



## Share Certificate – Term Certificates (CD)

### **Withdrawals:**

Paid dividends may be withdrawn at any time without penalties. Any funds withdrawn will not earn dividends for the current and succeeding dividend period. Withdrawal of funds representing the principal of the amount are subject to penalties described below.

### **Penalties:**

Any withdrawal of the principal amount held in the account which does not reduce the balance of the account below the minimum amount will be subject to the following:

- 1.) If the qualifying period is 90 days or less, the member shall forfeit an amount at least equal to the amount of dividends that could have been earned on the amount withdrawn. (This may reduce the principal).
- 2.) If the qualifying period is one year or less, the penalties will be a forfeiture of any amount equal to 90 days dividends whether earned or not. (This may reduce the principal).
- 3.) If the qualifying period is greater than one year, the penalties will be an amount equal to 180 days dividends whether earned or not. (This may reduce the principal).

### **Penalties shall not apply for:**

- 1.) Withdrawal of paid dividends.
- 2.) Withdrawals made subsequent to the death of any owner of the account made pursuant at Article III, Section 5(e) of the Federal Credit Union bylaws.
- 3.) Accounts which are part of a pension plan which qualifies or qualified for specific tax treatment under Section 401(d) or 408 of the Internal Revenue Code and withdrawal(s) are made to affect a lawful distribution of the funds.
- 4.) Withdrawals made as a result of the voluntary or involuntary liquidation of this Credit Union.

### **Maturities and Renewals:**

The member holder of this Certificate will be notified in writing of the maturity of this Certificate at least 10 days in advance. This Certificate will automatically renew at the current rate at the time of maturity, unless written notice for alternate disposition is received by the Credit Union within the required period. The member holder of this Certificate will notify the Credit Union in writing of any change of address. If the member holder of this Certificate has no other Share or Share Certificate Accounts and fails to instruct the Credit Union of the disposition of this account upon maturity, the Credit Union membership of the holder may be terminated.

### **Automatic Renewal:**

Upon expiration of the initial term, the Certificate will be automatically renewed for the same term, at the interest rate in effect at the time, unless written notice for alternate disposition is received by the Credit Union within the period as defined in the next paragraph. This Share Certificate will automatically renew at the close of business on the maturity date unless withdrawn or transferred within the (7) day period immediately following the maturity date, or at least (10) days prior to the maturity date at which time the Credit Union gives written notice that the Certificate will mature and not be renewed. In such latter event, the Certificate will be transferred to the regular Share account of the owner upon maturity and earn dividends at the rate then paid on regular share accounts.

### **Additional deposits:**

Additional deposits are *only permitted* on our 36-month (3 year) Share Certificate *if and only if* the member decides to utilize the ‘bump up’ option during the existing term of the Certificate. Deposits are acceptable only at that time of the ‘bump up’ and no further deposits allowed until maturity of said Share Certificate.