such shares exceed the member's total primary and contingent liability to the Credit Union if he/she is delinquent as a borrower, or if borrowers for whom the member is comaker, endorser, or guarantor are delinquent, without the written approval of a loan officer.

12. Par value of shares; dividend period. The par value of a regular share in RFCU is \$5. For this account type, the dividend period is quarterly, 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 March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the ending date of a dividend period and for the example is March 31.

13. National Credit Union Share Insurance Fund. The National Credit Union Share Insurance Fund federally insures member accounts in this Credit Union.

## **Jumbo Share Certificate**

1. Rate information. Please refer to the Share Certificate Rate Sheet for the current dividend rate and annual percentage yield. For new accounts, the annual percentage yield (APY) and dividend rate are disclosed on the Share Certificate Rate Sheet. For renewing accounts, please refer to the Share Certificate Maturity Notice for the new APY and dividend rate information. These rates will be in effect for the term of the account.

2. Compounding and crediting. **Non-compounding Share Certificates:** Dividends will be calculated daily and paid monthly. No dividends will be added to the share certificate account and dividends cannot remain on the account. Payout of dividends is mandatory. You have the option of having dividends credited to the designated share account or having a monthly check issued. The monthly dividend check will be made payable to the primary member on the account and mailed to the member's current mailing address on file. Monthly dividend checks will be mailed on the first day of the month, or the following business day should the first fall on a Saturday, Sunday or other non-business day. If you close your certificate account before dividends are credited, you will receive the dividends due at the time the account is closed. Dividends will not be earned for the day the account is closed. **Compounding Share Certificates:** Dividends will be compounded and credited to the share certificate account monthly. Dividends are earned on the basis of the principal amount remaining on deposit in the share certificate account. A withdrawal will reduce earnings. If you close your certificate account before dividends are credited, you will receive the dividends due at the time the account is closed. Dividends will not be earned for the day the account is closed.

3. Minimum balance requirements. The minimum balance required to open and maintain this account is \$100,000.

4. Balance computation method. Please refer to the Regular Share Certificate, No. 4.

5. Accrual of dividends. Please refer to the Regular Share Certificate, No. 5.

6. Fees and charges. Please refer to the Regular Share Certificate, No. 6.

7. Transaction limitations. Please refer to the Regular Share Certificate, No. 7.

8. Maturity date. Please refer to the Regular Share Certificate, No. 8.

9. Early withdrawal penalties. Please refer to the Regular Share Certificate, No. 9.

10. Renewal policies. Please refer to the Regular Share Certificate, No. 10.

11. Bylaw requirements. Please refer to the Regular Share Certificate, No. 11.

12. Par value of shares; dividend period. The par value of a regular share in RFCU is \$5. For this account type, 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. The dividend declaration date is the ending date of a dividend period and for the example is January 31.

13. National Credit Union Share Insurance Fund. Please refer to the Regular Share Certificate, No. 13.

## **Member's Choice Share Certificate**

1. Rate information. Please refer to the Share Certificate Rate Sheet for the current dividend rate and annual percentage yield. For new accounts, the annual percentage yield (APY) and dividend rate are disclosed on the Share Certificate Rate Sheet. For renewing accounts, please refer to the Share Certificate Maturity Notice for the new APY and dividend rate information. These rates will be in effect for the term of the account. However, after 90 days from the certificate opening date, you have the option to request to change the dividend rate to the current dividend rate applicable to the term for your certificate. Future rate changes may be requested every 365 days after the last rate change on your account. Once the rates are applied to the certificate, the dividend rates and annual percentage yields will be in effect for the term of the account unless you request a rate change. A withdrawal may reduce earnings.

2. Compounding and crediting. **Non-compounding Share Certificates:** Dividends will be calculated daily and credited quarterly. Dividends will begin to accrue on the date of issuance and shall be credited to the designated share savings account quarterly. No dividends will be added to the share certificate account and dividends cannot remain on the account. Payout of dividends is mandatory. If you close your certificate account before dividends are credited, you will receive dividends due at the time the account is closed. Dividends will not be earned for the day the account is closed. **Compounding Share Certificates:** Dividends will be compounded and credited to the share certificate account quarterly. Dividends are earned on the basis of the principal amount remaining on deposit in the share certificate account. A withdrawal will reduce earnings. If you close your certificate account before dividends are credited, you will receive dividends due at the time the account is closed. Dividends will not be earned for the day the account is closed.

3. Minimum balance requirements. The minimum balance required to open and maintain this account is \$1,000.00.

4. Balance computation method. Please refer to the Regular Share Certificate, No. 4.

5. Accrual of dividends. Please refer to the Regular Share Certificate, No. 5.

6. Fees and charges. Please refer to the Regular Share Certificate, No. 6.

7. Transaction limitations. Please refer to the Regular Share Certificate, No. 7.

8. Maturity date. Please refer to the Regular Share Certificate, No. 8.

9. Early withdrawal penalties. Please refer to the Regular Share Certificate, No. 9.

10. Renewal policies. Please refer to the Regular Share Certificate, No. 10.

11. Bylaw requirements. Please refer to the Regular Share Certificate, No. 11.

12. Par value of shares; dividend period. The par value of a regular share in this Credit Union is \$5. For this account type, the dividend period is quarterly, 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 March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the ending date of a dividend period and for the example is March 31.

13. National Credit Union Share Insurance Fund. Member accounts in this Credit Union are federally insured by the National Credit Union Share Insurance Fund.

## **OTHER TERMS AND CONDITIONS:**

Each owner of the account agrees with the Credit Union as follows:

1. You must have a share account (savings) at the Credit Union before you can open a share certificate account at the Credit Union. Your share account (savings) may not be closed prior to the closing of the share certificate account.
2. To the extent necessary to comply with the foregoing, deductions may be made from the principal of the account.
3. Notwithstanding the foregoing, funds in the share certificate account may be withdrawn without penalty:
  - a. Upon Maturity;
  - b. If the withdrawal is made subsequent to the death of any owner of the share certificate account;
  - c. If the withdrawal is made pursuant to Article III, Section 5(e) of the bylaws of Redstone Federal Credit Union (pertaining to termination of membership under certain conditions);
  - d. Such withdrawal is made as a result of the voluntary or involuntary liquidation of Redstone Federal Credit Union.
4. If at any maturity date the Credit Union gives notice that the certificate is not to be renewed, and it is not redeemed, funds due under it at the time will be deposited to the designated shares account at the then current dividend rate.
5. The Credit Union may make changes in the terms and conditions of a share certificate to be renewed by giving at least thirty (30) days notice of the changes prior to the renewal date or, if the certificate has a grace period, twenty (20) days written notice of the changes before the end of the grace period.
6. If two or more names appear on the share certificate account that is established, it shall be their joint account and subject to the joint ownership provisions which are incorporated by reference and made part of this disclosure.
7. Due to possible dividend rate changes, the Member's Choice Share Certificate **may not** be used as collateral on a loan.
8. Member has twenty (20) days, from the day of receipt of monthly statement, to object to items reflected on statement of account.
9. An Escheat Account Fee will be charged per member on any share accounts, and the account[s] will be closed, if the account has been inactive for the period of time specified in the Alabama Unclaimed Property Law, or appropriate statute in Tennessee, member has no active loans, and the Credit Union has had no contact with the account owner for this period of time. (Please refer to No. 6 of the Regular Share Certificate Disclosures for the maximum Escheat Account Fee that will be charged. If the account balance is below the maximum fee amount, the fee will equal the available funds remaining.)
10. ANY WITHDRAWAL WHICH REDUCES THE CERTIFICATE BALANCE BELOW THE MINIMUM AMOUNT SHALL BE TREATED AS A COMPLETE WITHDRAWAL AND THE CERTIFICATE WILL BE CANCELLED.