



AGREEMENTS AND DISCLOSURES

THESE ACCOUNT DISCLOSURES CONTAIN NECESSARY TRUTH-IN-SAVINGS ACCOUNT DISCLOSURES. PLEASE BE CERTAIN TO READ THESE DISCLOSURES CAREFULLY AND NOTIFY US AT ONCE IF ANY PARTS ARE UNCLEAR.

Throughout these Account Disclosures, the references to "We," "Us," "Our" and "Credit Union" mean ARKANSAS FEDERAL CREDIT UNION ("ARKANSAS FEDERAL"). The words "You" and "Your" mean each person applying for and/or using any of the services described herein. "Account" means any account or accounts established for You as set forth in these Agreements and Disclosures. For joint accounts, read singular pronouns in the plural.

ACCOUNT DISCLOSURES

THE FOLLOWING DISCLOSURES CONTAIN IMPORTANT INFORMATION AND THE TERMS AND CONDITIONS OF ANY ACCOUNT OR ACCOUNTS THAT YOU MAY HAVE WITH US AND ARE PROVIDED AS REQUIRED BY THE TRUTH-IN-SAVINGS ACT. WHEREVER USED, "APY" MEANS ANNUAL PERCENTAGE YIELD.

SPECIFIC TERMS APPLICABLE TO YOUR HEALTH SAVINGS ACCOUNT

Variable Rate Information. This Account is subject to a Variable Rate, and as a result, the dividend rate and corresponding APY may change every dividend period based on the determination of the Credit Union's Board of Directors. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

Minimum Balance Requirements. The minimum balance required to open this Account is \$25.00.

Transaction Limitations. Health Savings Accounts are subject to limitations and/or penalties imposed by the Internal Revenue Service. Please see Your tax advisor for additional information.

The Credit Union reserves the right to require a member intending to make a withdrawal to give written notice of such intent not less than seven days and up to 60 days before any such withdrawal.

Compounding and Crediting. Dividends will be earned daily for each day on which Your balance exceeds the minimum daily balance requirement for Your Account. The dividend period is monthly, and dividends will be compounded and credited monthly. You will not be paid any accrued but uncredited dividends at the time You close Your Account.

At Your option, You may forego the compounding of dividends and, instead, have the dividends credited to a separate Account or account at the end of a dividend period.

Balance Computation Method. Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the Account each day.

Accrual on Noncash Deposits. Dividends will begin to accrue on the business day You deposit noncash items (e.g. checks) into Your Account.

GENERAL TERMS APPLICABLE TO YOUR HEALTH SAVINGS ACCOUNT

Member in Good Standing. The Account services described in these Agreements And Disclosures are available to those members in good standing with the Credit Union. We reserve the right to suspend services to a member who is not in good standing, which includes members that have: (a) a delinquent loan; (b) a primary Share Account balance below the \$5.00 minimum; (c) an unresolved deposited returned check; (d) unpaid and uncollected credit union fees; (e) a negative balance on an account; and (f) caused a financial loss to the Credit Union.

Minimum Balance Requirements. To be a member and maintain Accounts with Us You must purchase one share in the Credit Union. The par value of a share in

this Credit Union is \$5.00. If the balance in Your primary Share Account drops below one share (\$5.00) for a period of three months or more, We may, at Our option, close Your Account.

Nonsufficient Funds Returns. Any share draft or pre-authorized transfer, or transaction made through the use of Your ATM or debit Card, or other electronic means, as is applicable (including any in-person transaction), that is presented to Us for payment on Your Account when Your Account lacks sufficient collected funds to pay any such item may, at Our option, be returned for nonsufficient funds or We may honor any such item and charge You a fee for doing so.

Overdraft Balance Calculation. When processing transactions that debit or credit Your Account, We start each Business Day with Your final Account balance from the preceding Business Day. The final balance takes into account all of the debit and credit transactions that were settled that Business Day, as well as any other debits or credits to Your Account that were finally settled that day, as described in the "Deposit of Items" and "Collection and Processing of Items" sections of Your Account Agreement. This starting balance at the beginning of a Business Day (the preceding Business Day's final balance) is sometimes referred to as Your "actual balance."

As credits and debits to Your Account are received by Us, We add them to and subtract them from Your actual balance. Examples of credits include, but are not limited to, electronic direct deposits, check deposits that have been fully and finally collected, ACH credits that have settled that day, and cash deposits made to one of Our tellers. Examples of debits include, but are not limited to, checks drawn on Your Account that are presented to Us for payment, electronic fund transfer (EFT) debit transactions (such as preauthorized payments and settled EFT debits), memo-posted EFT debits (EFT debits that We have authorized but which have not been settled), and Credit Union fees and charges. The result of this calculation at any given point in time is called Your "available balance."

For the purpose of determining whether an overdraft has occurred, We use Your available balance. First, we add all of the settled credit transactions to the beginning actual balance. Then, We subtract all of the debit transactions that settled that day. We also subtract all of the pending debit transactions. This determines the available balance for overdraft purposes. Each debit transaction that We process when Your Account has a negative available balance is an overdraft, subject to an overdraft charge.

Subject to applicable law, You are responsible for paying any overdraft fees and charges assessed in connection with Our payment of an overdraft, as well as any NSF fees charged to Your Account when we dishonor and return an item for nonsufficient funds. It is Your responsibility to know Your Account balance, and if You have any questions You should contact a Credit Union representative.

Nature of Dividends. Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

Fees and Charges. Any fees and charges applicable to Your Account are disclosed on an accompanying pricing document provided in conjunction with these Agreements and Disclosures.