



P.O. Box 851  
Groton, CT 06340  
Phone: (860) 446-4121  
Fax: (860) 446-4124

## TRUTH-IN-SAVINGS DISCLOSURE

The Truth-in-Savings Act (TIS) is a section of the Federal Deposit Insurance Corporation Improvement Act of 1991. The National Credit Union Administration is charged with enforcing this Act which applies to all Credit Unions.

The purpose of TIS is to promote and simplify comparisons among accounts at all financial institutions. TIS enables consumers to make informed choices/comparisons among competing claims of financial institutions by requiring disclosure of the interest rates payable on these accounts and the fees assessable against these accounts.

It is the intent of Groton Municipal Employees Federal Credit Union to maintain compliance with this federal law pertaining to disclosure of the terms and conditions of all savings programs. The following disclosure information illustrates the various savings alternatives available to members of Groton Municipal Employees Federal Credit Union.

The Rate Schedule sets forth certain conditions, rates, fees, and charges applicable to your accounts at Groton Municipal Employees Federal Credit Union. The Rate Schedule is incorporated as part of this disclosure. If you have any questions regarding any of the accounts offered at Groton Municipal Employees Federal Credit Union, please call a member service representative.

### REGULAR SHARE ACCOUNT(S)

#### Dividend Rate Information:

The dividend rate and annual percentage yield may change every dividend period, as determined by the credit union board of directors.

#### Compounding and Crediting:

Dividends will be compounded every month and will be credited to your account monthly. Dividends will be earned daily for each day on which the account balance equals or exceeds the minimum daily balance requirements for this account.

#### Dividend Period:

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 through 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. If you close your account before accrued dividends are credited, accrued dividends will not be paid.

#### Daily Balance Computation Method:

Dividends are calculated by the daily balance method that applies a daily periodic rate to the balance in the account each day.

#### Minimum Balance Requirements for Regular Share Savings Account(s):

The minimum required to open this account is \$25.00. The minimum daily balance required to maintain this account and receive the disclosed interest rate is \$25.00.

#### Transaction Limitations:

During any statement period you may not make more than six (6) withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized, automatic, Debit Card transfer, Internet online computer transfer, telephonic order or instruction, fax, or similar order to a third party. If you exceed the transfer limitations herein, your account may be subject to closure. A preauthorized transfer includes any arrangement with us to pay a third party from your account upon oral or written orders including orders received through the automated clearing house (ACH).

No other transaction limitations apply to this account unless otherwise stated in the Common Features section of this disclosure, the Electronic Funds Disclosure or Account Terms and Conditions Disclosures provided to you.

### SHARE DRAFT ACCOUNT

#### Dividend Information:

No dividends are paid on this account.

#### Minimum Balance Requirements for Share Draft Account(s):

There is no minimum balance required to open or maintain this account.

#### Transaction Requirements & Non-Activity on Share Draft Account:

If there is no activity on a share draft account for three consecutive months, this account may be closed by the Credit Union without notice to you.

#### Transaction Limitations:

No transaction limitations apply to this account unless otherwise stated in the Common Features section of this disclosure, the Electronic Funds Disclosure or Account Terms and Conditions Disclosures provided to you.

### RULES APPLICABLE ONLY TO SHARE CERTIFICATE ACCOUNTS

#### EARLY WITHDRAWAL PENALTY FOR SHARE CERTIFICATE ACCOUNTS

We may impose a penalty if you withdraw any of the principal before the maturity date. The amount of the early withdrawal penalty for your accounts is 30 days of dividends on the amount withdrawn subject to penalty, if your account has a maturity of one year or less; and, 90 days of dividends on the amount withdrawn subject to penalty if your account has a maturity of one year or more. 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 the dividend has already been paid, the penalty will be deducted from the principal.

The annual percentage yield is based on an assumption that dividends will remain in the account until maturity. A withdrawal will reduce earnings.

#### EXCEPTIONS TO EARLY WITHDRAWAL PENALTIES FOR SHARE CERTIFICATE ACCOUNTS

At our option, or when required by law, we may pay the account before maturity without imposing an early withdrawal penalty when an account owner dies or is determined legally incompetent by a court or other body of competent jurisdiction. See your Plan Disclosure if this account is part of an IRA or other tax qualified plan.

## AUTOMATIC RENEWAL POLICY

This account will automatically renew upon maturity for another term as specified in the original account. The dividend rate upon renewal will be the same we offer on new term share accounts on the maturity date, which have the same term, minimum balance (if any) and other features as the original term share account. You have a grace period of 15 calendar days prior to maturity in which you may elect in writing not to renew the account. The credit union may also notify you in writing by mail within 15 days prior to maturity if the credit union elects not to renew this account. If either you or the credit union elects not to renew your account, then upon maturity, your funds will be placed in a credit union dividend bearing account. You may also deposit funds into and withdraw some or all the funds from the account within ten calendar days after renewal without being charged an early withdrawal penalty.

### COMMON FEATURES OF ALL ACCOUNTS

All accounts offered by Groton Municipal Employees Federal Credit Union share several common features. These features are:

#### Membership:

You must complete purchase of a \$25.00 par value share in the Credit Union (par value of one share is \$25.00) and be a member in good standing. If the balance in your Share Account decreases below \$25.00, the Credit Union may, at its option, close your account and terminate your membership.

We reserve the right to suspend services to a member who is not in good standing, which include, but are not limited to, members who: (i) are delinquent on any loan with this Credit Union; (ii) have a Regular Share Savings balance of less than a \$25.00 minimum; (iii) have caused any financial loss to this Credit Union; (iv) have any unresolved Non-Sufficient Fund Checks outstanding, whether in regard to a deposit or otherwise; (v) have not paid the Credit Union any fees or costs owing to it; or (vi) have a negative balance in any account.

#### Rate Information:

The annual percentage yield 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.

#### Nature of Dividends:

Dividends are paid from current income and available earnings, after required transfers to reserves at the end of the dividend period.

#### Accrual of Dividends on Noncash Deposits:

Dividends will begin to accrue on the business day you deposit noncash (e.g. checks) to your account.

#### Federal Deposit Insurance:

The National Credit Union Share Insurance Fund federally insures member savings accounts up to \$250,000.

#### Transaction Limitations:

We reserve the right to at any time require not less than seven days written notice, nor more than 60 days written notice before each withdrawal from an interest-bearing account other than a time deposit, or from any other savings account as defined by Federal Reserve Regulation D.

Fees: Please refer to our separate fee schedule for additional information fees that may apply to your account.

### NONTRANSFERABLE/NONNEGOTIABLE

Your account is nontransferable and nonnegotiable. The funds in your account (s) may not be pledged to secure any obligation of an owner, except obligations with this Credit Union.