

Northern Federal Credit Union
120 Factory Street
Watertown, NY 13601

Ag Business Draft Truth-In-Savings Disclosure

Effective 1/1/08

Rate Information: At our discretion, we may change the interest rate on your account. Frequency of changes - Your interest rate and annual percentage yield (APY) may change at any time.

Compounding and crediting: Dividends will be compounded every month. Dividends will be credited to your account every month.

Dividend period: For this type of account, the dividend period is monthly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above is January 31.

Minimum Balance Requirements: The minimum required to open this account is \$2,500.00. You must maintain an average daily balance of \$2,500 in your account to obtain the disclosed dividends. Failure to maintain the average daily balance of \$2,500.00 will result in the loss of dividends during the dividend period in which the balance falls below the minimum.

Average Daily Balance Computation Method: Average daily balance computation method - We use the average daily balance method to calculate interest on your account. This method applies a periodic rate to the average daily balance in the account for the month. The average daily balance is calculated by adding the principal in the account for each day of the month and dividing that figure by the number of days in the month.

Accrual of dividends on non-cash deposits: Dividends will begin to accrue on the business day you place non-cash items (for example, checks) to your account.

Last Declared Dividend Rates: See attached rate Addendum for last declared dividend rates.