



CERTIFICATE AND IRA/HSA IMMA DISCLOSURE

This Certificate and IRA/HSA IMMA Disclosure is effective between Michigan State University Federal Credit Union ("Credit Union") and you. Within this document, the words "we," "us," and "our" refer to the Credit Union. The words "you" and "your" refer to you as an MSUFCU or Oakland University Credit Union account owner. MSUFCU and Oakland University Credit Union are trade names of the Credit Union, as identified within the "Trade Names" section of your Membership and Account Agreement.

Certificate Disclosure

- Annual percentage yield (APY) means a percentage rate reflecting the total amount of dividends paid on an account, based on the dividend rate and the frequency of compounding for a 365-day period. The APY assumes dividends remain in the account until maturity. Any withdrawals will reduce earnings and will result in a lower APY.
- 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 rate sheet. The dividends are valid through the date on the Current Dividends rate sheet. The dividend rate and APY will be declared and can be changed weekly by management based on the guidelines approved by our board of directors.
- Certificates may not be pledged, transferred, or assigned to any party other than us.

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.

Accrual of Dividends on Noncash Deposits

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

Compounding and Crediting

Dividends will be compounded and credited to your account monthly.

Dividend Period

For this account, the dividend period is monthly, and the dividend declaration date is the date that follows the end of a dividend period. For example, the first dividend period of the calendar year is January 1 through January 31, and the applicable dividend declaration date is February 1. All other dividend periods follow the same pattern of dates.

Minimum Balance Requirements

- All Certificates have a minimum balance of \$500, with the exception of the 1-Year Add-On Certificate, which has a minimum balance of \$50. When offered, promotional Certificates with a term greater than 5 years require a \$2,500 minimum balance.

You must maintain the required minimum balance in your account every day to obtain the APY (See Current Dividends rate sheet). If the balance falls below the minimum balance, the Certificate will be closed and the funds will be transferred to a Spartan Saver or Grizzly Saver.

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 Social Security number (SSN), as it is reported to the Internal Revenue Service (IRS) 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 member's Spartan Saver or Grizzly Saver account.
- We reserve the right under our 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. Certificates opened with a promotional term will renew at the nearest whole year term below the promotional 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. Certificates are able to be set to renew automatically for a period of 15 years following the first maturity date. The Certificate will close following that period and transfer to the Spartan Saver or Grizzly Saver and be set for escheatment in accordance with applicable state law if there is no contact or transactions initiated by the member.

Escheatment

Certificates set to automatically renew are subject to dormancy periods set by the state of your last known residence. If a deposit or withdrawal has not been posted to your Certificate for the time frame set by the state of the last known address on file and we have not yet had any other contact with you, we will consider your Certificate abandoned. We will attempt to notify you prior to your Certificate being considered abandoned. We will report and escheat (i.e., disburse) to the applicable state the funds from an abandoned Certificate, less the escheatment charge stated in the Schedule of Service Charges, in accordance with applicable state law.

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 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.

If you close your account prior to payment of a dividend, you will receive any previously accrued dividends unless you are within the seven-day grace period. The above penalties will not be charged after death of an owner of a Certificate if the funds are being withdrawn to settle the estate.

IRA/HSA Certificate Disclosure

- Annual percentage yield (APY) means a percentage rate reflecting 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. The APY assumes dividends remain in the account until maturity. Any withdrawals will reduce earnings and will result in a lower APY.
- The dividend rate and APY on your account are listed on the Current Dividends rate sheet. The dividends are valid through the date on the Current Dividends rate sheet. The dividend rate and APY will be declared and can be changed weekly by management based on the guidelines approved by our board of directors.
- Certificates may not be pledged, transferred, or assigned to any party other than 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 day.

Accrual of Dividends on Noncash Deposits

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

Compounding and Crediting

Dividends will be compounded and credited to your account monthly.

Dividend Period

For this account, the dividend period is monthly, and the dividend declaration date is the date that follows the end of the dividend period. For example, the first dividend period of the calendar year is January 1 through January 31, and the applicable dividend declaration date is February 1. All other dividend periods follow the same pattern of dates.

Minimum Balance Requirements

- All Certificates have a minimum balance of \$500, with the exception of the 1-Year Add-On IRA/HSA Certificate, which has a minimum balance of \$50. When offered, promotional Certificates with terms greater than five years require \$2,500 minimum balances each.
- You must maintain the required minimum balance in your account every day to obtain the annual percentage yield (APY) (See Current Dividends rate sheet). If the balance falls below the minimum balance, the Certificate will be closed and the funds will be transferred to an Individual Retirement Account (IRA) or Health Savings Account (HSA) Insured Money Management Account (IMMA).

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.
- We reserve the right under our 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. Certificates opened with a promotional term will renew at the nearest whole year term below the promotional 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. Certificates are able to be set to renew automatically for a period of 15 years following the first maturity date. The Certificate will close following that period and transfer to the IRA/HSA IMMA and be set for escheatment in accordance with applicable state law if there is no contact or transactions initiated by the member.

Escheatment

Certificates set to automatically renew are subject to dormancy periods set by the state of your last known residence. If a deposit or withdrawal has not been posted to your Certificate for the time frame set by the state of the last known address on file and we have not yet had any other contact with you, we will consider your Certificate abandoned. We will attempt to notify you prior to your Certificate being considered abandoned. We will report and escheat (i.e., disburse) to the applicable state the funds from an abandoned Certificate, less the escheatment charge stated in the Schedule of Service Charges, in accordance with applicable state law.

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 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 below the required minimum balance, the Certificate will be canceled and a penalty charged on the full balance using the appropriate method above.
- E. If you close your account prior to payment of a dividend, you will receive any previously accrued dividends unless you are within the seven-day grace period.

The above penalties do not apply if your withdrawal is made due to an IRS Required Minimum Distribution (RMD) or upon your death. Additional IRS penalties may apply for withdrawals above the IRS RMD. Additional rules apply for HSAs.

Health Savings Account Exception

Certificates set up within HSAs 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 penalty from us.

IRA/HSA Insured Money Management Account Disclosure

- Annual percentage yield (APY) means a percentage rate reflecting 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. The APY assumes dividends remain in the account until maturity. Any withdrawals will reduce earnings and will result in a lower APY.
- The dividend rate and APY on your account are listed on the Current Dividends rate sheet. The dividends are valid through the date on the Current Dividends rate sheet. The dividend rate and APY will be declared and can be changed weekly by management based on the guidelines approved by our board of directors.

Rate Information

The dividend rate and APY are variable and may change at any time, as determined by our board of directors. This account is tiered, which means it pays different dividend rates corresponding to applicable account tiers. Once a particular balance range is met, the dividend rate and APY for that tier will apply to the entire balance of the account. The tier applicable to your account can change daily depending on the daily balance in the account. The applicable tiers, dividend rates, and APY will be as listed in our Current Dividends rate sheet.

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.

Accrual of Dividends on Noncash Deposits

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

Compounding and Crediting

Dividends will be compounded monthly and will be credited to your account monthly.

Dividend Period

For this account type, the dividend period is monthly, and the dividend declaration date is the date that follows the end of a dividend period. For example, the first dividend period of the calendar year is January 1 through January 31, and the applicable dividend declaration date is February 1. All other dividend periods follow this same pattern. 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. You must maintain a minimum daily balance of \$50 in your account each day to obtain the disclosed APY.

Transaction Limitations

No transaction limitations apply to this account, unless otherwise stated in your Membership and Account Agreement or other agreement with us.

This account is available only for Individual Retirement Account, Coverdell Education Savings Account, and Health Savings Account funds. There are no penalties assessed by us 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.

We reserve the right to amend this program.

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

Escheatment

Shares are subject to dormancy periods set by the state of your last known residence. If a deposit or withdrawal has not been posted to your IMMA for the time frame set by the state of the last known address on file and we have not yet had any other contact with you, we will consider your IMMA abandoned. We will attempt to notify you prior to your IMMA being considered abandoned. We will report and escheat (i.e., disburse) to the applicable state the funds from an abandoned IMMA, less the escheatment charge stated in the Schedule of Service Charges, in accordance with applicable state law.