



## Direct Deposit Cash Reward Agreement

This Direct Deposit Reward Agreement (the “Reward Agreement”) supplements your Sidney Federal Credit Union Membership and Account Agreement (the “Member Agreement”) and confirms the terms and conditions of your participation in Sidney Federal Credit Union’s (“SFCU”) Direct Deposit Cash Reward program (the “Reward Program”). All of the terms of your Member Agreement, including but not limited to the Arbitration Provision (as set forth in the Member Agreement, to the extent the Arbitration Provision is applicable to your Account, as defined below), are incorporated herein by reference with the same force and effect as though fully set forth herein. In the event of any conflict or inconsistency between the terms of this Reward Agreement and the terms of the Member Agreement, the terms of the Member Agreement shall control.

### Section 1 – This Reward Program is Voluntary

You can opt out of this Reward Program at any time, and it will not affect any other terms and conditions of your relationship with SFCU. To opt out, you must notify us in writing of your intent to do so. Your notice of intent to opt out can be (i) a letter that is signed by you and delivered to an SFCU branch (by mail or in person), or (ii) an email sent by you that states “I elect to opt out of the Reward Agreement” or any words to that effect that is sent to [Loanservice@Sidneyfcu.org](mailto:Loanservice@Sidneyfcu.org). If you opt out of the Reward Program, you will not receive any further Reward Payments on any Qualified Loans (as defined below) you have with SFCU regardless of whether you subsequently enter into a loan after the effective date of such opt out that would otherwise be a Qualified Loan *unless* you (i) sign a new Reward Agreement before such Qualified Loan is consummated, and (ii) the Eligibility Requirements in Section 2 below are satisfied.

### Section 2 – Eligibility Requirements

You are not required to participate in the Reward Program. If you choose to participate in the Reward Program, you will receive a direct deposit reward into your Account (the “Reward Payment”) for every month you satisfy the following requirements (the “Eligibility Requirements”):

- A. You obtained an Eligible Loan from SFCU **at, or after**, the time you signed and delivered this Reward Agreement to SFCU or an authorized SFCU representative.
- B. An “Eligible Loan” is limited to: an auto loan (other than a Driving Sense loan); a recreational vehicle loan; any other non-mortgage secured loan; or an unsecured installment loan. Mortgage loans, HELOC loans, Kwik Kash Lines of Credit, Driving Sense loans, Home Improvement Loans and credit cards are **not** Eligible Loan for purposes of the Reward Program.
- C. Each Eligible Loan you obtain after you’ve executed this Reward Agreement and while you remain eligible to participate in the Reward Program is referred to as a “Qualified Loan” for purposes of this Reward Agreement. Eligible Loans you obtain from SFCU **before** participating in this Reward Program are **not** Qualified Loans and you will not receive any Reward Payment on any such pre-existing loan.
- D. The amount of the direct deposit to your designated SFCU account (the “Account”) each month must average at least five hundred dollars (\$500) as calculated over the preceding 100-day period.
- E. Each Qualified Loan and the Account must be under the same SFCU member account number.
- F. If your Account is a joint account, both accountholders have executed this Agreement.
- G. You [and the co-owner of your Account] remain in good standing. This means that you are a member of SFCU at the time: (i) the Reward Payment is calculated pursuant to Section 3 below; **and also** (ii) on the Reward Payment Date (as defined in Section 4 below) for such Reward Payment, and that all loans with SFCU, regardless of whether they are a Qualified Loan, are current.



**Section 3 – How the Amount of each Reward Payment is Determined**

The amount of each monthly Reward Payment will be determined by the amount of your total monthly direct deposit and the outstanding principal balance of your Qualified Loans. So long as you satisfy all of the conditions specified in Section 2, above, SFCU shall calculate the monthly Reward Payment using the following formula:

- When your average monthly direct deposit(s) over the preceding 100-day period is between \$500 and \$1,999.99, the Reward Payment shall be 0.25% per year, which translates into a **daily** reward factor of 0.00000684932 multiplied by the aggregate outstanding principal balance of all Qualified Loans as of the last day of the month (the “Calculation Date”);
- When your average monthly direct deposit(s) over the preceding 100-day period is between \$2,000 and \$3,499.99, the Reward Payment shall be 0.50% per year, which translates into a **daily** reward factor of 0.00001369863 multiplied by the aggregate outstanding principal balance of all Qualified Loans as of the related Calculation Date; and
- When your average monthly direct deposit(s) over the preceding 100-day period is \$3,500 or greater, the Reward Payment shall be 0.75% per year, which translates into a **daily** reward factor of 0.00002054795 multiplied by the aggregate outstanding principal balance of all Qualified Loans as of the related Calculation Date.

**An example of how each monthly Reward Payment is calculated follows.** If a member has one \$60,000 auto loan and a monthly direct deposit into the Account of \$3,500 or greater, the Reward Payment would be calculated based upon the 0.75% Reward Payment tier and the member would receive a monthly Reward Payment of \$36.99 for that month. This Reward Payment is determined by multiplying the applicable daily reward factor, which is 0.00002054795, times the current loan balance, which is \$60,000 in this example, times 30 days. The calculation in numbers is: 0.00002054795 x 60,000 x 30 = \$36.99.

**Please note** that the amount of your Reward Payment will decrease as the aggregate principal balance of your Qualified Loans decreases from month to month.

**Section 4 – When Each Reward Payment Shall Deposited into Your Account**

The Reward Payment will be paid on the last day of each month **following** the related Calculation Date (the “Reward Payment Date”). If a Qualified Loan is paid in full after a Calculation Date but prior to the related Reward Payment Date, you will not receive a Reward Payment for that Qualified Loan. Each Reward Payment shall be deposited into the Account on the related Reward Payment Date. Please refer to your tax professional for guidance on how this may affect your year-end income taxes. The amount paid to you annually will be reported on a federal IRS Form 1099 at calendar year end.

**Acknowledgment**

I understand I will receive a direct deposit reward and that I will only receive the Reward Payments in those months that I have satisfied all of the Eligibility Requirements. Furthermore, I understand this is not a reduction of the interest rate on my Qualified Loan(s) but rather a separate rewards program. I acknowledge that SFCU reserves the right to amend or discontinue this Reward Program at any time for any reason. If SFCU elects to amend or terminate the Reward Program, it will provide notice to me in accordance with applicable law.

- Opt-In – Yes, I would like to participate
- Opt-Out – I do not want to participate

X \_\_\_\_\_  
Applicant Date

X \_\_\_\_\_  
Applicant Date

X \_\_\_\_\_  
Applicant Date

X \_\_\_\_\_  
Applicant Date