



FedStar Credit Union Truth in Savings Disclosure for Member Share Accounts

Our credit union is dedicated to providing our members with service, loyalty and commitment. This disclosure contains the terms, conditions and fees that are associated with the regular share accounts that are offered through FedStar Credit Union.

After reading this disclosure statement and fee schedule, if you have any questions, please contact the credit union to ask for clarification. We can also provide you with information on our other rates, products and services.

This account is subject to the credit union's charter and bylaws, and all applicable laws and rules of the United States, and the State of Texas, applicable clearing house rules and the schedule of service charges and fees, rates of earnings and minimum balance requirements, which may change from time to time by the credit union. The credit union reserves the right to change the rates and fee schedules at any time.

Your accounts are federally insured to at least \$250,000. This \$250,000 share insurance coverage is provided by the National Credit Union Share Insurance Fund and backed by the full faith and credit of the United States Government. Your share insurance is similar to the deposit insurance protection offered by the Federal Deposit Insurance Corporation (FDIC). For additional information on insurance coverage, please log on to <http://www.ncua.gov/Resources/ShareInsuranceToolkit.aspx>

Rate and Fee Schedule

This schedule is incorporated as part of your account agreement with FedStar Credit Union. This rate and fee schedule for all member share accounts sets forth certain conditions, rates, fees, and charges applicable to your regular share account at FedStar Credit Union as of the date given or sent to member to member.

Rate Information

The member share account at FedStar offers a three-tiered dividend structure, enabling members to earn higher dividends by maintaining higher daily balances. Account balance information is shown in the following table.

- ✓ Dividend rates may change from time to time as determined by the Board of Directors of the Credit Union. There are no limitations on the amount the dividend rate may change. The Dividend earnings rate is not tied to any internal or external index.
- ✓ The dividend rate and annual percentage yield shown in publications and on website information reflect the last dividend posting to the account.

Nature of Dividends

Dividends are paid from current income and available earnings, after required reserve transfers at the close of a dividend period. The dividend rate and annual percentage yield shown in this brochure reflect the last dividend posting to the account.

Compounding and Crediting

Dividends will be compounded daily and credited quarterly. If you close your member share account before dividend are paid, you will not receive any accrued dividends.

For this account type, the dividend period is quarterly. For example, the beginning date of the first dividend period of the calendar year is the quarter beginning January 1, with an ending date of March 31. The second quarter is from April 1 through June 30, the third quarter is from July 1 through September 30 and the last calendar quarter is from October 1 through December 31.

The dividend posting or crediting date follows the ending date of a dividend period – that is, March 31, June 30, September 30 and December 31 are dividend posting dates for this account.

The chart below indicates the declared dividend rates for the immediate quarter preceding the date of this brochure. The dividend rates are declared by the board of directors and are subject to change from time to time.

| Daily Balance as of Last Dividend Posting Date | Dividend Rate | Annual Percentage Yield (APY) |
|--|---------------|-------------------------------|
| \$25.01 to \$999.99 | | |
| \$1,000.00 to \$9,999.99 | | |
| \$10,000.00 or more | | |

Balance Information

Minimum Balance Requirements

The minimum balance required to open this account is \$25.00. This amount represents your share of ownership in the credit union. You must maintain a minimum daily balance of at least \$25.01, to earn dividends on your account at the disclosed annual percentage yield.

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 of the dividend period.

Accrual of Dividends

Dividends will begin to accrue on the business day you deposit cash and/or non-cash items (e.g., checks, traveler's checks) to your account.

Transaction Limitations

In accordance with federal regulations, during any statement period you may make up to six withdrawals or transfers to another Credit Union account of yours. You may, with completed phone authorization make up to three phone authorized transfers in a calendar quarter.

The fees assessed to each account if there are excessive withdrawals over 6 in a calendar quarter are assessed at \$2.00 each. The charge for pre-authorized phone transfers over 3 in a calendar quarter are assessed at \$3.00 each.

Par Value of Shares

The par value of a member share in this Credit Union is \$ 25.00. The credit union will declare and post dividends quarterly to share accounts held at the credit union.

Disclosure of Fees and Charges for a Credit Union Member Share Account

The Credit Union strives to maintain minimum account charges for all services. The following fees and charges may be assessed against your account:

| | |
|---|---------|
| One Time Membership Fee | \$1.00 |
| Money Orders | \$1.00 |
| Official/Cashier's Checks | \$2.00 |
| Statement Copies | \$2.00 |
| Wire Transfer Fees | \$15.00 |
| International Wire Transfer Fees | \$35.00 |
| Returned Check Fee | \$28.00 |
| Accounts closed during the first 90 days | \$10.00 |
| ATM Withdrawals* | FREE |

*(Requires open checking account)

*ATM Withdrawals are free at the ATM at our location as well as Pulse Select™, or Co-Op Network™ ATM's.

(For more information, see our ATM Locator service on our website for more details!)

ATM and Debit card service on member share accounts is only available when combined with an open and active share draft checking account in good standing.

FedStar Credit Union does not charge its members to make withdrawals from any ATM or through a PIN-based transaction at a retailer.

Locally, some banks and credit unions offer free withdrawals from their ATMs. This may change at any time. Please contact us to see which financial institutions offer this complementary service to our members.

Other fees and charges may be applicable, and are subject to change. Please see our current rate and fee schedule for the most up to date information.

Excessive withdrawal charges for each share account withdrawal over 6 in a calendar quarter are \$2.00 per withdrawal.

The charge for pre-authorized phone transfers over 3 in a calendar quarter is \$3.00 per withdrawal.