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CERTIFICATE OF DEPOSIT APPLICATION

DATE: _____ ACCT#: _____

(Select all that apply) Individual [] Joint [] POD []

MEMBER NAME: _____ SSN: _____

JOINT MEMBER NAME: _____ SSN: _____
(Joint MUST be same Joint as on Share Account)

PAYABLE ON DEATH NAME: _____ DOB: _____

AMOUNT: \$ _____ (MIN OPENING BAL: \$1,000.00) TERM: _____ MO/YR

SOURCE OF FUNDS: [] Cash [] Check [] Transfer from SMCTFCU account (Select one below):
[] Reg. shares (-RG) [] Summer savings (-00)
[] Money market (-07) [] Checking (-08)
[] Other (specify) _____

By signing this account receipt, each of you, jointly and severally, agree to the terms and conditions stated hereon, the Membership & Account Agreement, the Credit Union's bylaws and policies, and any amendments of these documents made from time to time. The Internal Revenue Service does not require your consent to any provisions of this document other than the certifications required to avoid backup withholding.

MEMBER SIGNATURE: _____ JOINT SIGNATURE: _____

Under Penalties of perjury, I certify that:
1- The SSN shown on this form is my correct taxpayer identification number, (or I am waiting for a number to be issued), and
2- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholdings as a result of or failure to report all interests or dividends, or (c) the IRS notified me that I am no longer subject to backup withholding, and
3- I am a U.S. citizen or other U.S. person. For federal tax purposes, you are considered a U.S. person if you are: an individual who is a U.S. citizen or U.S. resident alien; a partnership, corporation, company, or association created or organized in the United States or under the laws of the United States; an estate (other than a foreign state); or a domestic trust (as defined in Regulations section 301.7701-7).
Certification Instructions: Cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. Cross out item 3 and complete a W-8 BEN if you are not a U.S. person.



Office Use

CD ACCT#: _____ APR: _____ % APY: _____ %

MATURITY DATE: _____ PENALTY: _____ M/Y

MSR: _____ DATE: _____

**ADDITIONAL TERMS AND CONDITIONS
AND TRUTH-IN-SAVINGS ACCOUNT DISCLOSURES**

1. *Rate Information* – The dividend rate and annual percentage yield (APY) on your certificate account is set forth in the “CERTIFICATE OF DEPOSIT APPLICATION”. The dividend rate & APY are fixed AND WILL BE IN EFFECT FOR THE TERM OF THE ACCOUNT. The APY is based on the assumption that dividends will remain on deposit until maturity. A withdrawal of dividends will reduce earnings.
2. *Compounding and Crediting* – Dividends will be compounded and credited as set forth in the “CERTIFICATE OF DEPOSIT APPLICATION”. The dividend period is the account’s term. The dividend period begins on the first day of the term and ends on the maturity date.
3. *Accrual of Dividends* – Dividends will begin to accrue on noncash deposits (e.g., checks) on the business day you make the deposit to your account. If you close your account before accrued dividends are credited, accrued dividends will not be paid.
4. *Balance Information* – The minimum balance required to open the account and earn the stated APY is set forth in the “CERTIFICATE OF DEPOSIT APPLICATION”. If you do not maintain the minimum balance, you will not earn the stated APY. The daily balance method applies a daily periodic rate to the balance in the account each day. The average daily balance method is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. The dividend calculation method for your certificate are as follows:
 - A. Dividends are compounded & credited monthly to principal.
 - B. CD’s are single term & will rollover into your Regular Shares if you do not specify other instructions.
 - C. A penalty of the CD term dividends will be imposed on amounts withdrawn before maturity.
 - D. Dividends withdrawals are not permitted.
 - E. Dividends are computed by daily balance method.
5. *Account Limitations* – After your account is open you may not make additional deposits to a certificate.
6. *Maturity* – Your certificate account will mature on the maturity date stated in the “CERTIFICATE OF DEPOSIT APPLICATION”. The maturity date of certificate accounts automatically renewed will be stated on your maturity or renewal notice.
7. *Early Withdrawal Penalty* – We may impose a penalty as stated on the “CERTIFICATE OF DEPOSIT APPLICATION” if you withdraw any of the principal from your certificate before the maturity date.
 - A. *Amount of Penalty* - The early withdrawal penalty amount is set forth as follows:

The credit union will impose a penalty if the member withdraws any of the funds before the maturity date and that the penalty will equal 90 days’ dividends on a six months deposit, 180 days’ dividends on between one and two year terms, and 365 days’ dividends on any longer deposit.
 - B. *How the Penalty Works* - The penalty is calculated as a forfeiture of part of the dividends that have been or would be earned at the nominal dividend rate on the account. It applies whether or not the dividend has been earned. In other words, if the account has not yet earned enough dividends or if the dividends have been paid, the penalty will be deducted from the principal.
 - C. *Exceptions to Early Withdrawal Penalties* - At our option, we may pay the account before maturity without imposing an early withdrawal penalty under the following circumstances:
 - i. When an account owner dies or is determined legally incompetent by a court or other body of competent jurisdiction.
8. *Renewal Policy* – Your account is a single term as stated in the “CERTIFICATE OF DEPOSIT APPLICATION”.
9. *Nontransferable/Nonnegotiable* – Your account is nontransferable & nonnegotiable. The funds in your account may not be pledged to secure any obligation of an owner, except obligations with the credit union.