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# Lockheed Federal Credit Union

## Market Maximizer Account Agreement and Disclosure

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This Market Maximizer Account Agreement and Disclosure, together with the Account Rate Sheet, Schedule of Service Charges and Fees, and the Membership and Accounts Agreement and Disclosure, which are herein incorporated by this reference as if they were set forth in length, govern the terms and conditions of your Market Maximizer Account. In this Market Maximizer Account Agreement and Disclosure, the words "you" and "your" mean each and all accountholders on the Market Maximizer Account. The words "we", "us" and "Credit Union" each mean Lockheed Federal Credit Union. "Account" and "Market Maximizer Account" mean the Market Maximizer Account. Please read this Agreement and Disclosure carefully and retain it for your records.

**GENERAL:** The Market Maximizer Account is a variable-rate, federally insured, savings account. The Dividend Rate and Annual Percentage Yield are determined using an Index, which is the **national average of the Taxable 7-Day Yield on Money Market Mutual Funds**, and can change weekly. Dividends are compounded daily. There is a minimum \$25,000 deposit required to open the Account. A monthly Low Balance Fee is assessed if the average daily balance falls below \$25,000 during any calendar month. The rate on the Account is reduced to the current regular savings rate earned on the related balance tier if on any day the Account balance falls below, and during the time the balance remains below, \$25,000. Check and ATM access is not available on the Account and federal regulation limits the number of certain types of transfers and withdrawals you can conduct each month.

**MINIMUM DEPOSIT AND BALANCE REQUIREMENTS:** The minimum deposit required to open a Market Maximizer Account is \$25,000. There is no minimum balance required to maintain the Account or earn dividends, however, refer to "Minimum Balance Requirement to Maintain Market Maximizer Dividend Rate" below, for further information on earning dividends at the stated rate.

**LOW BALANCE FEE AND AVERAGE DAILY BALANCE REQUIREMENT:** You must maintain a minimum average daily balance of \$25,000 in the Account to avoid the assessment of a Low Balance Fee. If, during any calendar month, your average daily balance falls below \$25,000 your Account will be assessed a **Low Balance Fee of \$15** for that period.

**MINIMUM BALANCE REQUIREMENT TO MAINTAIN MARKET MAXIMIZER DIVIDEND RATE:** You must maintain a minimum daily balance of \$25,000 in the Market Maximizer Account to avoid a reduction in the Dividend Rate paid on your Account. If on any day your Account balance falls below \$25,000 we will apply the Dividend Rate paid on Regular Savings Accounts for the balance tier applicable to your Account balance for the period during which your Account balance is less than \$25,000. Once your Account balance is increased to \$25,000 we will again apply the then current rate paid on Market Maximizer Accounts to your Account.

**OTHER FEES AND CHARGES:** Please refer to the current Schedule of Service Charges and Fees for other fees that may apply to or affect your Market Maximizer Account.

**DIVIDEND RATE AND ANNUAL PERCENTAGE YIELD:** The current Dividend Rate and Annual Percentage Yield on your Market Maximizer Account are provided to you at the time you open your Account and are reflected on the Account Rate Sheet. The Dividend Rate is the prospective rate of earnings on the Account. The Annual Percentage Yield (APY) is the percentage rate reflecting the total amount of dividends paid on the Account, based on the Dividend Rate and the frequency of compounding for a 365-day period (366 days in a leap year).

**DIVIDENDS AND VARIABLE RATE INFORMATION:** The Market Maximizer Account is a variable rate account and the Dividend Rate and Annual Percentage Yield can change **weekly** (each Friday) without prior notice to you. There is no limit on how much the Dividend Rate and Annual Percentage Yield can change each week. Your periodic statement will reflect the

Annual Percentage Yield Earned and dividends paid on your Account each statement period.

**The Annual Percentage Yield is Based on an Index:** The Annual Percentage Yield (APY) applicable to the Account is based on an **Index** which is the **national average of the Taxable 7-Day Yield on Money Market Mutual Funds**. Information on the Index can be found in the Money & Investing section of *The Wall Street Journal* each Thursday under the heading "Yields for Consumers".

**The APY applicable to the Account can range from 80% to 110% of the Index**, as determined by the Credit Union's Board of Directors.

**How The Dividend Rate Is Determined:** The Dividend Rate is based on the Annual Percentage Yield (as described above), expressed as a rate instead of a compounded, annualized yield. The Dividend Rate is the actual rate paid on your Account, and which results in the Annual Percentage Yield your Account earns.

**Dividends Earned and Dividend Periods:** Dividends are compounded daily and credited monthly on the first day of each month. The Credit Union uses the daily balance method of computing dividends, which applies a daily periodic rate to the entire balance in the Account each day. Dividends begin to accrue from the date of deposit of all cash and non-cash items and shall continue to accrue until the day the funds are withdrawn. Dividends are paid in whole cents. If you close your Account at any time during the month we will pay you any earned dividends up to the date of account closure.

Dividend Periods are monthly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date is January 31. All other dividend periods follow the same monthly pattern of dates. The dividend declaration (payment) date follows the ending date of each dividend period which is the first day of the following month (and for the example, would be February 1). Dividends are paid from current income and available earnings, after required transfers to reserves have been made by the Credit Union at the end of each dividend period.

**TRANSACTIONS LIMITATIONS:** During any calendar month, you may **NOT** make more than **six** (6) transfers from your Market Maximizer Account to your other Credit Union accounts by means of a preauthorized electronic funds transfer, automatic transfer, telephone order or instruction, request transmitted via facsimile machine, transfer initiated through our audio response service (CU By Phone), or electronic transfer initiated through our Internet home banking service (CU OnLine). These transfer and withdrawal limitations **do not apply** to transactions conducted in person or by mail. Also, internal transfers to make payments to your Credit Union loans and requests for withdrawals by check **made payable to you** are excluded from this limitation. If you exceed the transaction limitations set forth above, we reserve the right to close your Market Maximizer Account and transfer the funds into your main savings account.

**Note:** Access checks are not provided or available. There is no "check writing" access to your Market Maximizer Account and your Account can not be accessed at an ATM. Also, check/debit card [POS] access, electronic bill payment transfers and ACH Debit payment transfers are not permitted on the Account.