



Certificate Disclosure

- Annual Percentage Yield 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 the 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 change weekly by management based on the guidelines approved by the board of directors.
- This Certificate may not be pledged, transferred or assigned to any party other than the Michigan State University Federal Credit Union.

Balance Computation Method

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

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, 2011, and the ending date of such dividend period is January 31, 2011. All other dividend periods follow the same pattern of dates. The dividend declaration date is the ending date of the dividend period, and for the example is January 31, 2011.

Minimum Balance Requirements

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

Transaction Limitations

- Additional deposits can be made to the 1-Year Add-On Certificate.
- Additional deposits cannot 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. Additional deposits do not change the Certificate's maturity date or rate.
- If additional deposits exceed the stated limitations then 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

You have elected that upon maturity of this Certificate the balance 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 dividends based on the amount withdrawn.
- B. Certificates of 13 months to five years - A penalty equal to 180 days of dividends based on the amount withdrawn.
- C. Certificates of more than five years - A penalty equal to 365 days of dividends based on the amount withdrawn.
- D. 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 this Certificate.