

Balance Computation Method

Dividends are calculated by the daily balance method, which applies a daily periodic rate to the balance in the account each day. Dividends will begin to accrue on the business day you deposit funds, including noncash items (e.g., checks), to your account.

Compounding and Crediting

Dividends will be compounded monthly and will be credited to your account monthly. 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 and the ending date is January 31. All other dividend periods follow this same pattern. The dividend declaration date follows the ending of a dividend period — February for the example. If you close your account prior to payment of a dividend, you will receive any accrued dividends.

Minimum Balance Requirements

The minimum required to open this account is \$50.00. You must maintain a minimum daily balance of \$50.00 in your account each day to obtain the disclosed annual percentage yield (APY).

Transaction Limitations

During any month, you may not make more than six withdrawals or transfers to another MSUFCU account of yours or to a third party by means of a preauthorized automatic or computer transfer; telephonic order or instruction; or similar order to a third party. If you exceed the transfer limitations, your account will be subject to closure or a fee.

This account is available only for Individual Retirement Account, Coverdell Education Savings Account, and Health Savings Account funds. There are no MSUFCU penalties for early withdrawal. This account is subject to IRS regulations and there may be IRS penalties for early withdrawal. The terms and conditions of the account are subject to change as required to be in compliance with IRS regulations.

Michigan State University Federal Credit Union reserves the right to amend this program.

IRAs and HSAs are insured for an additional \$250,000 by the National Credit Union Administration (NCUA).

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Certificate and IRA/HSA IMMA Disclosure

Certificate Disclosure

- Annual percentage yield (APY) is the total amount of dividends paid on an account, based on the dividend rate and the frequency of monthly compounding for a 365-day period and expressed as a percentage. This rate assumes that a set amount is on deposit at the beginning of the dividend period, that no deposits or withdrawals are made during the dividend period, and funds remain on deposit for one full year at the same dividend rate.
- Joint ownership is in accordance with the joint ownership agreement of record for the regular share (savings) account.
- The dividend rate and APY on your account are listed on the Current Dividends sheet. The dividends are valid through the date on the Current Dividends sheet. The dividend rate and APY will be declared and can be changed weekly by management based on the guidelines approved by MSUFCU's board of directors.
- Certificates may not be pledged, transferred, or assigned to any party other than Michigan State University Federal Credit Union.

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Compounding and Crediting

Dividends will be compounded and credited to your account monthly. For this account, the dividend is paid monthly. For example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow the same pattern of dates. The dividend declaration date is the ending date of the dividend period — January 31 for the example.

Minimum Balance Requirements

- All Certificates have a minimum balance of \$500.00, with the exception of the 1-Year Add-On Certificate, which has a minimum balance of \$50.00.
- You must maintain the required minimum balance in

your account every day to obtain the Annual Percentage Yield (APY) (See Current Dividends sheet).

Transaction Limitations

- Additional deposits may be made to the 1-Year Add-On Certificate.
- Additional deposits may not be made to Certificates other than the 1-Year Add-On Certificate.
- Additional deposits to the 1-Year Add-On Certificate are allowed up to \$10,000 per member per calendar year (not per Certificate). Additional deposits do not change the Certificate's maturity date or rate.
- If additional deposits to the 1-Year Add-On Certificate exceed the stated limitations, the funds in excess of the stated limitations will be withdrawn and deposited into the Spartan Saver account.
- MSUFCU reserves the right under its bylaws to require up to 60 days' notice for withdrawal from Certificates.

Renewal Policy

Unless you have provided alternate Certificate instructions, your Certificate will automatically renew at the rate current at that time for the same Certificate term. You will have a grace period of seven days after renewal to withdraw the funds without being charged a penalty. Dividends will not be paid on the amount withdrawn during the seven-day grace period.

Early Withdrawal Penalty

A substantial penalty is imposed if any funds, other than the last dividends paid, are withdrawn from the Certificate prior to the maturity date. If the dividend is not sufficient to cover the penalty, the principal amount will be reduced to cover this amount. The penalties are as follows:

- A. Certificates of one year or less — A penalty equal to 90 days of dividends based on the amount withdrawn.
- B. Certificates of more than one year — A penalty equal to 180 days of dividends based on the amount withdrawn.
- C. If an early withdrawal reduces the Certificate balance below the required minimum balance, the Certificate will be canceled and a penalty charged on the full balance using the appropriate method above.

The above penalties will not be charged in cases of withdrawal due to disability or after death of an owner of a Certificate.

IRA/HSA Certificate Disclosure

- Annual percentage yield (APY) is the total amount of dividends

paid on an account, based on the dividend rate and the frequency of monthly compounding for a 365-day period, and expressed as a percentage. This rate assumes that a set amount is on deposit at the beginning of the dividend period, that no deposits or withdrawals are made during the dividend period, and funds remain on deposit for one full year at the same dividend rate.

- The dividend rate and APY on your account are listed on the Current Dividends sheet. The dividends are valid through the date on the Current Dividends sheet. The dividend rate and APY will be declared and can be changed weekly by management based on the guidelines approved by MSUFCU's board of directors.
- Certificates may not be pledged, transferred, or assigned to any party other than Michigan State University Federal Credit Union.

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Minimum Balance Requirements

- All Certificates have a minimum balance of \$500.00, with the exception of the 1-Year Add-On IRA/HSA Certificate, which has a minimum balance of \$50.00.
- You must maintain the required minimum balance in your account every day to obtain the annual percentage yield (APY) (See Current Dividends sheet).

Transaction Limitations

- Additional deposits may be made to the 1-Year Add-On IRA/HSA Certificate.
- Additional deposits may not be made to Certificates other than the 1-Year Add-On IRA/HSA Certificate.
- Additional deposits to the 1-Year Add-On IRA/HSA Certificate do not change the Certificate's maturity date or rate.

- MSUFCU reserves the right under its bylaws to require up to 60 days' notice for withdrawal from Certificates.

Renewal Policy

Unless you have provided alternate Certificate instructions, your Certificate will automatically renew at the rate current at that time for the same Certificate term. You will have a grace period of seven days after renewal to withdraw the funds without being charged a penalty. Dividends will not be paid on the amount withdrawn during the seven-day grace period.

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A substantial penalty is imposed if any funds, other than the last dividends paid, are withdrawn from the Certificate prior to the maturity date. If the dividend is not sufficient to cover the penalty, the principal amount will be reduced to cover this amount. The penalties are as follows:

- A. Certificates of one year or less — A penalty equal to 90 days of dividends based on the amount withdrawn.
- B. Certificates of more than one year — A penalty equal to 180 days of dividends based on the amount withdrawn.
- C. If an early withdrawal reduces the Certificate below the required minimum balance, the Certificate will be canceled and a penalty charged on the full balance using the appropriate method above.

The above penalties do not apply if your withdrawal is made as part of an established automatic distribution plan, as an IRS-required withdrawal after age 70 1/2, upon your death, or if you become disabled. Additional IRS penalties may apply. Additional rules apply for Health Savings Accounts (HSA).

Health Savings Account Exception

Certificates set up within Health Savings Accounts follow the same guidelines as listed above, with the following exception: one withdrawal from an existing Certificate will be permitted before the maturity date without MSUFCU penalty.

IRA/HSA Insured Money Management Account

Rate Information

The dividend rate and annual percentage yield may change at any time, as determined by MSUFCU's board of directors. This account is tiered, which means it pays different dividend rates corresponding to applicable account tiers, on the applicable balance in each tier of the account. The applicable tiers, dividend rates, and annual percentage yields will be as listed in MSUFCU's Current Dividends sheet.