

Primary Share Account \$5 Minimum Balance FAQ

In order to be considered a member in good standing, MCU members must maintain a minimum \$5.00 balance in their Primary Share account at all times. Beginning Wednesday, December 11, 2019, if a member does not have the minimum \$5.00 balance in their Primary Share account, MCU will transfer \$5.00 from any available balance in a member's other MCU accounts and place the \$5.00 into their Primary Share account.

1) Why was \$5.00 removed from my account?

In order to remain a member in good standing, MCU members must maintain a minimum \$5.00 balance in their Primary Share account. A recent review of your MCU account indicated that your Primary Share account did not contain the minimum \$5 balance. In this situation, MCU collects the \$5.00 from any available balances you may have in other MCU accounts. That is why the \$5.00 was transferred from your other MCU account into your Primary Share account.

2) Why wasn't I notified before you transferred the \$5.00 from my other MCU account to my Share account?

MCU notified current members by mail in July of this year that effective August 20, 2019, we would start collecting and transferring the \$5.00 from your other MCU accounts into your Primary Share account if your Primary Share account balance fell below \$5.00 and you did not deposit \$5.00 into your account. New members were also notified of this change beginning in June.

3) I didn't receive a letter from MCU about this change.

MCU mailed a "Change in Terms" notice to every member at the beginning of July that contained information about a number of modifications to the Account Agreement. Page 1, section 6 (i) of the Change in Terms notice describes the changes that affect the \$5 minimum account balance.

Also, the latest Account Agreement document dated 6/13/19 reflects this change. The information can be found on page 11. The Account Agreement can be viewed on [nymcu.org](https://www.nymcu.org/memberservice/disclosureagreements.aspx) in the Disclosures and Forms section under Disclosures and Agreements:
<https://www.nymcu.org/memberservice/disclosureagreements.aspx>

4) Will the \$5.00 transfer be taken out of my IRA, CD or Line of Credit?

No

5) What accounts will the \$5.00 be transferred from?

Club Accounts, Money Market, Checking. The \$5.00 will not be transferred out of one of those accounts if it will bring the balance in that account below the required minimum deposit for that account.

6) If I do not have the minimum \$5.00 balance in my Primary Share account will I be able to take advantage of other MCU services?

No. As long as you do not have the required \$5.00 minimum balance in your Primary Share account, you will not be able to take advantage of other MCU services like applying for a loan or signing up for eServices like Online Banking.

7) Why is my child's Smart Apple Savers or Future Investors Youth Account affected by the \$5 requirement?

When a Youth Account is opened, two accounts are created:

A) A **Primary Share account** in the name of the child. A Primary Share account establishes membership in Municipal Credit Union for the child. This account is required to have a minimum \$5.00 balance in it at all times in order to remain a member in good standing. If the Primary Share account does not have the required \$5.00 minimum balance in it, MCU will do a one-time transfer of \$5.00 from the Smart Apple Savers or Future Investors account to the Primary Share account to satisfy the requirement. **The email message that MCU sent out on Tuesday, 12/10/19 was referring to this situation.**

B) The **Smart Apple Savers or Future Investors account**. This is the actual Youth Savings account where any deposits are held. If the Primary Share account described in A above does not have the \$5.00 minimum balance, then a one-time \$5.00 transfer from this account to the Primary Share account will occur. **All other deposits in this account are not affected.**

8) How is this different from the aggregate \$500 minimum balance after 12 months requirement?

The \$5.00 minimum balance requirement is separate from the aggregate \$500 minimum balance after 12 months requirement in the following way:

The \$5.00 minimum balance is required to be maintained in your Primary Share account at all times in order to remain a member in good standing.

The aggregate \$500 minimum balance refers to the requirement that you must maintain a minimum total of \$500 on deposit in all your MCU accounts combined once you have been a member for 12 months.