

## ABC Credit Union

### TRUTH-IN-SAVINGS ACT POLICY

*The following sample policy was drafted according to the requirements of applicable regulation, rule, or law. It is intended as a "sample" or "guide" to help credit unions develop their own customized or individual policy. Therefore, each credit union should make appropriate revisions by deleting or adding language to accommodate its own particular situation.*

The Truth-in-Savings Act (TIS) requires banks, credit unions, and non-credit union financial institutions to disclose the terms and conditions of all their accounts to both customers/members and prospective customers/members. The purpose of TIS is to assist consumers in comparing accounts offered by all depository institutions.

ABC Credit Union will comply with NCUA's Rules and Regulations, Part 707 (Truth-in-Savings) and its disclosure requirements as follows:

- The compliance officer is responsible for ensuring all written disclosures are in compliance with TIS.
- The marketing department is responsible for ensuring all marketing and advertising information is in compliance with TIS.
- Branch and telephone center staff are responsible for giving the required disclosures to members and for responding to members orally in the manner TIS requires. Branch and department staff who are not thoroughly knowledgeable in discussing rates as TIS requires must refer members and prospective members to qualified staff.
- ABC Credit Union utilizes the Daily Balance Method (a daily periodic rate is applied to the full amount of principal in the account each day) to calculate dividends. Dividends begin to accrue from the date of deposit. The credit union does not require a minimum balance to earn dividends.
- ABC Credit Union compounds and credits dividends quarterly on non-certificate accounts.
- ABC Credit Union pays dividends at the end of the dividend period on funds that have been previously withdrawn on open accounts. Dividends are also paid on accounts when closed prior to the end of the quarter.

Additional information is included in the *Truth-in-Savings Manual*.