

**NORTH TONAWANDA COMMUNITY FEDERAL CREDIT UNION
TRUTH IN SAVINGS DISCLOSURE**

12/09

This notice is intended to provide you with information about one or more accounts offered by the North Tonawanda Community Federal Credit Union, including where applicable, the dividend rate, annual percentage yield, and any minimum balance requirement, withdrawal terms, fees and other important information, so that you may make an informed decision about investing your savings with us.

Information pertaining to specific accounts is set forth in separate notices, while information about Credit Union accounts in general is included in this notice.

Should you have any questions about these disclosures, or about our current dividend rate, annual percentage yield, or otherwise, please call a member service representative at 695-1829.

**THE FOLLOWING FACTORS MAY AFFECT THE AMOUNT
OF DIVIDENDS YOU RECEIVE ON YOUR ACCOUNT**

NATURE OF DIVIDENDS AND RELATION TO APY

Except in the case of term share accounts (where the dividend rate is fixed for the term of the share certificate) dividends may be paid only from current income and accumulated earnings, after required transfers to reserves at the end of each dividend period. The dividend rate and annual percentage yield applicable to variable rate accounts may therefore change from time to time as determined by the Credit Union's Board of Directors in its discretion. The dividend period of the Credit Union is quarterly. Beginning on the first day of such period and ending on the last day of the period.

As used in these disclosures, "DIVIDEND RATE" means the dividends paid (or expected to be paid) on an account, without giving effect to the compounding of previously earned dividends, shown as an annual figure and expressed as a percentage of the account balance; and "ANNUAL PERCENTAGE YIELD" or "APY" means a percentage rate reflecting the total amount of dividends expected to be earned in a year on an account, based on the dividend rate and the frequency of compounding accrued dividends.

All disclosures concerning the APY applicable to an account (other than term share accounts) assume that the dividend rate disclosed remains in effect for one year and that dividends are not withdrawn.

**FREQUENCY OF COMPOUNDING DIVIDENDS AND THE METHOD OF
DETERMINING THE BALANCE ON WHICH DIVIDENDS ARE PAID**

Unless otherwise stated in an additional disclosure related to a specific type of account, dividends are compounded and credited quarterly on the balances of \$5.00 or more based on the average daily balance in your account.

You can compute the dividends earned on your account each day by multiplying the then current simple annual dividend rate times the average balance in your account at the end of each day, divided by 365 or 366 days as applicable. The amount of dividends you earn for each day will be added to your principal balance quarterly.

If you withdraw funds from your account before dividends are paid, you will receive dividends accrued on the funds prior to withdrawal, but such dividends will not be credited to your account until the dividend declaration date.

If you close your account before dividends are credited you will not receive accrued dividends.

Different rules apply to early withdrawals from a term share account and are described in the separate disclosure available from the Credit Union.

MINIMUM BALANCE REQUIREMENTS

Unless otherwise stated in an enclosed disclosure related to a specific type of account, in order for your account to earn dividends for a dividend period you must maintain an average daily balance of at least \$5.00 during that period. If your average daily balance falls below \$5.00 for that dividend period you will not earn any dividends during that dividend period.

In order to earn the annual percentage yield disclosed elsewhere for a particular account, you must meet the minimum balance requirement applicable to that account at all times.

FEES AND PENALTIES

Your account will be charged any applicable fees; charges and/or penalties as set forth in our fee schedule. This fee schedule for all accounts sets forth certain fees and charges applicable to Regular Shares and Club Accounts. This schedule is incorporated as part of your account agreement with the Credit Union. You will be notified of any changes to these fees.

SHARE DIVIDEND SUMMARY

Dividends are paid quarterly on the last day of the period

Average Daily Balance Method

Accounts closed before the end of the period will not get a dividend.

Fees for Overdrawing Accounts: Fees may be imposed on each check, draft item, ATM card withdrawal, debit card withdrawal, debit card point of purchase, reauthorized automatic debit, telephone initiated withdrawal or any other electronic withdrawal or transfer transaction that is drawn on an insufficient available account balance. The entire balance in your account may not be available for withdrawal, transfer or payment of a check, draft or item. You may consult the Funds Availability Policy for information regarding the availability of funds in your account. Fees for overdrawing your account may be imposed for **each** overdraft, regardless of whether we pay or return the draft, item, or transaction unless we have approved an overdraft protection limit for you. Please refer to the Fee Schedule for current fee information. Please feel free to contact the credit union

Fees Applicable to All Accounts:

Regular Share Opening Fee	\$ 1.00	NSF Ach Fee	\$30.00
Returned item (deposited)	\$30.00	Overdraft Trfr Fee Automated	\$ 1.00
NSF draft (member initiated)	\$30.00	Overdraft Trfr Fee Manual	\$ 5.00
CU Check Stop Pay	\$32.00	ACH or Share Draft Stop Pay	\$10.00
Pre-authorized Check copy	\$ 1.50	Substitute Check Copy	\$ 1.50
Dormant Account Fee	\$10.00	Original Draft Copy	\$ 5.00
ATM/DC Replacement Fee	\$10.00	Excess Withdrawal Fee	\$ 3.00
Check Cashing Fee	\$ 5.00	Statement Copy \$1.00 per page – maximum \$5.00	
Courtesy Pay Fee	\$30.00		

COLLECTION OF NON-CASH DEPOSITS

Every share draft, check or other item other than cash which is accepted for deposit in your account will be provisionally credited to your account on the day it is deposited or, for deposits received after 3:00 p.m., on the next business day, and earn dividends from the day it is provisionally credited to your account. If however, the Credit Union is subsequently unable to obtain payment for that item you will not receive dividends on that deposit.

NOTICE OF CERTAIN CHANGES

We will not send you notice of changes in the dividend rate or APY applicable to any account where the dividend rate is subject to change from time to time, although notice of changes of dividend rates will be posted in the Credit Union's office. Also no notice of changes to fees for printing of share drafts will be sent. In addition, if there is any change in the information disclosed in this statement, the change will be posted in the Credit Union office.

GENERAL POLICIES AND PROCEDURES

We may refuse a withdrawal request if any documents or identification, the law or we requires, in connection with the withdrawal has not been presented to us.

Although non-cash deposits earn dividends from the date first credited to your account, the time when they may be withdrawn or otherwise become available for use is governed by the Credit Union's funds availability policy, a copy of which is available upon request.

Opening and maintaining an account with the Credit Union, you have agreed to the Bylaws of the Credit Union and any amendments thereto, may obtain a copy of which from the credit union. To open an account, you must deposit at least \$5.00 the par value of a share of the Credit Union.

By law, the Credit Union must accept deposits only from persons who are members or who are eligible to become members, or certain other persons or entities. If you are unsure whether you're eligible to join the Credit Union, please contact a member service representative at our office.

The membership of the North Tonawanda Community Federal Credit Union is open to anyone who lives, works, worships, attends school in, businesses and other legal entities in the city of North Tonawanda.

MEMBER SERVICES OFFERED

Regular Share Savings

Share Certificates	Unsecured Lines of Credit
Holiday Clubs	Share or CD Secured Loans
Share Draft (Checking)	New and Used Vehicle Loans
Money Orders	Recreational Vehicle Loans
Drive Thru Window	Home Equity Loans*
ATM/Debit Cards	No Surcharge ATM Machine

Your Savings are Federally Insured to at least \$250,000 and backed by the full faith and credit of the United States Government

NCUA

National Credit Union Administration
A U.S. Government Agency