

American First Credit Union  
TRUTH IN SAVINGS DISCLOSURE  
November 2023

IMPORTANT DOCUMENT – PLEASE KEEP FOR YOUR RECORDS

American First Credit Union  
P.O. Box 2477 Brea, CA 92822-2477  
Main: 800.290.1112 Fax: 562-237-5111  
Email: [contactus@amerfirst.org](mailto:contactus@amerfirst.org) Website: [www.amerfirst.org](http://www.amerfirst.org)

**Individual Retirement Account (IRA)**

**PAYMENT OF DIVIDENDS**

**Dividend Rates.** The frequency and conditions upon which dividends are paid on all accounts are in accordance with the Bylaws of this Credit Union, state law, and the Truth-in-Savings Act and Regulations. Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period. For specific dividend rate(s) for each type of dividend bearing account call us at 800.290.1112 or check the rates online at [www.amerfirst.org](http://www.amerfirst.org).

**Account Type: Individual Retirement Accounts (IRAs) and Coverdell Education Savings Accounts**

Traditional IRA     Roth IRA     Coverdell Education Savings Accounts

The accounts above are subject to the applicable terms and conditions set forth in this Disclosure as well as the terms and conditions set forth in the IRA Agreement and Disclosure and Coverdell Education Savings Account Agreement and Disclosure (as applicable), which will be provided to me in accordance with applicable law.

**Opening requirement:** The minimum deposit required to open an IRA Savings is \$50, and \$1,000 for an IRA Certificate. Additional deposits are permitted to contributory IRAs only.

**Account provisions:** I may not pledge any of the funds on deposit in the account as security for any loan(s). Certain federal and state penalties may apply to amounts withdrawn from IRA accounts. These are set forth in applicable federal and state law and regulations which are incorporated by this reference.

Funds in an Individual Retirement Account will escheat to the state, if I have not done any of the following for a period of more than three (3) years after the funds become payable or distributable:

- Increased or decreased principal.
- Accepted payment of principal or income (dividends).
- Corresponded electronically or in writing with you concerning the funds or otherwise indicated an interest therein.

**Early Withdrawal Penalties:**

- Certain federal and state penalties may apply to amounts withdrawn from IRA accounts. These are set forth in applicable federal and state law and regulations which are incorporated by this reference.
- If this IRA is opened as a Term Share (Certificate) account, early closure fees may be imposed. Required Mandatory Distribution (RMD) are minimum amounts that a retirement plan account owner must withdraw annually starting with the year he or she reached 73. Once you reach the required age you have until April 1<sup>st</sup> the following year to take your first RMD. You will not have an early withdrawal penalty charge for early withdrawal(s) prior to the Certificate maturity date for Required Minimum Distribution (RMD) amounts. However, an early withdrawal penalty will apply for withdrawal amount over the annual RMD amount. If the withdrawal is non-automated, the standard \$25 fee for non-automated withdrawals will apply. Refer to the Term Share Certificate Issue Notice which includes your balance, dividend rate, term, and issuance date and maturity/renewal date for the term selected.

**Minimum Balance Requirement:** The minimum daily balance must be maintained to obtain the Annual Percentage Yield stated on the Rate Schedule and to avoid closure.

**Dividend Earnings:** Dividends are compounded daily and paid monthly to your account. Dividends may be credited to your account or transferred to your savings or checking account or mailed to you by check upon request. If an account is closed after dividends are accrued but before they are credited, dividends will not be paid. Dividends begin to accrue on the business day the Credit Union receives credit for the deposit.

**Dividend Type:** Dividends on all Share Certificate Accounts, including IRA Share Certificate Accounts, are calculated by the daily balance method which applies a daily periodic rate to the daily balance in the account each day after all deposits and withdrawals. The interest rate and the annual percentage yield (APY) may change at any time at the Credit Union's discretion.

**Maintenance Fee:** An annual maintenance fee is charged annually for IRA Certificates. Refer to the Schedule of Fees & Services for the fee amount. **IRA Non-Automated Distribution Fee:** A fee is charged for any distribution that is not set up to distribute automatically. Refer to the Schedule of Fees & Services for fee amount.

**Transaction Limitations for Certificate Accounts:** After the account is opened, you may not make additional deposits or withdrawals from the account until the maturity date, unless specifically permitted.

**Periodic Statements:** Statements will be sent at least quarterly to the address of record.

**Rollover Deposits:** Effective 1-1-15 the IRS will limit rollover contributions. You can make only one rollover from an IRA to another or the same IRA in any 12-month period, regardless of the number of IRAs you own. The limit will apply by aggregating all of an individual's IRAs, including SEP and SIMPLE IRAs as well as traditional and Roth IRAs, effectively treating them as one IRA for purposes of the limit.

**National Credit Union Share Insurance Fund** - Member accounts in this Credit Union are federally insured by the National Credit Union Share Insurance Fund.

The current Schedule of Fees is always available at [www.amerfirst.org](http://www.amerfirst.org) or by request.

AMERICAN FIRST CREDIT UNION  
6 Pointe Drive Ste 400  
Brea, CA 92821-6322  
800.290.1112