

**American First Credit Union
TRUTH IN SAVINGS DISCLOSURE**

Individual Retirement Account (IRA)

PAYMENT OF DIVIDENDS

Dividend Rates. The frequency and conditions upon which dividends are paid on all accounts are in accordance with the Bylaws of this Credit Union, state law, and the Truth-in-Savings Act and Regulations. Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period. For specific dividend rate(s) for each type of dividend bearing account, refer to the Rate Schedule, which accompanies this Disclosure.

Account Type: Individual Retirement Accounts (IRAs) and Coverdell Education Savings Accounts

Traditional IRA Roth IRA Coverdell Education Savings Accounts

The accounts above are subject to the applicable terms and conditions set forth in this Disclosure as well as the terms and conditions set forth in the IRA Agreement and Disclosure and Coverdell Education Savings Account Agreement and Disclosure (as applicable), which will be provided to me in accordance with applicable law.

Opening requirement: The minimum deposit required to open this account is set forth on the Rate Schedule. Additional deposits are permitted to contributory IRAs only.

Account provisions: I may not pledge any of the funds on deposit in the account as security for any loan(s). Certain federal and state penalties may apply to amounts withdrawn from IRA accounts. These are set forth in applicable federal and state law and regulations which are incorporated by this reference.

Funds in an Individual Retirement Account will escheat to the state, if I have not done any of the following for a period of more than three (3) years after the funds become payable or distributable:

- a. Increased or decreased principal;
- b. Accepted payment of principal or income (dividends);
- c. Corresponded electronically or in writing with you concerning the funds or otherwise indicated an interest therein.

Balance Computation Method: Dividends on all Share Certificate Accounts, including IRA Share Certificate Accounts, are calculated by the daily balance method which applies a daily periodic rate to the daily balance in the account each day after all deposits and withdrawals.

Compounding and Crediting: Dividends are compounded daily and paid monthly to your account. Dividends may be credited to your account or transferred to your savings or checking account or mailed to you by check upon request. If an account is closed after dividends are accrued but before they are credited, dividends will not be paid.

Early Withdrawal Penalties:

1. Certain federal and state penalties may apply to amounts withdrawn from IRA accounts. These are set forth in applicable federal and state law and regulations which are incorporated by this reference.
2. If this IRA is opened as a Term Share (Certificate) account, early closure fees may be imposed. Refer to the Term Share Certificate Issue Notice which includes your balance, dividend rate, term, and issuance date and maturity/renewal date for the term selected.

Minimum Balance: The minimum daily balance must be maintained to obtain the Annual Percentage Yield stated on the Rate Schedule and to avoid closure.

Transaction Limitations: After the account is opened, you may not make additional deposits or withdrawals from the account until the maturity date; unless specifically permitted.

Accrual of Dividends: Dividends begin to accrue on the business day the Credit Union receives credit for the deposit.

Periodic Statements: Statements will be sent at least quarterly to the address of record.

IRA Certificates: IRA certificate accounts are subject to an annual maintenance fee as set forth in the Schedule of Fees.

Rollover Deposits: Effective 1-1-15 the IRS will limit rollover contributions. You can make only one rollover from an IRA to another or the same IRA in any 12 month period, regardless of the number of IRA's you own. The limit will apply by aggregating all of an individual's IRAs, including SEP and SIMPLE IRAs as well as traditional and Roth IRAs, effectively treating them as one IRA for purposes of the limit.

National Credit Union Share Insurance Fund - Member accounts in this credit union are federally insured by the National Credit Union Share Insurance Fund.

The current Schedule of Fees is always available at www.amerfirst.org or by request.

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