

Northern Federal Credit Union
120 Factory Street
Watertown, NY 13601

Health Savings Account 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: No minimum balance requirements apply to this account.

Daily 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.

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.