



Certificate Accounts

Rate and Fee Schedule

Effective: 11.1.2021

This Rate and Fee Schedule sets forth current conditions, rates, fees and charges applicable to your certificate accounts at Sound Credit Union at this time. The Credit Union may offer other dividend rates, annual percentage yields and fees or amend the dividend rates, annual percentage yields and fees contained in this schedule from time to time. Each account holder agrees to the terms set forth on this Rate and Fee Schedule and acknowledges that it is a part of the Membership and Account Agreement.

ACCOUNT TYPE	DIVIDEND RATE	ANNUAL PERCENTAGE YIELD (APY)	MINIMUM OPENING BALANCE	DIVIDENDS COMPOUNDED	DIVIDENDS CREDITED
Certificate and Business Certificate <u>Automatically Renewable</u>					
3 mos.	0.15%	0.15%	\$500	Monthly	Monthly
6 mos.	0.20%	0.20%	\$500		
12 mos.	0.30%	0.30%	\$500		
18 mos. Flex	0.35%	0.35%	\$2,500		
24 mos.	0.40%	0.40%	\$500		
30 mos. Flex	0.45%	0.45%	\$2,500		
36 mos.	0.50%	0.50%	\$500		
36 mos. Bump	0.50%	0.50%	\$2,500		
48 mos.	0.60%	0.60%	\$500		
60 mos.	0.70%	0.70%	\$500		
60 mos. Bump	0.70%	0.70%	\$2,500		
6 mos. Jumbo	0.20%	0.20%	\$100,000		
12 mos. Jumbo	0.35%	0.35%	\$100,000		
18 mos. Jumbo	0.40%	0.40%	\$100,000		
24 mos. Jumbo	0.45%	0.45%	\$100,000		
36 mos. Jumbo	0.50%	0.50%	\$100,000		
60 mos. Jumbo	0.75%	0.75%	\$100,000		
IRA Certificate					
12 mos.	0.35%	0.35%	\$1,000	Monthly	Monthly
18 mos.	0.40%	0.40%	\$1,000		
24 mos.	0.45%	0.45%	\$1,000		
36 mos.	0.50%	0.50%	\$1,000		
60 mos.	0.75%	0.75%	\$1,000		

Flex Certificate

Rate Bump: Upon request, the rate will increase once, for the remainder of the term, to the rate in effect for the same term Flex Certificate at the time. **Additional Deposit:** One-time additional deposit may be made (minimum \$1,000, maximum \$75,000). **Penalty-Free Withdrawal:** One-time withdrawal may be made (cannot reduce balance to less than \$2,500).

Bump Certificate

Rate Bump: Upon request, the rate will increase once, for the remainder of the term, to the rate in effect for the same term Bump Certificate at the time. **Additional Deposit:** One-time additional deposit may be made (minimum \$1,000 and cannot make the certificate exceed \$250,000).

IRA Certificate

Add-on Contributions: You may contribute funds to your account after account opening. Minimum contribution is \$100. Total contributions cannot exceed current and prior year contribution limits as allowable by law.

The rates appearing in this Schedule are accurate and effective for Certificate Accounts as of the Effective Date indicated above. If you have any questions or require current rate information on your accounts, please call Sound Credit Union at the telephone numbers below.

Certificate Accounts, continued...

Truth in Savings Disclosures

Except as specifically described, the following disclosures apply to all certificate accounts.

1. **Rate Information.** The Dividend Rate and Annual Percentage Yield (APY) on your account are set forth above. The APY is a percentage rate that reflects the total amount of dividends to be paid on an account based on the Dividend Rate and frequency of compounding for an annual period. The Dividend Rate and APY are fixed and will be in effect for the term of the account. The APY is based on an assumption that dividends will remain on deposit until maturity. A withdrawal will reduce earnings.
2. **Nature of Dividends.** Dividends are paid from current income and available earnings after required transfers to reserves at the end of the dividend period. The disclosed Dividend Rate and APY are the anticipated rates and yields the Credit Union anticipates paying for the applicable dividend period.
3. **Compounding and Crediting.** Dividends will be compounded and credited monthly. The Dividend Period begins on the first calendar day of the month and ends on the last calendar day of the month.
4. **Balance Information.** The minimum opening balance requirement for each account is set forth on the reverse side. Dividends are calculated by the Daily Balance method which applies a daily periodic rate to the full amount of principal in the account each day based on a 365-day year.
5. **Accrual of Dividends.** Dividends will begin to accrue on cash and non-cash (e.g. checks) deposits on the business day you make the deposit to your account. If you close your account prior to dividend crediting, accrued dividends will not be paid.
6. **Transaction Limitations.** For all certificate accounts, with the exception of IRA, Flex and Bump certificates, after your account is opened, you may not make additional deposits to your account. You may withdraw accrued, uncredited dividends at the time of posting. During the grace period, additional deposits are permitted.
 - a. **IRA Certificate.** You may contribute funds to your account after account opening. Minimum contribution is \$100. Total contributions cannot exceed current and prior year contribution limits as allowable by law. Transfer and rollover contributions may only be added during the certificate renewal period.
 - b. **Flex Certificate.** You may bump-up the rate one time during the term without penalty. The rate will increase to match rate in effect for the same Flex certificate term at the time this option is exercised. The new rate will not be applied retroactively. There is a one-time option to make an additional deposit and a withdrawal to the principal amount during the term without penalty. Additional deposit must be a minimum of \$1,000 with a maximum of \$75,000. The withdrawal amount cannot reduce the balance to less than the minimum balance requirement.
 - c. **Bump Certificate.** You may bump-up the rate one time during the term without penalty. The rate will increase to match rate in effect for the same Bump certificate term at the time this option is exercised. The new rate will not be applied retroactively. There is a one-time option to make an additional deposit to the principal amount during the term without penalty. The additional deposit must be a minimum of \$1,000 and cannot increase the balance to more than \$250,000.
7. **Maturity.** Your account will mature within the term or maturity date set forth on your Account Receipt or Renewal Notice.
8. **Early Withdrawal Penalty.** We may impose a penalty if you withdraw any of the principal before the maturity date.
 - a. **Amount of Penalty.** The amount of the early withdrawal penalty will be the lesser of: 1) all dividends earned (credited and accrued), on the date of the withdrawal, or 2) one-half of the dividends that would have been earned during the full term of the certificate, which shall be calculated based on the current dividend rate applied to the current balance, without a withdrawal, for the full term of the certificate.
 - b. **How the Penalty Works.** The penalty is calculated as a forfeiture of part of the dividends that have been or would be earned on the account. It applies whether or not the dividends have been earned. In other words, if the account has not yet earned enough dividends or if dividends have already been paid, the penalty will be deducted from the principal.
 - c. **Exceptions to Early Withdrawal Penalties.** At our option, we may pay the account before maturity without imposing an early withdrawal penalty under the following circumstances:
 - i. When an account owner dies or is determined legally incompetent by a court or other body of competent jurisdiction.
 - ii. Where the account is an Individual Retirement Account (IRA) and any portion is paid within seven (7) days after establishment; or where the account is an IRA and the owner attains age 59 1/2 or becomes disabled. (Note: Funds leaving the Credit Union may be assessed the penalty.)
9. **Renewal Policy.** For automatically renewable accounts, your account will automatically renew for another term upon maturity, and you have a grace period of ten (10) days after maturity in which to withdraw funds in the account without being charged an early withdrawal penalty. Non-renewable accounts will not automatically renew; your funds will be transferred to your Prime Savings account.
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 the Credit Union. IRA accounts cannot be pledged.