



NIZARI PROGRESSIVE FEDERAL CREDIT UNION

COLLEGE SAVINGS ACCOUNT

DISCLOSURE FOR SPECIAL COLLEGE SAVINGS ACCOUNT

I, the undersigned hereby agree to the following terms and conditions for depositing savings in to my account as part of college savings plan introduced by Nizari Progressive Federal Credit Union.

1. That a maximum amount of \$ 6,000 per year per beneficiary can be deposited in this special college savings account for the beneficiary till he/she reaches the age of 18 years.
2. That this amount can only be withdrawn for the purpose of higher education including tuition, fees, books, equipment required for enrollment or certain room and board expenses of the beneficiary.
3. That this account will earn ½% dividend above the regular dividend on the share account with Nizari PFCU.
4. That the dividend rates are not fixed. The Board of Directors will declare dividend every three months.
5. That the dividend will be credited to this special account every three months.
6. That a penalty of 10% on all year to-date earnings will be imposed on non-qualified and early withdrawals.
7. That the beneficiary can be changed any time during the term of this special account.
8. That all the earnings from this account are subject to tax every year and that the member will get a 1099-INT each year.
9. That this special account will be controlled by the owner and not by the beneficiary.
10. That there is no income limits for contribution to this special savings account.

The beneficiary information is as under:

Name of Beneficiary: _____

Date of Birth: _____

Social Security Number: _____

Signature

Account Number

Name of Account Holder

Date