

# Strong Saver FAQ

cortland-banks.com/strongsaver

This FAQ is meant as a guide and does not substitute all rules for the Strong Saver Program. Please refer to the current promotion compliance text (on the reverse side of this document) for complete program detail.



## Q. Who can qualify for the Strong Saver Rewards Program?

A. The rewards program is for individuals who are 0-18, as this is a youth savings program – which promotes financial literacy and strength in savings. The program requires, at minimum a Strong Savers Passbook. With a Strong Saver Passbook and Strong Saver Certificate of Deposit your child can receive even more rewards.

## Q. Who can open a Strong Saver Passbook Account?

A. Individuals who are 0-18, who open an UTMA (Ohio Uniform Transfer to Minors Account) or Joint with Adult Account.

## Q. How much is required to open a Strong Saver Passbook Account?

A. All Passbook Savings Accounts require a \$50 minimum deposit to open the account.

## Q. What if I already have a Passbook Savings Account? Do I need to close it?

A. Not at all, we can convert your existing Passbook Account number to a Strong Saver Passbook upon request.

## Q. How do I receive the \$10 Account Opening/Conversion Reward?

A1. If you are opening a new Strong Saver Passbook with the \$50 minimum deposit required at account opening, the \$10 reward will be deposited within 15 business days of the account opening. After initial rewards the funds that were rewarded must remain on deposit to receive additional rewards on future deposits.

A2. If you are converting from an existing passbook, you will need to deposit \$50 of new money into your Strong Saver Passbook to receive the reward deposited within 15 business days from account conversion. After initial rewards, the funds that were rewarded must remain on deposit to receive additional rewards on future deposits.

## Q. Can I receive more rewards with the Strong Saver Passbook besides the \$10 opening/conversion reward?

A. Yes, by setting up an Automatic Funds Transfer (AFT) from a Cortland Banks checking account to the Strong Saver Passbook, the child can receive a one-time \$10 deposit for an AFT. The reoccurring AFT must at minimum be for \$10 and reoccur monthly. The child will earn the reward for this diligent savings effort after six months of consistent AFTs.

## Q. Can I set up more than one AFT to my child's account?

A. Yes and the child would earn a one-time \$10 deposit to their account for each AFT set-up from a Cortland Banks checking account after six consecutive months.

Rewards will only be issued one-time per primary Customer Identification Number (CIF). At any given time you cannot receive more than one AFT per primary Customer Identification Number. You may set up one AFT to each minor's account. Limit one AFT per minor's CIF. Opening multiple checking accounts for AFT rewards will not result in additional AFT rewards. Please refer to compliance text for full details

For example, a parent may set up an AFT from their checking, and a grandparent, at a later date, may set up an AFT from their checking account. The child would receive a one-time deposit for \$10 for their parents' AFT and if this rewarded AFT remains active, the new AFT will be rewarded for \$10 into the Strong Saver Passbook Account. If the rewarded AFT is stopped prior to the new AFT being created, the new AFT will not be rewarded. The new AFT will only be rewarded if the number of AFTs set up for the account that have been rewarded remain active. Accounts cannot be un-enrolled and re-enrolled to receive additional rewards, and they must be enrolled at the new accounts desk.

## Q. How can my child receive even more rewards?

A. Your child can receive even more rewards by opening up a Strong Saver Certificate of Deposit using his or her Strong Saver Passbook's funds. By using only the Strong Saver Passbook funds, the child can become eligible for the reward tiers set up for the Strong Saver CD opening amounts. After initial rewards the funds that were rewarded must remain on deposit to receive additional rewards on future deposits.

## Q. Who can open a Strong Saver Certificate of Deposit?

A. Anyone.

## Q. Who can receive Strong Saver CD rewards?

A. Only individuals 0-18, who fund the CD from their Strong Saver Passbook Account.

## Q. What are the CD Deposit Rewards available?

A. The rewards work out to a 1 percent return on the starting amount of that child's reward tier. Please refer to full compliance document, rewards are subject to change.

### New CD Rewards:

**A \$5 deposit** will be issued for a \$500-\$999 Strong Saver CD funded by the Strong Saver Passbook.

**A \$10 deposit** will be issued for a \$1000-\$1499 Strong Saver CD funded by the Strong Saver Passbook.

**A \$15 deposit** will be issued for a \$1500-\$1999

Strong Saver CD funded by the Strong Saver Passbook.

**A \$20 deposit** will be issued for a \$2000 or larger

Strong Saver CD funded by the Strong Saver Passbook.

## Q. What if there is a better rate on another CD? Can my child still receive the rewards?

A. Yes, they need to solely fund that CD (a 12 Month Term CD or longer) with the Strong Saver Passbook and request the rewards at the time of account opening. The minimum balance requirement for all other CDs is the standard \$1,000 (not \$500).

## Q. Is there a maximum amount of rewards and when would my child receive them?

A. Yes, a maximum of \$100 per year. Account opening rewards will be issued within 15 business days of opening; with AFT rewards earned after six consecutive months of AFTs; and CD rewards earned at maturity, subject to review. Should the child be approaching their reward maximum for the year, the reward will be maxed out at \$100. For example, if the child has earned \$95 in rewards and has met the \$10 reward tier, they will receive \$5 deposited into their CD, which will max them out at the \$100 a year limit.

## Q. Any other info. about rewards that I should know?

A. All rewards are subject to change and will be considered interest and reported on IRS Form 1099-INT. Reward offers can be withdrawn at any time and are subject to review. Reward dates may vary. CD interest for Strong Saver Program CDs must compound and remain on deposit. Early CD withdrawal penalties apply. Should the child close the CD prior to the maturity date, the reward will not be earned.

## Q. What are my next steps for Strong Saving?

A. As your funds accumulate you can always look into an Educational IRA or a 529 Savings Plan to save for the future.

### Savings Reward Scenario:

A child opens a Strong Saver Passbook Savings account with the required \$50 new account opening deposit to receive their first reward of \$10. That \$10 is then rewarded to the child. Over time, during that same year, without making any withdrawals, the child saves enough money to transfer \$500 from their Strong Saver account to a Strong Saver Certificate of Deposit to receive a \$5 reward.



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### Strong Saver Rewards Program

#### Reward Type: ST Passbook

The Strong Saver Rewards Program is open to all children ages 0 to 18. To qualify, a Strong Savers Passbook "ST Passbook" must be opened as an UTMA\* or Joint Account - with a minimum deposit of \$50. Existing passbook account holders may convert their existing account number with a minimum new money deposit of \$50. This is an interest bearing savings account, and the rates are subject to change. Current rates are available at each office and at [www.cortland-banks.com](http://www.cortland-banks.com). Pre-authorized, automatic and telephone transfers are restricted to six per month. Withdrawals or transfers made in person, by mail or ATM are not restricted. The \$10 opening reward will be issued to the account within 15 business days of opening (or converting to) the ST Passbook. Reoccurring six consecutive monthly Automatic Funds Transfer (AFT) of \$10 or more from Cortland Banks checking account(s) to a ST Passbook will result in a one-time \$10 reward to the child's account for each AFT set up at the new accounts desk (NetTeller transfers excluded) earned after six months of AFTs. Limit one AFT item per primary Customer Identification Number (CIF) to the receiving minor's CIF for AFT reward eligibility. The transferring account can only have one AFT transfer to each minor's account. There is no limit on the number of AFT accounts tied to the ST Passbook. Un-enrolling and re-enrolling the AFT account will not result in additional \$10 rewards.

The current Annual Percentage Yield (APY) for this account is 0.02% with an interest rate of 0.02%. This rate is accurate as of 12/15/14. This is a variable rate and may change after the account is opened. Ask for current rate.

#### Reward Type: ST CD

Additional rewards can be earned at maturity when opening a Strong Saver Certificate of Deposit "ST CD" using only ST Passbook funds. The minimum to open this one-year CD is \$500. Early withdrawal penalties apply, and rewards will not be earned for that certificate. Certificates issued for one year or more will qualify for this program upon request at CD opening. CD interest must compound and remain on deposit. Rewards will be issued as a deposit into the child's ST Certificate.

For a one-year CD, the current Annual Percentage Yield (APY) is 0.20% with an interest rate of 0.20%. This rate is accurate as of 12/15/14. This rate is subject to change. Ask for current rate. This rate will be paid until the specified maturity date. Interest will be compounded quarterly. Interest will be credited quarterly and added back to the certificate. At maturity, the CD will automatically renew for the same term as the initial term and will earn the APY in effect at the time of maturity. Early withdrawal penalties apply as detailed in the deposit account agreement.

#### Reward Timing

All rewards count toward the maximum \$100 rewards per year per CIF and are subject to review before disbursement. Account opening rewards will be issued within 15 business days of opening; with AFT rewards earned after six consecutive months of AFTs; and CD rewards earned at maturity. Rewards are considered interest and will be reported on IRS Form 1099-INT. Reward offers may be withdrawn at any time. Reward values and tiers are subject to change. Reward deposit dates may vary.

\*UTMA - Ohio Uniform Transfer to Minors Account is an irrevocable gift.

**New CD Balance Tier rewards:** A \$5 deposit will be issued for a \$500-\$999 Strong Saver CD funded by the Strong Saver Passbook. A \$10 deposit will be issued for a \$1000-\$1499 Strong Saver CD funded by the Strong Saver Passbook. A \$15 deposit will be issued for a \$1500-\$1999 Strong Saver CD funded by the Strong Saver Passbook. A \$20 deposit will be issued for a \$2000 or larger Strong Saver CD funded by the Strong Saver Passbook.

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