

Dividend Bearing Accounts: Truth in Savings Disclosure

Dividend Rate and APY (Annual Percentage Yield)

The dividend rate as of January 1, 2019, the last dividend declaration date, was determined based on the following scale:

\$5.00 – \$2,500.00 (in shares)	<u>.10%</u>	Annual Percentage Yield <u>.1000%</u>
\$2,501.00 – \$6,500.00 (in shares)	<u>.15%</u>	Annual Percentage Yield <u>.1501%</u>
\$6,501.00 – \$20,000.00 (in shares)	<u>.25%</u>	Annual Percentage Yield <u>.2503%</u>
\$20,000.01 – \$99,999.99 (in shares)	<u>.30%</u>	Annual Percentage Yield <u>.3004%</u>

Variable Rate Accounts

The dividend rate and the annual percentage yield may change every period as determined by the **Bradford Area School Employees Federal Credit Union's** Board of Directors.

Compounding

Dividend rates will be compounded semi-annually and credited semi-annually. The dividend period is 6 months. The beginning date of the first dividend period of the calendar year is January 1 and the ending date of the first dividend period is June 30. All other dividend periods follow this pattern. The dividend declaration date is the date the **Bradford Area School Employees Federal Credit Union's** Board of Directors declares a dividend for the preceding dividend period.

Effect of Closing an Account

If you close an account before the dividends are paid, you will not be paid the accrued dividends for the period.

Minimum Balance Requirements

To open an account, you must have a minimum of \$6.

To join the Bradford Area School Employees Federal Credit Union, you must purchase a \$5 share.

You will not earn any dividends for the dividend period if your average daily balance is below \$5 for the period. The average daily balance is calculated by adding the balance in the account for each day and dividing by the number of days in the period.

How Dividends are Calculated

Dividends are calculated using the average daily balance method. This method applies a periodic rate the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period.

When Dividends Begin to Accrue

Dividends begin to accrue on cash and non-cash deposits, such as checks, on the business day you make your deposit.

Fees

Fee	When Charged
\$1.00	When Account is opened

The \$1.00 fee will be waived when you open an account for your child.

Nature of Dividends

Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

Signature _____ Date _____
 Please sign and date this side; return to Bradford Area School Employees Federal Credit Union.

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\$2,501.00 – \$6,500.00 (in shares)	<u>.15%</u>	Annual Percentage Yield <u>.1501%</u>
\$6,501.00 – \$20,000.00 (in shares)	<u>.25%</u>	Annual Percentage Yield <u>.2503%</u>
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Please keep this side for your records.