

### THE FOLLOWING FACTORS MAY AFFECT THE AMOUNT OF DIVIDENDS YOU RECEIVE ON YOUR ACCOUNT

#### **NATURE OF DIVIDENDS AND RELATION TO ANNUAL PERCENTAGE YIELD:**

Except in the case of term share accounts (where the dividend rate is fixed for the term of the account certificate), dividends may be paid only from the current income and accumulated earnings at the end of each dividend period. The dividend rate and annual percentage yield applicable to an account may therefore change from time to time as determined by the Compass Credit Union Board of Directors in its discretion. The dividend period of Compass Credit Union is Quarterly, beginning on the first day of such period and ending on the last day of the period.

As used in these disclosures, (i) 'dividend rate' means the dividends paid (or expected to be paid) on an account, without giving effect to the compounding of previously earned dividends, shown as an annual figure and expressed as a percentage of the account balance; and (ii) 'annual percentage yield' or 'APY' means a percentage rate reflecting the total amount of dividends expected to be earned in a year on an account, based on the dividend rate and the frequency of compounding accrued dividends.

All disclosures concerning the APY applicable to an account (other than term share accounts) assume that the dividend rate disclosed remains in effect for one year and that dividends are not withdrawn.

#### **FREQUENCY OF COMPOUNDING DIVIDENDS AND THE METHOD OF DETERMINING THE BALANCE ON WHICH DIVIDENDS ARE PAID:**

Unless otherwise stated, dividends are compounded quarterly and credited quarterly on balances of \$100 or more based on the average daily balance in your account.

You can compute the dividends earned on your account each day by multiplying the then current simple annual dividend rate times the average balance in your account at the end of each day, divided by 365 days. The amount of dividends you earn for each day will be added to your principal balance.

If you withdraw funds from your account before dividends are paid, you will receive dividends accrued on the funds prior to withdrawal, but such dividends will not be credited to your account until the next dividend declaration date.

If you close your account prior to a dividend declaration date, you will not receive any dividends accrued prior to the date the account is closed.

Different rules apply to early withdrawals from a term share account and are described in the separate disclosure applicable to term share accounts.

#### **MINIMUM BALANCE REQUIREMENTS:**

Unless otherwise stated, to earn dividends your account must maintain a minimum average daily balance during the quarter as specified: Regular Savings and Club Accounts \$100; Money Market Accounts \$10,000; Young Buck's and Teen Tycoon Savings Accounts \$5 and Individual Retirement Accounts \$5. If your average daily balance falls below the required average daily balance for that dividend period, you will not earn any dividends during that dividend period.

In order to earn the annual percentage yield disclosed elsewhere for a particular account, you must meet the minimum balance requirement applicable to that account at all times.

#### **FEES AND PENALTIES:**

Your account will be charged any applicable fees, charges and/or penalties as set forth in our fee schedule, available at any Compass Credit Union Branch.

Money Market Accounts with monthly average balances below \$10,000 are charged a monthly maintenance fee of \$10. Fees may reduce the earnings on this account.

#### **COLLECTION OF NON-CASH DEPOSITS:**

Every share draft, check or other item other than cash which is accepted for deposit in your account will be provisionally credited to your account on the day it is deposited, or, in the case of deposits received after closing, on the next business day, and earn dividends from the day it is so provisionally credited to your account. If, however, Compass Credit Union is subsequently unable in the normal course of business to obtain payment for that item, you will not earn any dividends on that deposit.

**NOTICE OF ACH DEPOSITS / WHOLESALE CREDITS:**

Provisional Payment Disclosure: "Credit given by us to you with respect to an automated clearing house credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive such final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to you in connection with such entry, and the party making payment to you via such entry (i.e. the originator of the entry) shall not be deemed to have paid you in the amount of such entry."

Notice Disclosure: "Under the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account, we are not required to give next day notice to you of receipt of an ACH item and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you."

Choice of Law Disclosure: We may accept on your behalf payments to your account which have been transmitted through one or more Automated Clearing Houses (ACH) and which are not subject to the Electronic Fund Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the State of New York as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account."

**NOTICE OF CERTAIN CHANGES:**

We will notify you in writing at least 30 days prior to the effective date of changes of the sort described below which will reduce your APY or otherwise adversely affect your account:

- The frequency of compounding dividends
- The frequency of crediting dividends
- Minimum balance requirements
- Fees, charges and penalties

We will not send you notice, however, of any change in the dividend rate or APY applicable to any account where the dividend rate is subject to change from time to time, although notices of changes in dividend rates will be posted in the Compass Credit Union offices. Also, no notice of changes to fees for printing share drafts/checks will be sent.

In addition, where there is any change in the information disclosed in this statement, the change will appear in a notice posted in the lobby of our offices.

**GENERAL POLICIES AND PROCEDURES:**

We may refuse a withdrawal if any documents or identification we or the law requires in connection with the withdrawal has not been presented to us.

Although non-cash deposits earn dividends from the date first credited to your account, the time when they may be withdrawn or otherwise become available for use is governed by the Compass Credit Union's funds availability policy, a copy of which is available upon request.

By opening and maintaining an account with Compass Credit Union, you have agreed to the Bylaws of the Credit Union and any amendments thereto, a copy of which may be obtained from the Credit Union. To open an account, you must deposit at least \$5.00, the par value of a share of the Credit Union.

By the law, Compass Credit Union may accept deposits only from persons who are members or who are eligible to become members, or certain other persons or entities. If you are unsure whether you're eligible to join Compass Credit Union, please contact a member service representative.

**TRUTH IN SAVINGS DISCLOSURE STATEMENT:**

This disclosure is intended to provide you with information about one or more accounts offered by Compass Credit Union, including where applicable, the dividend rate, annual percentage yield, any minimum balance requirement, withdrawal terms, and other important information so that you may make an informed decision about investing your savings with us.

Should you have questions about these disclosures, about our current dividend rate, annual percentage yield, or otherwise, please contact a member service representative at 315-342-5300.

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



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