

RAY FEDERAL CREDIT UNION

P.O. Box 1089 Kearny AZ 85137

TRUTH-IN-SAVINGS DISCLOSURES

(Rates are subject to change without notice)

Effective as of December 15, 2011

The dividend rate as of the dividend declaration was:

\$300.01 to 25,000.00	<u>.10%</u>	APY	<u>.10%</u>
\$25,000.01 to 50,000.00	<u>.15%</u>	APY	<u>.15%</u>
\$50,000.01 and over	<u>.25%</u>	APY	<u>.25%</u>
Checking Accts	<u>0.00%</u>	APY	<u>0.00%</u>
Christmas Club Accts (No Minimum Deposit)	<u>.50%</u>	APY	<u>.50%</u>

The annual percentage yield is a percentage rate that shows the total amount of dividends, based on the dividend rate and the frequency of compounding for a 365-day period.

Variable Rate Accounts

The dividend rate and annual percentage yield may change every quarter as determined by the Credit Union's Board of Directors.

Compounding

Dividends will be compounded quarterly and credited quarterly. The dividend period is a quarter. The beginning date of the first dividend period of the calendar year is January 1 and the ending date is March 31. All other dividend periods follow this pattern of dates. The dividend declaration date precedes the ending date of a dividend period and for example, is March 20th; the dividend declaration date is the date the Credit Union's Board of Directors declares a dividend for the proceeding dividend period.

Effect of closing Account

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

Minimum Balance Requirements

Shares/Savings \$25.00
Share Draft/Checking none (\$25.00 opening deposit)

To be a member in good standing you must have a \$25.00 share balance

To earn the annual percentage yield disclosed you must maintain a minimum average daily balance of \$300.01 in your account for the dividend period. You will not earn any dividends for the dividend period if your average daily balance is below \$300.01 for the period. Adding the principle in the account for each day and dividing by the number of days in the period calculate the average daily balance.

How Dividends are calculated

Dividends are calculated using the average daily balance method. This method applies a periodic rate to the average daily 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.

Nature of Dividends

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