

Certificate Accounts

Your certificate and/or the rate sheet will inform you of the following information pertaining to your Certificate account:

- Time requirements
- Dividend rate
- Annual percentage yield (APY)
- Minimum balance requirements
- Compounding frequency
- Crediting frequency
- Dividend period

Dividends on Certificate account(s) are set by the Hiway Federal Credit Union® (Hiway) Board of Directors.

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 noncash deposits: Dividends will begin to accrue on the business day you deposit noncash items (e.g. checks) into your account.

Transaction limitations: After the account is opened, you may not make additions into the account until the maturity date stated on the account, unless stated on the rate sheet.

You may make withdrawals of principal from your account before maturity only if we agree at the time you request the withdrawal. Principal withdrawn before maturity is included in the amount subject to early withdrawal penalty.

You can only withdraw dividends credited in the term before maturity of that term without penalty. You can withdraw dividends anytime during the term of crediting after they are credited to your account.

Early withdrawal penalties (a penalty may be imposed for withdrawals before maturity):

- If your account has an original maturity of less than 12 months, the penalty we may impose will equal 30 days dividends
- If your account has an original maturity of 12 to 23 months, the penalty we may impose will equal 90 days dividends
- If your account has an original maturity of 24 to 47 months, the penalty we may impose will equal 180 days dividends
- If your account has an original maturity of greater than 47 months, the penalty we may impose will equal 365 days dividends

In certain circumstances, such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. IRA and CESA Certificates may be subject to IRS penalties for early withdrawal and do not apply to business accounts.

Withdrawal of dividends prior to maturity: The annual percentage yield is based on an assumption that dividends will remain in the account until maturity. A withdrawal will reduce earnings.

Automatically renewable account: This account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the account at maturity (or within the grace period mentioned below, if any) or we receive written notice from you within the grace period mentioned below, if any. Hiway can prevent renewal by mailing notice to you at least 30 calendar days before maturity. If either you or Hiway prevent renewal, your funds will be placed in a dividend-bearing account.

Each renewal term will be the same as the original term, beginning on the maturity date. The dividend rate will be the same we offer on new certificate accounts on the maturity date which have the same term, minimum balance (if any) and other features as the original certificate account.

You will have a 14 calendar day grace period after maturity to withdraw funds without being charged an early withdrawal penalty.

24 Month Step-Up Option Plan and Rate Information

(variable rate account): The dividend rate and annual percentage yield may change. We will not change the rate on your account during the term of the account. However, you have the option during each term of this account, to exchange this dividend rate for a new dividend rate. The new dividend rate will be the dividend rate we are then offering on the 24 month term share account for the remainder of this account at the time of the exchange. This exchange will be at no cost to you. If you make an exchange, the maturity date of this account will remain the same as originally scheduled. You may exercise this exchange option once during each term.