

Truth In Savings Disclosure (Consumer Accounts)

Account Disclosure (Non-Consumer Accounts)

This Disclosure is part of your Membership and Account Terms and Conditions Agreement

Savings at MECU are federally insured up to \$250,000 by the National Credit Union Administration (NCUA), a U.S. Government agency. Individual Retirement Accounts are insured separately up to \$250,000 by the NCUA. Dividends are paid from current income and available earnings, after required transfers to reserve at the end of a dividend period. The following disclosure information illustrates the various savings alternatives available at MECU. You will receive a periodic statement (normally monthly) for your Share Draft Account. You will receive a periodic statement (normally quarterly) for your Share Savings Account or other savings accounts unless you have an electronic funds transfer transaction during a monthly period (in which case you will receive a monthly statement) or you will receive a combined statement monthly if you have a Share Draft Account and other savings accounts. Each such statement shall show the transactions on your accounts and any charges. We reserve the right not to send statements for accounts we consider inactive, or for those accounts on which we do not have a valid address on file. The Credit Union will consider your Account inactive after 6 months of no consistent deposits or withdrawals on your Account. This excludes interest or dividends credited to your Account by the Credit Union. Michigan Law permits the Credit Union to turn these funds over to the State after two years of no activity and requires the Credit Union to turn these funds over to the State after three years of no activity. Before turning funds from inactive Accounts over to the State of Michigan, the Credit Union will send notices as required by Michigan law advising you of your rights. The Credit Union may charge a fee on inactive Accounts. Please refer to our Fee Schedule. The Credit Union also reserves the right to close any Account for inactivity.

Primary Share Savings Account

Dividend Rate: This is a variable rate account. The dividend rate and annual percentage yield (APY) may change each month as determined by the Board of Directors. Refer to the Rate Sheet for current rates and annual percentage yields.

Dividend Payment Method: Dividends are calculated using the average daily balance method which applies a periodic rate to the average daily balance in the dividend period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that number by the number of days in the period. The dividends period is monthly. Dividends are compounded and credited monthly. If you close your account before dividends are paid, you will not receive the accrued but unpaid dividend. Dividends begin to accrue on non-cash deposits (checks) on the first business day after the deposit.

Minimum Balance Requirements: The par value of a share in this credit union is \$5.00. You earn dividends on your Primary Share Savings Account each day that your account balance is more than \$5.00.

Fees: Refer to the service fee schedule for any applicable fees.

Transaction Limitations: There is no limit to the number of transactions you may complete within a primary share savings account.

Christmas Club, Vacation Club & Additional Share Savings Accounts

Dividend Rate: This is a variable rate account. The dividend rate and annual percentage yield (APY) may change each month as determined by the Board of Directors. Refer to the Rate Sheet for current rates and annual percentage yields.

Dividend Payment Method: Dividends are calculated using the average daily balance method which applies a periodic rate to the average daily balance in the account period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that number by the number of days in the period. The dividends period is monthly. Dividends are compounded and credited monthly. If you close your account before dividends are paid, you will not receive the accrued but unpaid dividends. Dividends begin to accrue on non-cash deposits (checks) on the first business day after the deposit.

Minimum Balance Requirements: You earn dividends on your Christmas Club, Vacation Club and additional Share Savings Accounts each day that your account balance is more than \$5.00.

Fees: Refer to the service fee schedule for any applicable fees.

Transaction Limitations: There is no limit to the number of transactions you may complete within a share savings account.

Share Draft/Checking Account

Dividend Rate: This is a variable rate account. The dividend rate and annual percentage yield (APY) may change each

month as determined by the Board of Directors. Refer to the Rate Sheet for current rates and annual percentage yields.

Dividend Payment Method: Dividends are calculated using the average daily balance method which applies a periodic rate to the average daily balance in the account period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that number by the number of days in the period. The dividends period is monthly. Dividends are compounded and credited monthly. If you close your Account before dividends are paid, you will not receive the accrued but unpaid dividends. Dividends begin to accrue on non-cash deposits (checks) on the first business day after the deposit.

Minimum Balance Requirements: You earn dividends on your Share Draft/Checking Account by maintaining a minimum average daily balance of \$5.00. There are no other minimum balance requirements.

Fees: Refer to the Service fee schedule for any applicable fees.

Transaction Limitations: There is no limit to the number of transaction you may complete within a share draft/checking account.

IRA Share Accounts and Roth IRA Accounts

Individual Retirement Account (IRA) Share Account and Roth IRA Account Dividend Rate: These accounts are a special type of savings accounts and may provide tax benefits to the account owner. Only the individual designated as the Member on the IRA Application and Agreement may be an owner of an IRA. This Account cannot have joint owners. This is a variable rate account. The dividend rate and annual percentage yield (APY) may change each month as determined by the Board of Directors. Refer to the Rate Sheet for current rates and annual percentage yields.

Dividend Payment Method: Dividends are calculated using the average daily balance method which applies a periodic rate to the average daily balance in the account period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that number by the number of days in the period. The dividends period is monthly. Dividends are compounded and credited monthly. If you close your Account before dividends are paid, you will not receive the accrued but unpaid dividends. Dividends begin to accrue on non-cash deposits (checks) on the first business day after the deposit.

Minimum Balance Requirements: There is a \$50 initial deposit requirement to open a Roth IRA account. There is no minimum balance requirement to open an IRA Share Account. You earn dividends on your IRA Share Account and Roth IRA Account each day that your account balance is more than \$5.00.

Fees: None.

Transaction Limitations: IRS contribution limitations apply. You may make a withdrawal subject to possible penalties imposed by the Internal Revenue Service. We advise you to consult with your tax advisor prior to making a withdrawal. We reserve the right to require written notice before we allow you to withdraw from your account. You may not make any withdrawals or transfers to another Credit Union account of yours or to a third party by means of a preauthorized or automatic transfer, telephonic order or instruction, or similar order to a third party.

Relation to Other Agreements: The terms of this disclosure are intended to work in conjunction with the Individual Retirement Account Agreement (the "IRA Account Agreement). In the event of a conflict, the terms of the IRA Account Agreement will control.

IRA Share Certificate Accounts

Dividend Rate: Share Certificate rates are fixed and will be in effect for the term of the Certificate. Refer to the Rate Sheet for current rates and annual percentage yields.

Dividend Payment Method: Dividends are calculated using the average daily balance method which applies a periodic rate to the average daily balance in the account period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that number by the number of days in the period. The dividend period is quarterly. Dividends are compounded and credited quarterly, and at maturity.

Minimum Balance Requirements: The minimum balance required to open a Certificate for a term of 12 months or less is \$2,500. The minimum balance required to open a Certificate for a term of more than 12 months is \$5,000. The minimum required amount for an IRA Share Certificate is \$2,000.

Fee: None.

Renewal Policies: If a Certificate account is not withdrawn within 10 days after it matures, it will automatically renew, from its last maturity date. Renewed Certificates will be reinvested in another Certificate of equal term at the dividend rate and annual percentage yield in effect on the date of maturity.

Transaction Limitations: After you have established a Certificate, you may not make additional deposits into that account. If you withdraw any principal before the maturity date of the Certificate, you will be assessed a penalty of: all accrued dividends for terms of 3 months and 6 months certificates; 6 months of accrued dividends for term of 12 months to 30 months; and 9 months of accrued dividends for terms of 36 months to 60 months. If you decide to redeem a Certificate before its maturity period, you may face penalties that could invade on principal. IRS contribution limitations apply. You may make a withdrawal subject to possible penalties imposed by the Internal Revenue Service. We advise you to consult with your tax advisor prior to making a withdrawal. We reserve the right to require written notice before we allow you to withdraw from your account. You may not make any withdrawals or transfers to another Credit Union account of yours or to a third party by means of a preauthorized or automatic transfer, telephonic order or instruction, or similar order to a third party.

Share Certificate Accounts

Dividend Rate: Share Certificate rates are fixed and will be in effect for the term of the Certificate. Refer to the Rate Sheet for current rates and annual percentage yields.

Dividend Payment Method: Dividends are calculated using the average daily balance method which applies a periodic rate to the average daily balance in the account period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that number by the number of days in the period. Dividends are compounded and credited quarterly, except for Certificates having 3-month and 6-month terms, where dividends are credited at the end of the term. Dividends are not available to you until they have been credited to your account. Even though your account earns dividends every day, we don't credit it to your account until the first day of the subsequent dividend period. Dividends that are credited to your account will be added directly into your account. If you close your account before dividends are paid, you will not receive any accrued dividends.

How Withdrawals Affect Dividends: Even though we don't credit your dividends to your account until the date specified above, we calculate it daily. Therefore, if you make a withdrawal, you won't receive any further dividends on that amount from the day you make the withdrawal until the day that dividends are credited.

Minimum Balance Requirements: You earn dividends on your Certificate each day that your account balance is at least \$2,500.00 for Terms of 3-months, 6-months and 1-year, \$5,000 for Terms of 18-months, 24-months, 30-months, 36-months, 48-months, and 60-months. We reserve the right to adjust minimum deposit balance requirements from time to time. If you do not maintain any such minimum deposit balance requirements, we may charge you a monthly maintenance fee.

Fees: None.

Renewal Policies: If a Certificate account is not withdrawn within 10 days after it matures, it will automatically renew, from its last maturity date. Renewed Certificates will be reinvested in another Certificate of equal term at the dividend rate and annual percentage yield in effect on the date of maturity.

Transaction Limitations: After you have established a Certificate, you may not make additional deposits into that account. If you withdraw any principal before the maturity date of the Certificate, you will be assessed a penalty of: all accrued dividends for terms of 3 months and 6 months certificates; 6 months of accrued dividends for term of 12 months to 30 months; and 9 months of accrued dividends for terms of 36 months to 60 months. If you decide to redeem a Certificate before its maturity period, you may face penalties that could invade on principal.