PRIVACY PRIVACY PRIVACY

NOTICE OF YOUR FINANCIAL PRIVACY RIGHTS

We, ***our***, and ***us***, when used in this notice, mean Breco Federal Credit Union.

This is our privacy notice for our members. When we use the words "you" and "your" we mean the following types of members:

- Our consumer members who have a continuing relationship by purchasing or holding financial products or services such as a(n):
  - Share account
  - Loan account

We will tell you the sources of the information we collect about you. We will tell you what measures we take to secure that information.

We first define some terms.

Nonpublic personal information means information about you that we collect in connection with providing a financial product or service to you. Nonpublic personal information does not include information that is available from public sources, such as telephone directories or government records. Hereafter, we will use the term "*information*" to mean nonpublic personal information as defined in this section.

An ***affiliate*** is a company we own or control.

A ***nonaffiliated third party*** is a person we do not employ or a company that is not an affiliate of ours. This is also known as nonaffiliated third party, or simply, an "*other party*."

THE INFORMATION WE COLLECT

We collect information about you from the following sources:

- Information you give us on applications or other forms
- Information about your transactions with us
- Information about your transactions with other parties
- Information from a consumer reporting agency
- Information we receive as a result of verifying member information

THE CONFIDENTIALITY, SECURITY, AND INTEGRITY OF YOUR INFORMATION

We restrict access to information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards to protect this information.

YOUR INFORMATION AND OTHER PARTIES

We will not disclose information about you to anyone except as disclosed in this policy or as permitted by law. Examples of this might include disclosures necessary to service your account or prevent unauthorized transactions.

INFORMATION ABOUT FORMER MEMBERS

We do not disclose information about former members, except as permitted by law.

AUTHORIZED SHARING - JOINT MARKETING

We may disclose the following information to other financial institutions with whom we have joint marketing agreements:

- Information you give us on an application or other forms, such as:
  - Name
  - Address

We disclose the information listed above with other financial institutions with whom we have joint marketing agreements. You do not have a right to opt out of the disclosure of this information.

State Limitations

AL, AK, CA, ID and VT - We will not share this information about members who reside in Alabama, Alaska, California, Idaho or Vermont.

MA, MS and NJ - We will not share any information derived from share relationships with us about members who reside in Massachusetts, Mississippi or New Jersey.

Types of Businesses

We may disclose information pursuant to joint marketing agreements to the following types of businesses:

- Financial service providers, such as:
  - Progeny

Reasons For Disclosing

We may disclose information about you to other financial institutions with whom we have joint marketing agreements to provide you with information about additional products and services.

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TRUTH-IN-SAVINGS DISCLOSURE

SHARE DRAFT ACCOUNT

Rate Information:

The dividend rate and annual percentage yield may change every month. We may change the dividend rate for your account as determined by the credit union board of directors.

Compounding and crediting - Dividends will be compounded every month. Dividends will be credited to your account every month.

Dividend period - For this account type, the dividend period is monthly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above is January 31.

If you close your account before dividends are paid, you will not receive the accrued dividends.

Minimum balance requirements:

The minimum balance required to open this account is $20.00.

You must maintain a minimum average daily balance of $100.00 in your account to obtain the disclosed annual percentage yield.

Average daily balance computation method - Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the monthly statement cycle.

Accrual of dividends on noncash deposits - Dividends will begin to accrue on the first business day after the banking day you place noncash items (for example, checks) to your account.

Additional limitations:

You may make an unlimited number of additions into your account.

SHARE ACCOUNT

Rate Information:

The dividend rate and annual percentage yield may change every quarter. We may change the dividend rate for your account as determined by the credit union board of directors.

Compounding and crediting - Dividends will be compounded every quarter. Dividends will be credited to your account every quarter.

Dividend period - For this account type, the dividend period is quarterly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above is March 31.

If you close your account before dividends are paid, you will not receive the accrued dividends.

Minimum balance requirements:

The minimum balance required to open this account is $5.00.

You must maintain a minimum average daily balance of $25.00 in your account to obtain the disclosed annual percentage yield.

Average daily balance computation method - Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the quarterly statement cycle.

Accrual of dividends on noncash deposits - Dividends will begin to accrue on the first business day after the banking day you place noncash items (for example, checks) to your account.

Additional limitations:

You may make an unlimited number of additions into your account.

During any statement period, you may not make more than six withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized or automatic transfer or telephonic order or instruction. No more than three of the six transfers may be made by check, draft, debit card (if applicable), or similar order to a third party. If you exceed the transfer limitations set forth above in any statement period, your account will be subject to closure by the credit union.

Par value of a share:

The par value of a share in this account is $5.00.

Fees and charges:

An excessive withdrawal fee of $5.00 will be charged for each withdrawal (excluding transfers and ATM withdrawals) in excess of three during a month.

CHRISTMAS CLUB ACCOUNT

Rate Information:

The dividend rate and annual percentage yield may change every quarter. We may change the dividend rate for your account as determined by the credit union board of directors.

Compounding and crediting - Dividends will be compounded every quarter. Dividends will be credited to your account every quarter.

Dividend period - For this account type, the dividend period is quarterly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above is March 31.

If you close your account before dividends are paid, you will not receive the accrued dividends.

Minimum balance requirements:

The minimum balance required to open this account is $5.00.

You must maintain a minimum average daily balance of $25.00 in your account to obtain the disclosed annual percentage yield.

Average daily balance computation method - Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the quarterly statement cycle.

Accrual of dividends on noncash deposits - Dividends will begin to accrue on the first business day after the banking day you place noncash items (for example, checks) to your account.

Additional limitations:

You may make an unlimited number of additions into your account.

During any statement period, you may not make any withdrawals or transfers to another account of yours or to a third party by means of a preauthorized, automatic, computer transfer, or telephonic order or instruction. No more than three of the six transfers may be made by check, draft, debit card (if applicable), or similar order to a third party. If you exceed the transfer limitations set forth above in any statement period, your account will be subject to closure by the credit union.

Par value of a share:

The par value of a share in this account is $5.00.

Fees and charges:

An early withdrawal fee of $5.00 will be charged for each withdrawal from this account before the end of the club term.

TERM SHARE CERTIFICATE

Rate Information - The dividend rate on your term share account is _____% with an annual percentage yield of _____%. You will be paid this rate until first maturity.

Compounding frequency - Dividends will be compounded every month.

Crediting frequency - Dividends will be credited to your account every month.

Dividend period - For this account type, the dividend period is monthly.

Minimum balance requirements:

The minimum balance required to open this account is $500.00.

Daily 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.

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Accrual of dividends on noncash deposits - Dividends will begin to accrue on the first business day after the banking day you place noncash items (for example, checks) to your account.

Transaction limitations:

After the account is opened, you may not make additions into the account until the maturity date stated on the account.

You may not make withdrawals of principal from your account before maturity.

You can only withdraw dividends credited in the term before maturity of that term without penalty. You can withdraw dividends anytime during the term of crediting after they are credited to your account.

Early withdrawal penalties (a penalty may be imposed for withdrawals before maturity) -

- If your account has an original maturity of one year or less:

  The penalty we may impose will equal three months dividends on the amount withdrawn subject to penalty.

In certain circumstances such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. Other exceptions may also apply, for example, if this is part of an IRA or other tax-deferred savings plan.

Withdrawal of dividends prior to maturity - The annual percentage yield is based on an assumption that dividends will remain in the account until maturity. A withdrawal will reduce earnings.

TERM SHARE CERTIFICATE

($10,000.00 and over)

Rate Information - The dividend rate on your term share account is _____% with an annual percentage yield of _____%. You will be paid this rate until first maturity.

Compounding frequency - Dividends will be compounded every month.

Crediting frequency - Dividends will be credited to your account every month.

Dividend period - For this account type, the dividend period is monthly.

Minimum balance requirements:

The minimum balance required to open this account is $10,000.00.

Daily 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 of dividends on noncash deposits - Dividends will begin to accrue on the first business day after the banking day you place noncash items (for example, checks) to your account.

Transaction limitations:

After the account is opened, you may not make additions into the account until the maturity date stated on the account.

You may not make withdrawals of principal from your account before maturity.

You can only withdraw dividends credited in the term before maturity of that term without penalty. You can withdraw dividends anytime during the term of crediting after they are credited to your account.

Time requirements - Your account has no definite maturity date. To withdraw all or any part of the funds without penalty, we must receive at least _____ written notice from you of your intention to make a withdrawal. The notice must specify the exact amount and date of the intended withdrawal. Dividends will no longer accrue after the withdrawal date specified in your notice on the amount specified in your notice. We may terminate this account by mailing a notice to you of our intention to terminate at least ten days before the termination date. The date of intended withdrawal of the last funds in the account, or the termination date, is considered to be the maturity date. If notice is not previously given, this account matures and is terminated 60 months after account opening.

Early withdrawal penalties (a penalty may be imposed for withdrawals before maturity) -

- If your account has an original maturity of one year or less:

  The penalty we may impose will equal three months dividends on the amount withdrawn subject to penalty.

In certain circumstances such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. Other exceptions may also apply, for example, if this is part of an IRA or other tax-deferred savings plan.

Withdrawal of dividends prior to maturity - The annual percentage yield is based on an assumption that dividends will remain in the account until maturity. A withdrawal will reduce earnings.

COMMON FEATURES

Bylaw requirements:

You must complete payment of one share(s) into your share savings account(s) as a condition of admission to membership. If the balance in your share savings account(s) falls below the par value of one share, and you do not increase the balance to at least that amount within 30 days of the reduction, you may be terminated from membership immediately.

If the balance in your share savings account is below $25.01 for 365 days, you will be considered an inactive member and a dormant account fee will be assessed. The account will be closed and you will be terminated from membership.

No member may withdraw shareholdings that are pledged as required on security on loans without the written approval of the board of directors or a loan officer, except to the extent that such shares exceed the member's total primary and contingent liability to the Credit Union. No member may withdraw any shareholdings below the amount of his or her primary or contingent liability to the Credit Union, if he/she is delinquent as a borrower, or if borrowers for whom he/she is comaker, endorser, or guarantor are delinquent, without the written approval of the board of directors or loan officer.

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

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