

Kasasa Cash with Kasasa Saver - Truth In Savings Disclosure

This disclosure contains the rules that govern your deposit account as of 10/15/2018.

Account Overview:

- Kasasa Cash: A free variable rate checking account with no minimum balance that rewards accountholders with dividends and nationwide ATM withdrawal fee refunds when they meet minimum qualifications during the account's Monthly Qualification Cycle.
- Kasasa Saver is a free, variable rate, deposit account with no minimum balance that rewards accountholders with dividends when they meet the minimum qualifications associated with their linked Kasasa Cash checking account during each Monthly Qualification Cycle.

Purpose and Expected Use of Account

This account is intended to be the accountholder's primary share draft account in which payroll transactions and day-to-day spending activities including but not limited to grocery, gasoline, apparel, shopping, dining, sporting and entertainment transactions are posted and settled.

Commensurate with the spending activities identified above, we expect the account's debit card to be used frequently throughout each month and for transaction amounts to reflect a wide dollar range. Small debit card transactions conducted on the same day at a single merchant and/or multiple transactions made during a condensed time period particularly near the end of a Monthly Qualification Cycle *are not* considered normal, day-to-day spending behavior. These types of transactions appear to be conducted with the sole purpose of qualifying for the account's rewards and thus will be deemed inappropriate transactions and will not count toward earning the account's rewards.

Highmark Federal Credit Union reserves the right to determine if the account is being maintained for a purpose other than day-to-day, primary use. Accountholders who persist in making debit card transactions in a calculated and limited fashion in order to meet their monthly qualifications may have their accounts converted to a different share draft account or closed altogether. We also reserve the right to convert the account to a different share draft account if the account does not have consistent active use over 03 consecutive Statement Cycles.

We have the right to close this account at any time, with proper notice. Our decision to close the account will not affect your existing obligations to us including any obligation to pay fees or charges incurred prior to termination. No deposits will be accepted and no checks will be paid after the account is closed. If the account is closed, you will forfeit any rewards that have not been credited to your account. A Highmark Federal Credit Union check for the remaining balance, if applicable, will be mailed to accountholder at the address indicated on our current records. Upon termination of your Kasasa Cash with Kasasa Saver account, any optional add-on products/services associated with this account will also be terminated at the same time.

If, for whatever reason the Kasasa Saver portion of your account is closed, your account will automatically be converted to a standalone Kasasa Cash account and only the Kasasa Cash terms and conditions articulated within this disclosure will apply.

Dividend Rate & Annual Percentage Yield (APY)

- **Compounding & Crediting:**

Dividends will be compounded on a monthly basis. Dividends will be credited to your Kasasa Cash with Kasasa Saver account on the last day of the current statement cycle. If you close your account before the dividends are credited, you will not receive the accrued dividends. Dividends begin to accrue on the business day you deposit noncash items (for example, checks).

"Business Day" means a calendar day other than a Saturday or a Sunday, January 1, the third Monday in January, the third Monday in February, the last Monday in May, July 4, the first Monday in September, the second Monday in October, November 11, the fourth Thursday in November, or December 25. If January 1, July 4, November 11, or December 25 falls on a Sunday, the next Monday is not a Business Day.

"Statement Cycle" means the period of time for which Highmark Federal Credit Union provides a summary of the financial activities and transactions that post and settle to the accountholder's account.

- **Balance Computation Method:**

We use the average daily balance method to calculate the dividends on your Kasasa Cash with Kasasa Saver account. This method applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the Statement Cycle.

- **Dividend Rate & Annual Percentage Yield:**

When your Kasasa Cash account qualifications are met during a Monthly Qualification Cycle:

Kasasa Cash: average daily balances up to and including \$10,000 in your Kasasa Cash account earn a dividend rate of 2.75 % resulting in a non-compounding APY of 2.75 %; and average daily balances over \$10,000 earn a dividend rate of 0.25 % on the portion of the average daily balance over \$10,000, resulting in a non-compounding range from 0.48% to 2.75% blended APY depending on the account's average daily balance.

Kasasa Saver: average daily balances up to and including \$50,000 in your Kasasa Saver account earn an APY of 1.00% and average daily balances over \$50,000 earn a dividend rate of 0.25% on the portion of the average daily balance over \$50,000

resulting in a range from 0.50% to 1.00% blended APY depending on the account's average daily balance.

When your Kasasa Cash account qualifications are not met during a Monthly Qualification Cycle:

Kasasa Cash: ATM withdrawal fees are not refunded and the entire average daily balance in the account earns a dividend rate of 0.05% resulting in a non-compounding annual percentage yield of 0.05%.

Kasasa Saver: the entire average daily balance in the Kasasa Saver account earns a dividend rate of 0.05% resulting in an annual percentage yield of 0.05%.

* Interest in Kasasa Cash does not compound because it is automatically transferred to the Kasasa Saver account within one day. Note: Automatic transfer may cause an overdraft to your Kasasa Cash account, if the account's balance is less than the transferred amount when transfer occurs.

Qualification Information:

To earn your rewards, the following enrollments must be in place and all transactions and activities must post and settle to your Kasasa Cash account during each Monthly Qualification Cycle:

- At least 01 direct deposit, ACH credit, or ACH payment transaction(s)
- At least 12 PIN-based/signature-based debit card purchases
- Be enrolled in and have agreed to receive e-statements rather than paper statements
- Maintain a valid email address on record with credit union

Account transactions and activities may take one or more days to post and settle to the account and all must do so during the Monthly Qualification Cycle in order to qualify for the account's rewards.

The following activities do not count toward earning account rewards: ATM-processed transactions, transfers between accounts, debit card purchases processed by merchants and received by our credit union as ATM transactions, PIN-based, signature based transactions, non-retail payment transactions and purchases made with debit cards not issued by our credit union. Transactions bundled together by merchants and received by our institution as a single transaction count as a single transaction for the purpose of earning account rewards.

"Monthly Qualification Cycle" means the current statement cycle.

"Statement Cycle" means the period of time for which our credit union provides a summary of the financial activities and transactions that post and settle to the accountholder's account.

Reward Information:

When your Kasasa Cash account qualifications are met during a Monthly Qualification Cycle, average daily balances up to and including \$10,000 in your Kasasa Cash account earn a dividend rate of 2.75 % resulting in a non-compounding APY of 2.75 %; and average daily balances over \$10,000 earn a dividend rate of 0.25% on the portion of the average daily balance over \$10,000, resulting in a non-compounding range from 0.48% to 2.75% blended APY depending on the account's average daily balance.

In addition, average daily balances up to and including \$50,000 in your Kasasa Saver account earn a dividend rate of 1.00% resulting in an APY of 1.00%; and average daily balances over \$50,000 earn a dividend rate of 0.25% on the portion of the average daily balance over \$50,000 resulting in a range from 0.50% to 1.00% blended APY depending on the Kasasa Saver account's average daily balance.

You will receive reimbursements up to \$20.00 for nationwide ATM withdrawal fees incurred within your Kasasa Cash account during the Monthly Qualification Cycle in which you qualified.

When your Kasasa Cash qualifications are not met, the dividend rate earned on the account's entire average daily balance will be 0.05% resulting in a non-compounding annual percentage yield of 0.05% and ATM withdrawal fees are not refunded. In addition, the entire average daily balance in the Kasasa Saver account earns a dividend rate of 0.05% resulting in an annual percentage yield of 0.05%.

Dividends will be credited to your Kasasa Cash and Kasasa Saver account on the last day of the current statement cycle.

Nationwide ATM withdrawal fee reimbursements will be credited to your account on the last day of the current statement cycle.

APY = Annual Percentage Yield. APY calculations are based on an assumed balance of \$10,000+ \$100,000 in your Kasasa Cash account and 50,000+ \$100,000 in your Kasasa Saver account and an assumed statement cycle of thirty-one (31) days. Rates, rewards, and bonuses, if any, are variable and may change after account is opened without notice to you. No minimum balance is required to earn or receive the account's rewards. Rewards less than a penny cannot be distributed. Fees may reduce earnings. If the account is closed before rewards are credited, you will forfeit the rewards.

Additional Information:

Account approval, conditions, qualifications, limits, timeframes, enrollments, and other requirements apply. \$25.00 minimum deposit is required to open the account. See accompanying schedule of Fees and Charges for fees that may apply to this account. Enrollment in electronic services (e.g. online banking, e-statements) may be required to meet some of the account's qualifications. Limit of one account per Member number. There are no recurring monthly maintenance charges or fees to open or close this account. This account is not to be used for commercial purposes. If the account is closed, you will forfeit any rewards that have not been credited to your account. A Kasasa Cash account is required to have a Kasasa Saver account. If, for whatever reason the Kasasa

Saver portion of your account is closed, your account will automatically be converted to the associated standalone Kasasa Cash account and that account's terms and conditions articulated within their specific disclosure will apply. A linked Kasasa Saver account is required for automatic savings.

Account Limitations: If Kasasa Saver Is Established As A Savings Account: Transfers or withdrawals from a Kasasa Saver account to (a) another account of the same depositor at our institution or to (b) a third party or an account of the same depositor at another bank, if made by preauthorized transfer, automatic transfer, telephone, fax or internet banking service and (c) transfers or withdrawals to a third party or to an account of the depositor to another account at another bank made by check, draft, debit card are limited to an aggregate total of six (6) per calendar month. There is no limit to the number of transfers or withdrawals from your Kasasa Saver account to repay loans at our institution or are made in person, by mail, by messenger or at an ATM. These transactions are considered made on the date the transaction posts and settles to your account, not the date the withdrawal request was initiated.

Contact one of our credit union service representatives for additional information, details, restrictions, reward calculations, processing limitations, cycle dates and enrollment instructions. Federally insured by NCUA. Your Savings Insured To \$250,000 Per Account, Kasasa, Kasasa Cash and Kasasa Saver are trademarks of Kasasa, Ltd., registered in the U.S.A.