

KENMORE TEACHERS FEDERAL CREDIT UNION

TRUTH IN SAVINGS DISCLOSURE STATEMENT

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

Information pertaining to specific accounts are set forth in separate notices, while information about Credit Union accounts in general is included in this notice.

Should you have any questions about these disclosures, about our current dividend rate, annual percentage yield, please call a member service representative at 877-1630.

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

Except in the case of term share accounts (where the dividend rate is fixed for the term of the share certificate,) dividends may be paid only from current income and accumulated earnings, after required transfers to reserves at the end of each dividend period. The dividend rate and annual percentage yield applicable to variable rate accounts may therefore change from time to time as determined by the Credit Union's Board of Directors in its discretion. The dividend period of the 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, "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 "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term share accounts) assume that the dividend rate disclosed remains in effect for one year and that dividends are not withdrawn.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 in an additional disclosure related to a specific type of account, dividends are compounded and credited quarterly on balances of \$5.00 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 or 366 days as applicable. The amount of dividends you earn for each day will be added to your principal balance quarterly.

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 dividend declaration date. If you close your account before dividends are credited, you will not receive accrued dividends.

Different rules apply to early withdrawals from a term share account and are described in the separate disclosure available from the credit union.

MINIMUM BALANCE REQUIREMENTS

Unless otherwise stated in an enclosed disclosure related to a specific type of account, in order for your account to earn dividends for a dividend period you must maintain an average daily balance of at least \$5.00 during that period. If your average daily balance falls below \$5.00 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.

TRUTH IN SAVINGS DISCLOSURE FOR SHARE DRAFT ACCOUNTS

TRANSACTION LIMITATION

There are no transaction limitations at this credit union.

Last updated – 08/23/2016

**MEMBER ACCOUNTS IN THIS CREDIT UNION ARE FEDERALLY INSURED
BY THE NATIONAL CREDIT UNION SHARE INSURANCE FUND**

FEES AND CHARGES