H-E-B FEDERAL CREDIT UNION

ACCOUNT AGREEMENT ELECTRONIC FUND TRANSFERS AGREEMENT AND FUNDS AVAILABILITY POLICY

ACCOUNT AGREEMENT

In this Agreement, the words "you," "your," and "party" mean any and all persons or entities who sign a Membership Application and Account Authorization or any other application (individually and collectively, the "Application") in connection with the opening of any Account with H-E-B Federal Credit Union, any such person or entity who maintains an Account with us, any Joint Owner, and any other person or entity authorized to use or having access to any such Account. "Owner" means any party who is listed on the Application as the Member or a Joint Owner of the Account. "Primary Member" means the Member Owner under whose membership number and Taxpayer Identification Number the Account is opened. The words "we," "us," "our," and "Credit Union" mean H-E-B Federal Credit Union.

In this Agreement and in the Truth-in-Savings Account Disclosures and Rate and Fee Schedules, the term "Savings Account" is used to describe your Share Accounts with us, and the term "Checking Account" is used to describe your Share Draft Accounts with us.

You authorize us to establish one or more Accounts for you and on behalf of any other persons designated in your Application, including but not limited to any Savings Account, Checking Account, Money Market Account, or Term Share Certificate Account. By opening or using any Account with us, you agree to be bound by the terms of this Agreement whether you are acting in your individual capacity, in a fiduciary capacity, or in your capacity as an officer, agent, or representative of any business entity or association with regard to any such Account. You also acknowledge receipt of and agree to be bound by our Truth-In-Savings Account Disclosures and Rate and Fee Schedules, as amended from time to time, and to conform to our rules, regulations, bylaws, and policies now in effect and as amended or adopted hereafter. In case of any conflict between the terms of this Account Agreement and the Truth-In-Savings Account Disclosures and Rate and Fee Schedules are incorporated into this Agreement. This Agreement is incorporated into and made a part of any application or other document which you execute in connection with the opening or use of any Account. This Agreement supersedes any other Account Agreement you may have with us and, in the event of any conflict between the provisions of this Agreement and any other such Agreement, the terms and conditions set forth in this Agreement will control.

TRUTH-IN-SAVINGS DISCLOSURES

Truth-In-Savings Disclosures that apply to each of your Accounts, including the dividend rate and the annual percentage yield on your Accounts, are set forth in the Truth-In-Savings Account Disclosures and Rate and Fee Schedules which accompany this Account Agreement.

ACCOUNT OWNERSHIP

1. Single Party Account. Under this type of Account ownership, the sole party to the Account owns the Account. If you open a single party Account, upon your death, and without a Payable on Death (P.O.D.) designation, ownership of the Account passes as part of your estate under your Will or by intestacy.

2. Joint or Multiple Party Account with Right of Survivorship. If an Account is opened by two or more Owners, or if one or more Owners are added to a single party Account, the Account will be a Joint or Multiple Party Account with Right of Survivorship. The Owners of the Account own the Account in proportion to the Owners' net contributions to the Account. All funds deposited into that Account, including any earnings thereon, shall be owned by the Owners jointly with right of survivorship. A survivorship designation may be ineffective unless the Application is signed by all of the Account Owners.

On the death of an Owner to such Account, all sums in the Account on the date of the death vest in and belong to the surviving Owner(s) as their separate property and estate, subject to any lien we have for the deceased Owner's obligations to us, regardless of whether any surviving Owners have consented to such lien. Payment to any party shall be valid and discharge the Credit Union from any and all liability for such payments. The Credit Union may accept instructions from any party or act at the request of any party with regard to any such Account without the joinder of any other party and regardless of whether any other party is incapacitated or deceased. Each party authorizes the other parties to act on his or her behalf with respect to the Account and to indorse any instrument payable to him or her for deposit to any such Account. Without the consent or joinder of any other party and without regard to the interest in the Account of any other party, any party to the Account may (i) make deposits to or withdraw funds from the Account, (ii) place stop payment orders with respect to any items drawn on the Account by any party to the Account, (iii) if the party is an Owner, pledge all of the shares or deposits in an Account to secure any indebtedness owing to us, or (iv) if the party is an Owner, designate an Account to provide overdraft protection for any other Account. In the event that any Account may be accessed by means of an Electronic Fund Transfer, including the use of an ATM or debit card issued in connection with the Account or any computer access program, each party grants to every other party actual authority to initiate any such transfer, to use any such ATM or debit card issued, or to use any Personal Identification Number issued in connection with any such computer access program. The Credit Union makes no representation concerning the legal consequences or the effect of survivorship rights, including any consequences arising out of the community property laws of any state, and you agree to hold us harmless from any loss or liability in connection with any survivorship designation. You understand that you should consult applicable law or your attorney if you have any question regarding the validity, effectiveness, or fitness of a survivorship designation for any purpose.

An Owner opening a Joint or Multiple Party Account with Right of Survivorship may, without notice to any other party of such Account, and upon written notice to the Credit Union in such form as the Credit Union may require, remove any other party from any such Account, change the form of the Account, or stop or vary payment under the terms of the Account, except that a Joint Owner may not remove the Primary Member from an Account. Any such action by an Owner will terminate any interest and authority that the removed party may have in such Account. The above notwithstanding, the Credit Union, at its option, may require that an Account be closed and a new Account opened in lieu of permitting an Owner to add or remove any other party or beneficiary or the Credit Union may require the joinder and consent of any other Owner prior to acting upon any written notification or instruction to add or remove another party or beneficiary from an Account.

3. Payable on Death (P.O.D.) Account. A P.O.D. Account is an Account payable on request to one or more persons during their lifetimes and upon the death of the last of the Owners, payable to one or more P.O.D. beneficiaries named in the Account Application or any Signature Card executed in connection with the Account. The Owners agree that the persons named as P.O.D. beneficiaries in the Application, whether one or more, are designated as P.O.D. beneficiaries. During the Owners' lifetime, all funds paid into or deposited into the Account designated, including any earnings thereon, shall be owned by the Owners, and payment may be made upon any Owner's request, or the request of any other party to the Account. Upon the last Owner's death (the death of the last Owner to survive), each P.O.D. payee agrees that, subject to applicable law, all such funds shall be owned by the P.O.D. payees surviving with right of survivorship. At our option, payment may be made at the request of any named P.O.D. beneficiary then living, and any payment made upon the request of any surviving P.O.D. beneficiary discharges us from any and all liability to that P.O.D. beneficiary and any remaining P.O.D. beneficiaries or their heirs, executors, and personal representatives. You, your heirs, executors, and personal representatives, agree to defend, indemnify, and hold the Credit Union harmless from any claim asserted by any person or estate as a result of the payment of funds deposited in the Account designated. You understand and agree that a P.O.D. designation shall be ineffective with respect to any Account maintained as an Individual Retirement Account. You

understand and agree, further, that a P.O.D. designation may be ineffective unless signed by all original Owners to the Account. We make no representation concerning the legal consequences or effect of any P.O.D. designation, and you understand that you should consult with your attorney if you have any question regarding the validity, effectiveness, or fitness of any such P.O.D. designation for any purpose.

4. Convenience Signer Account. A Single Party Account or a Joint or Multiple Party Account with Right of Survivorship Account may be established in the name of one or more Owners and designate one or more "convenience signers" for the Account. Sums on deposit in the Account may be paid or delivered to the Account parties for the convenience of the Owners. The convenience signers do not own the Account and do not have a right of survivorship. The convenience signers are not Payable on Death beneficiaries of the Account unless so designated by the Account Owners and will lose access to the Account after we receive written notice of the death of the last surviving Owner. You will not hold us liable for making a payment from the Account before receiving notice in writing signed by an Owner or any other authorized person not to make payment in accordance with the terms of the Account. We will not be liable for paying any funds on deposit to a convenience signer after the last surviving Owner's death and before we have received written notice of the Owner's estate and later receive a court order prohibiting payment, we will not be held liable, to the extent of the payment, to any person claiming a right to the funds.

5. Accounts for Trusts. At our option, we may issue shares or receive deposits in a revocable or irrevocable trust subject to such membership requirements as we may impose from time to time in keeping with applicable law. If you request that we open an Account in the name of a trust, you agree that we are authorized to release the funds in any such Account upon the signature of any Trustee. You agree that if we make payment to any Trustee or Successor Trustee, or at the direction of any one of the Trustees or Successor Trustees named, that payment shall be valid and shall discharge us from any liability for the sums paid. Any Trustee authorized to sign on any such Account shall be subject to the terms and conditions set forth in this Account Agreement and any other agreement governing any such Account beyond our obligations set forth in this Agreement, and that we shall serve solely as a depository for the trust funds. You and any Trustee agree to save, indemnify, defend, and hold us harmless from any claim, demand, suit, or other charge by any person arising out of or resulting from the establishment, maintenance, and transaction of any business related to the trust and any Account established for the trust.

6. Corporation, Partnership and Organizational Accounts. At our option, we may issue shares and accept deposits in the name of corporations, partnerships or other organizations upon such terms and conditions, and upon such membership requirements as we may establish from time to time. In the event that the Credit Union permits the opening of such an Account, and if you establish a corporate, partnership, or organizational Account, you agree to provide us with such documentation as we may require. You agree that we may rely upon the signature of any person authorized to transact business on behalf of any such corporation, partnership, or organization and that any such authorization shall continue in effect until we receive and give written acknowledgment of the receipt of written revocation thereof. The Credit Union shall not be liable for any loss occasioned by the fraud, negligence or misapplication of funds on the part of any officer, director, employee, or agent of any such corporation, partnership or organization. Please refer to the Illegal Transactions section below concerning unlawful Internet gambling transactions.

7. Minor Accounts. We may open a Savings Account for a minor, receive payment or pay withdrawals on the Account by or for a minor, and act in any other matter on the order of the minor without regard to the minor's capacity, and we are discharged from liability to the extent of any such actions. We reserve the right to require that a minor Account be jointly owned by an adult. Unless a parent or guardian is a Joint Owner on a minor Account, the parent or guardian shall have no rights to access or obtain information about the Account. Even if a parent, guardian, or another adult is a Joint Owner on a minor Account, the minor has

the right at any time to withdraw the Account funds and close the Account. Minors under the age of 18 may not open a Checking Account individually or jointly with another person.

8. Uniform Transfers to Minors Accounts. If you have indicated on your Membership Application, Account Authorization, or Signature Card that an Account is established under the Texas Uniform Transfer to Minors Act (TUTMA), the party signing any such Application, Authorization or Signature Card shall be a custodian, and the Accounts will be established by such custodian under the Texas Uniform Transfers to Minors Act for the benefit of the minor named. A TUTMA Account is owned by the minor, and amounts deposited into the Account constitute an irrevocable gift to that minor. The custodian named is the sole party entitled to access the Account for the minor's benefit. The Credit Union has no duty to (i) determine if the person designated or acting as custodian has been duly designated, (ii) determine if an act of the custodian is in accordance with or authorized by the Texas Uniform Transfers to Minors Act, (iii) question the validity or propriety of any instrument or any instructions executed or given by a person acting as a donor or custodian, or (iv) oversee the application by a custodian of money or other property paid or delivered to the custodian.

9. Accounts for Guardianships and Estates. At our option, we may issue shares and accept deposits in the name of (i) a ward on whose behalf a Guardianship has been established under applicable law, or (ii) the estate of a deceased member being administered under applicable law. Any guardian or estate representative (whether executor, administrator or otherwise) authorized to sign on any such Account shall be subject to the terms and conditions set forth in this Agreement and any other agreement governing any such Account. You agree that we will have no fiduciary responsibility or obligation in connection with any such Account beyond our obligations otherwise set forth in this Agreement or other applicable agreement, and you agree that we will not be liable for any loss occasioned by the fraud, negligence, or misapplication of funds by the guardian or estate representative. If we are presented with Letters of Guardianship, Letters Testamentary, or Letters of Administration valid on their face, you agree that we will have no further duty to (i) determine if the person appointed guardian or estate representative has qualified or continues to be qualified as guardian or as estate representative, (ii) determine if an act of the guardian or estate representative is in accordance with or authorized by the Texas Estates Code or other applicable law, (iii) question the validity or propriety of any instrument or any instructions executed or given by a person acting as a guardian or estate representative, or (iv) oversee the administration by a guardian or estate representative of money or other property paid or delivered to him or her. You agree that we may rely upon Letters of Guardianship, Letters Testamentary, or Letters of Administration that are valid upon presentment, that we may continue to rely upon the same without inquiring into their expiration or renewal, and that we may assume their renewal unless notified in writing to the contrary. Further, you agree that we will have no obligation to recognize or honor any such Letters that we know to have expired without renewal pursuant to the provisions of the Texas Estates Code or other applicable law. If we receive notice of expiration without renewal, we will have no obligation to honor any check that is presented for payment or to honor any requests for withdrawal of funds from the Account of a ward or an estate until we receive renewed Letters or another order issuing out of a Court of competent jurisdiction.

10. Social Security Representative Payee and VA Fiduciary Accounts. At our option, we may issue shares and accept deposits in Accounts established in a member's name and for the member's benefit by an individual appointed as a Social Security Representative Payee or a Veterans Administration Fiduciary. Funds in a Representative Payee or VA Fiduciary Account are owned by the member beneficiary. Only the Representative Payee or VA Fiduciary, however, shall have direct access to the funds on deposit. If an Account is opened, you (whether as beneficiary or as Representative Payee or VA Fiduciary) agree that we may accept deposits including direct deposits from the Social Security Administration or Veterans Administration, that we may permit withdrawals from the Account by the Representative Payee or VA Fiduciary through such means as we may prescribe from time to time, and that we may restrict access to the Account by the beneficiary. You agree that the Representative Payee or VA Fiduciary alone will be responsible for compliance with the rules of the Social Security Administration or the Veterans Administration governing such Accounts. You agree that if we make payment to or at the direction of a Representative Payee or VA Fiduciary, any such payment shall be valid and shall discharge us from any liability for the sums paid. You agree that we may rely upon any appointment of a Representative Payee or VA Fiduciary that is valid on its face, that we will have no fiduciary responsibility or obligation in connection with any such Account beyond our obligations set forth in this Agreement, and that we will have no duty to oversee the application by a Representative Payee or VA Fiduciary of any funds withdrawn from the Account. You agree that, if any deposit to an Account is subsequently reversed, whether by the Social Security Administration, the Veterans Administration, or otherwise, we may transfer funds in other Accounts held by the beneficiary or the Representative Payee or VA Fiduciary in order to cure any overdraft that may occur as a result of such reversal. You agree to save, indemnify, defend, and hold us harmless from any claim, demand, suit, or other charge by any person or entity arising out of or resulting from the establishment, maintenance, and transaction of any business related to a Social Security Representative Payee or Veterans Administration Fiduciary Account or any other Account designated for the receipt of government benefits.

CHECKS AND WITHDRAWALS

1. Payment Authorization. You authorize us to pay checks signed by you and charge the payments against the applicable Account. Only checks or other methods approved by us may be used to withdraw funds from your Account. You agree that it will be your responsibility to verify the accuracy of information appearing on any checks, deposit slips, or other forms, and you agree that we will not be liable for any printing errors All checks, withdrawal forms, deposit slips and transfer instructions used in on any such forms. connection with any Account must be on forms which we provide or otherwise expressly approve in writing. You agree to complete checks using a non-gel, black or dark blue ink that will transfer well during any imaging of the check. We will not be liable, and you agree to indemnify us and hold us harmless, if you fail to follow the requirements in this paragraph. If a non-member requests to cash a check drawn on your Account, we may require the non-member to present acceptable identification and, at our option, place a fingerprint on the check. If the non-member refuses to comply with our requirements, we may refuse to accept the check, and you agree that we will not be liable for wrongful dishonor. In the event that the applicable Account has a sufficient Available Balance (as defined in the Overdrafts and Overdraft Protection section below) to cover one or more but not all of the checks or other withdrawal orders presented during any given business day, we may honor those items and allow those withdrawals in any order that we may choose in our sole discretion, including processing withdrawal orders or checks payable to the Credit Union first and dishonoring or refusing any item or withdrawal order for which there is an insufficient Available Balance thereafter. Subject to applicable law, we may process all checks and all other transactions in any order we choose, and we may change the order in which we process checks and other transactions at any time. To avoid fees, you should take care to ensure that your Account at all times contains a sufficient Available Balance to pay each of your transactions. In making distributions upon the death or disability of any Owner, you agree that we may rely upon the form of the Account at the time of any such death or disability.

2. Stale Items. We may pay a check of yours without regard to its date, and you agree that we will have no liability for doing so. We are under no obligation, however, to pay a check which is presented for payment more than six months from its date. In the event that a check drawn on your Account is payable, by its terms, within a stated period of time, we are under no obligation to pay that check if it is presented after the expiration of that time period.

3. Overdrafts and Overdraft Protection.

a. What is an Overdraft? An overdraft occurs when a check, electronic Automated Clearing House (ACH),

ATM or debit card, or other payment or transaction you have made is presented to the Credit Union for settlement, but the Available Balance in your checking, money market or other payment Account (collectively, "Checking Account") is not sufficient to pay the transaction. In such a case, the payment would normally be returned to the payee or denied for insufficient funds, and you may be charged a non-sufficient funds (NSF) fee for each submission and resubmission of the item. With our overdraft protection services, however, the transaction can be paid using available funds from another share or loan account of yours or, if you have qualified, with our discretionary Courtesy Pay service. You may incur fees for using the overdraft protection services, so you should always take care to avoid creating any overdraft. The following terms explain how our overdraft protection services work.

b. Overdraft Protection Services. We offer two levels of overdraft protection. The first level is called Overdraft Transfers. This service transfers available funds from your designated savings or line of credit account to pay a transaction when your Checking Account does not have a sufficient Available Balance. We determine whether a sufficient Available Balance is available when the transaction is presented to us for settlement. We will charge an Overdraft Transfer fee as set forth in the Fee Schedule for this service. To use this service, you must enroll and designate the priority of your Overdraft Transfer sources on the Application or other form we have designated. The second level of overdraft protection is called Courtesy Pay. This service is automatically extended to qualifying members. Courtesy Pay is provided pursuant to our Discretionary Courtesy Pay Policy as a non-contractual courtesy. It is not a line of credit and it is never guaranteed, even if we have paid transactions for you in the past. However, in the event you write a check or initiate an ACH, online bill payment, or recurring debit card transaction and a sufficient Available Balance is not available in your Checking Account to pay the transaction, and if there are no other sources of overdraft protection available, we will strive to pay your reasonable overdrafts up to your limit if your Account is in good standing and you continue to meet eligibility requirements. You agree that we may rely on a merchant's coding of a debit card transaction to determine whether the transaction is a recurring or a one-time transaction. The amount of Courtesy Pay privilege approved for your Checking Account may vary and is subject to change at any time based on certain membership factors such as age of the Account, deposit activity and history, and overdraft activity and history, including repayment history. If you no longer wish to participate in an overdraft protection service, you may opt-out of any level at any time by calling or writing to us. Please refer to our Discretionary Courtesy Pay Policy for eligibility requirements and additional information about the Courtesy Pay service.

c. Actual and Available Balances. In order to accurately manage your Checking or other payment Account and avoid overdrafts and resulting fees, it is important to understand that your Account has two kinds of balances: the "Actual Balance" and the "Available Balance." Funds used to pay transactions may be limited based on the Available Balance. We use the Available Balance to determine if your Account will be overdrawn. You can check the amount of your Actual Balance and your Available Balance when you review your Account online, at most ATMs, by calling us, or at a Credit Union or shared branch office. You must be enrolled in our electronic fund transfer services in order to check your balance through those systems.

The Actual Balance of your Account is the actual amount of money that is in your Account at any given time. The Actual Balance reflects transactions that have been posted to your Account. It does not reflect transactions that have been performed but are pending being posted to your Account. For example, if you have \$50 in your Account and you write a check for \$40, then your Actual Balance remains at \$50 until the check is posted to the Account. The Actual Balance does not reflect the pending check while it is in transit to be settled with us. The Actual Balance also does not reflect other items that have not yet been posted to your Account, such as a

remotely deposited check that has been submitted for deposit and is under review for acceptance.

The Available Balance is that part of the Actual Balance that is available for you to use without incurring Overdraft Transfer or NSF fees. The Available Balance takes into account holds placed on Account funds such as check deposit holds under our Funds Availability Policy, holds for pending debit card transactions that have been preauthorized but not yet posted, and legal holds. For example, if you have \$50 in your Account and you use your debit card at a restaurant for \$20, then the restaurant may ask us to preauthorize the payment. When that happens, we will place a hold on your Account for \$20 and your Available Balance will be \$30, even though your Actual Balance will remain at \$50 until the transaction posts or the hold is released. Funds subject to a hold are not available to pay checks, debit card, online bill payments, ACH, and other transactions. Please refer to the Electronic Fund Transfers Agreement and Disclosures for more information about debit card preauthorization holds. You should also keep in mind that the Available Balance may not always reflect all outstanding pending payments such as checks that you have written that are in transit. Additionally, the Available Balance may not always reflect outstanding debit card transactions. For example, if a merchant obtains a preauthorization hold but does not submit a one-time debit card transaction for payment within five business days of the preauthorization, we must release the hold. In such a case, the Available Balance will not reflect the outstanding transaction until we receive it and post it to the Account. Because of these circumstances, you must carefully track of all of your transactions to ensure you have a sufficient Available Balance in your Checking or other payment Account when the transactions are presented to us. Failure to do so may cause you to incur overdraft and NSF fees.

d. Payment Order of Transactions. The order in which we process checks and other withdrawal orders (collectively, "items") may also affect the total amount of overdraft and other fees that may be charged to your Account. Items may not be processed in the order made. While we may choose to process items in any order we choose, subject to applicable law, our general policy is to pay items as we receive them. We typically receive items to be processed against your Accounts multiple times per day in what are referred to as presentment files. Each presentment file received contains a large amount of a specific type of item (for example, checks, ACH, or ATM/Point of Sale (POS)). These presentment files may contain multiple items to be processed against your Account. In those cases where multiple items are received at the same time, the items will generally be paid as follows, subject to our reservation of right to pay checks and other withdrawal orders payable to the Credit Union first, as set forth in the Payment Authorization section of this Agreement: Checks are paid in order of the dollar amount, from lowest to highest. We will post credits from ACH files first, then debits by dollar amount, from lowest to highest. ATM/POS items are paid in the order they are presented. Transactions performed in person, such as withdrawals or checks cashed at our branch offices, are generally paid when they are performed. Our payment policy may cause your larger items not to be paid first (such as your rent or mortgage payment), but this payment order may reduce the amount of overdraft and other fees you have to pay if you do not have a sufficient Available Balance to pay all of your items. Please refer to the Payment Authorization section for additional terms for the payment order of items.

e. General. You agree to maintain a sufficient Available Balance in your Checking Account at all times to pay any withdrawal order (whether oral, written, or otherwise) or item presented for payment. Subject to any Overdraft Transfer arrangements you have made with us, we are under no obligation to pay any order or item (i) the amount of which exceeds the Available Balance in the Account upon which the order was made or the item was drawn, or (ii) that would exceed limitations imposed upon the applicable Account under our policies and procedures or under applicable law. In the event that we do pay any such order or item, we will not waive our right to dishonor any subsequent orders or items presented. If we do pay an order or item, the amount of which exceeds the Available Balance in the Account upon which it is drawn, or if any item deposited to your Account is subsequently returned and charged back to your Account creating an overdraft, you agree to pay us immediately the amount by which that Account is overdrawn together with any fees that we might assess. You also authorize us to deduct any overdraft from your next deposit (including a direct deposit of social security or other government benefits), to withhold or to transfer funds from any other account to which you are a party in amounts sufficient to cover any overdraft and resulting overdraft fees, or to use any other collection remedy available to us by law.

In the event that you write a check or take any other action that would result in an Account becoming overdrawn, and if you have requested and been approved for an Overdraft Transfers service, such check or action taken shall be deemed to be a request by you to us to transfer available funds from your designated Account (subject to transaction limitations) or to make an advance under your line of credit account with us, in increments that we deem sufficient to pay such check or item or otherwise remedy the overdraft, together with any service charge we may impose. We will use our best efforts to transfer funds from your designated Account to your Checking Account, or to make an advance under your line of credit account with us, in the manner in which you have directed in your Application. A fee may be charged for an Overdraft Transfer as set forth in the Fee Schedule. If sufficient funds are not available, then any such item presented may be returned to the payee due to insufficient funds and a charge will be made to your Account in such amounts as we may establish from time to time. In the event an item is presented for payment and the Available Balance is not sufficient to pay the item, we may consider paying the item under our discretionary Courtesy Pay Policy, subject to your eligibility and the NSF Fee as set forth in the Fee Schedule. In some cases, such as a preauthorized debit card transaction we have committed to pay at the time of purchase, we may be required to pay the transaction if the Available Balance is not sufficient at the time of presentment, even if you are not eligible for or have not opted into Overdraft Transfers, but in such a case we will not charge an NSF or Overdraft Transfer Fee unless permitted by law. Each party to any of your Accounts will be jointly and severally liable for overdrafts caused by any other party to the Account. In the event the Credit Union reasonably believes that the use of your Account(s) is abusive due to excessive checks or transactions presented on insufficient funds, excessive activity, or otherwise, we may limit or terminate certain services or your Account may be closed.

4. Signatures. You authorize us to recognize any of the signatures set forth on the Application in the payment of funds or the transaction of any business for your Accounts. You authorize us to pay a check presented for payment even though the signature or signatures thereon do not correspond exactly with the signatures on the Application. We are not obligated to honor a check unless the signature or signatures, signatures imprinted by mechanical devices, or any other method of authentication, including orders to pay that are received electronically or telephonically. You agree to indemnify and hold us harmless from any losses resulting from our honoring an item which bears or purports to bear a facsimile signature resembling a facsimile signature on file with us, regardless by whom or by what means the actual or purported signature was affixed to the item.

5. Postdated, Incomplete and Conditional Items. You agree to hold us harmless from any and all loss and liability which we may incur due to our inadvertent payment of incomplete or postdated items, items indorsed "without recourse," or conditional items. You agree that we will not have any duty to discover or comply with postdated, incomplete, or conditional items. You agree that we may disregard any information on any check or draft other than the amount of the item, the identity of the drawee bank, the signature of the

drawer, and the magnetically encoded information, whether or not that information is consistent with any other information on the item. You agree that we may decline to accept, process, or pay any item or order which, in our estimation, is ambiguous or otherwise unclear in its terms. You also agree that, at our option, we may use our best efforts to resolve any such ambiguity and you agree to release and hold us harmless from any and all loss and liability which we may incur, or which may arise in connection with our attempts to resolve any such ambiguity.

6. Wire Transfers, Automated Clearing House (ACH) Transactions, and Other Payment Order Transactions.

(a) **Governing Regulations.** If you send or receive a wire transfer, Fedwire may be used. Federal Reserve Board Regulation J is the law which covers transactions made over Fedwire. If you are a party to an Automated Clearing House (ACH) entry, you acknowledge and agree that any such entry will be governed by the National Automated Clearing House Association (NACHA) Operating Rules, the Rules of any local ACH, and the Rules of any other system through which the entry was made. Other payment orders you make may be governed by Article 4A of the Texas Business & Commerce Code.

(b) **Notification.** Under the NACHA Rules we are not required to give you next-day notice of the receipt of an ACH entry and we will not do so, nor will we give next-day notice of the receipt of a wire transfer. However, we will notify you of these transfers in your Account Statements

(c) **Provisional and Final Payment.** If we credit your Account for an ACH entry or a wire transfer, the credit is provisional until we receive final settlement for the payment order. If we do not receive final settlement, or if we credit your Account by mistake, we are entitled to a refund of the amount credited and you agree that, at our option, we may reverse the credit or require that you reimburse us by way of direct payment.

(d) **Identifying Account Numbers.** You agree that we can rely upon any identifying Account number given to us in connection with any ACH or wire transfer, even if the number identifies a person different than the named beneficiary, or a financial institution different from the named financial institution. You agree that neither we nor any other institution involved in the transaction has a duty to determine whether the number given matches the intended beneficiary or the named financial institution. If we receive a payment order for you that does not specify an Account or an Account suffix, you agree that we may deposit the payment into any Account of yours, including a Multiple Party Account.

(e) **Our Liability; Interest Payable.** We may be responsible for your direct expenses if we fail to exercise ordinary care in carrying out your instructions in connection with a wire transfer transaction. In no event, however, will we be liable for any special, indirect, exemplary, or consequential damages (including lost profits) of any kind. We are not required to pay interest on any amount we may owe to you due to an unauthorized wire transfer arising out of our error unless you exercise ordinary care to discover the unauthorized transfer promptly and advise us of the relevant facts within the time period set forth below in the Account Statements paragraph. Any rate of interest that we might be obligated to pay to you as a matter of law for a delay or incorrect transfer arising out of our error will be the lower of the federal funds rate at the time of the correction, or the dividend rate which we pay on the Account to or from which the funds transfer should have occurred.

(f) **Security Procedures.** We reserve the right to refuse acceptance of any payment order. You agree that we may verify the authenticity of payment orders using our security procedures in place at the time of any such order which may include a combination of signature verification, call back procedures, the use of identifying words or numbers, and identification via employee ID badge, valid driver's license, or other photo identification document. If you request a wire transfer, ACH, or other payment order transaction, you acknowledge and agree that our security procedures are commercially reasonable in light of your particular circumstances, and you authorize us to execute those procedures in order to carry out your request. If you do not agree to our security procedures, you must notify us in writing. In such event, we are under no obligation to accept any payment order from you or other authorized parties on the Account until you and the Credit

Union agree, in writing, on an alternate security procedure.

(g) **Cutoff Times.** International transfers received after 10:00 a.m. and domestic transfers received after 3:30 p.m. on each weekday we are open which is not a holiday may be treated as having been received on the next banking day and processed accordingly. We must receive amendments to payment orders at least three business days before the scheduled execution date of the payment order.

(h) Force Majeure. We are not liable for a failure to execute a payment order according to your instructions if an interruption in communication facilities or some other circumstance beyond our control such as fire or flood prevents the transfer, despite reasonable precautions we have taken.

(i) **General.** You agree that only our forms, methods, and procedures may be utilized. You also agree that in the event of an error, we may correct any such error without prior notice or approval by you. If we are required to reimburse the U.S. government for a benefit payment made to your Account by direct deposit, we may deduct all or part of the amount owed from any Account on which you have an ownership interest, to the extent permitted by law. Any authorization you make to initiate paperless debit or credit entries will remain in effect until we receive written notice from you that your authorization has been revoked, in a manner and in time to provide us with a reasonable opportunity to act on it.

7. Stop Payment. You may stop payment of items drawn on your Accounts. You agree to hold us harmless from any claim, loss, damage or expense which we may suffer or incur, including attorney's fees, by virtue of our refusing payment of any item on which you have stopped payment, as well as for payment of any item after your stop payment order has expired. A stop payment order will be effective for six months and may be renewed upon a request made in writing to us. We are not required to notify you of the expiration of a stop payment order or a renewal of any such order. A stop payment order, a renewal of any such order, or a revocation of any such order shall not be effective unless it is delivered to us in writing during regular business hours and until we have had a reasonable opportunity to act on it. We will not be liable for the payment of an item over a stop payment order if the order is received after 10:00 a.m. on the next banking day after the banking day on which we received the item. Due to limitations of our computer systems, items subject to stop payment orders can be intercepted only if the precise amount, date, check number, name of payee, and any other information that we may reasonably require is provided. If that information is not provided exactly as it appears on the item, we will not be responsible if we are unable to stop payment. If the order is made orally, we have no obligation to honor it. If we do honor an oral stop payment order, it will only be binding for 24 hours after which it must be renewed in writing. Any stop payment order, renewal, or revocation will incur a charge which is set forth on the Fee Schedule. You agree that we may honor a stop payment order, revocation, or renewal if made by the person who signed the check to be stopped or any other person who has signed the Application or is otherwise authorized to transact business relating to the Account. You agree that we will not be liable for any inadvertent payment of any item, notwithstanding a stop payment order, if we have used ordinary care and followed our usual practices in handling such an order. If an item is inadvertently paid over a valid stop payment order, due to our failure to exercise ordinary care, we will be liable to you for any loss you suffer as a result of that inadvertent payment. You agree, however, that it will be your responsibility to establish any such loss. You agree that we will never be liable for more than your actual loss and that we will not be liable for any consequential damages. If we do recredit your Account, you agree to take whatever action we deem necessary to transfer to us all of your rights against the payee or holder of the item and to assist us if we take legal action against the payee or any other person. For information concerning your right to stop payment of certain electronic fund transfers, please refer to the Electronic Fund Transfers Agreement and Disclosures which accompany this Agreement You may not stop payment of Cashier's Checks or Credit Union Official Checks issued by us at your request. You may not stop payment of transactions initiated through the use of an ATM card or similar device used at an ATM.

8. Credit Union Liability; Indemnity. Except for losses caused by our failure to exercise ordinary care or our failure to act in good faith, you agree that we will not be liable for any action or inaction regarding the payment or non-payment of items, collection of items, other withdrawals or the transfer of funds in satisfaction

of overdrafts. In this Agreement, "ordinary care" means observance of banking industry practices that do not vary unreasonably from the general banking practices prevailing in the areas we service. Subject to applicable law, you agree that we will never be liable for any indirect, special, or consequential damages arising out of or related to our obligations under this Agreement, even if we have been advised of the possibility of such damages. If we pay an item over a forged drawer's signature, we will not be liable for more than the face amount of the item, subject to applicable law. Except for our acts and omissions caused by (i) our failure to exercise ordinary care, (ii) our willful misconduct, or (iii) our breach of this Agreement, you agree to indemnify and hold us, our officers, employees, and agents harmless from and against any losses, claims, or expenses, including attorney's fees and costs of litigation, arising out of or related to the services provided under this Agreement, subject to applicable law. You also agree to hold us and our officers, employees, and agents harmless from any and all claims, expenses, losses, and damages arising out of our reliance on any instructions provided by you. We will not be liable for the acts or omissions of a third party not within our control, and we will not be liable for any failure or delay in performance under this Agreement that is related to or caused by circumstances beyond our reasonable control.

DEPOSIT OF ITEMS

1. Handling of Items. We act only as a collecting agent for any items deposited. Any deposit that we accept will be provisional and will be subject to subsequent payment verification. Just because we have made funds from a deposited check or other item available for withdrawal does not mean that the item is "good," has "cleared," or has been paid by the paying bank. It is possible that a deposited item will be returned unpaid months after we have made the funds available to you and you have withdrawn the funds. You are responsible for all items returned on your Account, and you acknowledge that no one, including our employees, can guarantee that a check or other item you deposit will not be returned. We are not responsible for any deposit or other transaction initiated by mail until the item or order is actually received. We will not be responsible for any deposit or other transaction made through the use of our night depository or any other unattended facility until the item or items are actually removed from the depository or facility by our personnel. We will not be responsible for any deposit or other transaction during the course of delivery to us by any courier or other third party until the items or orders are actually received by our personnel. We have the right to indorse all checks payable to you for deposit into your Account. We will not be liable for the negligence of any correspondent bank or institution nor for any loss incurred in transit when items are forwarded to correspondents. We will not be liable for any delay as a result of any interruption of communication facilities or any other circumstances beyond our control. Items drawn on financial institutions located outside of the United States are handled on a collection basis only. You agree to bear the risk of any change in the exchange rate with respect to any items which may be payable in foreign currency. You agree that we may charge back any item before payment, without notice, whether the item has been returned or not. You agree that, if a check that has been deposited to your Account or cashed by you at the Credit Union is subsequently returned based upon a breach or alleged breach of any transfer warranty, presentment warranty, or otherwise, we may charge back the amount of any such item to your Account at any time without notice, and in accordance with our Fee Schedule, a fee may be imposed for the return item. You agree that we may resubmit an item that has been returned to us for payment, and you waive notice that an item has been dishonored or charged back against your Account. You also agree that, if we are charged a fee by any other institution in connection with any of your Accounts, that fee expense may be charged to your Account.

You acknowledge that we employ an automated collection procedure in order to more efficiently handle the high volume of items we process. For that reason, our procedures generally do not provide for the examination of items. You agree that reasonable commercial standards do not require us to sight-review every item presented and that any failure to perform sight-review shall not constitute a lack of ordinary care in the payment of any item.

2. Indorsement Standards. The area from the trailing edge of a check to 1.5 inches from the trailing edge of a check is reserved for the payee's indorsement. The trailing edge of a check is defined as the left side of the check looking at it from the front. You and all other indorsers must make your indorsement within this prescribed area. If any indorsement or other writing which you or any other endorser makes causes any error or delay in the processing of the item, you agree that you will be liable for any loss which we incur as a result of that delay or error, and you agree to hold us harmless from any such loss.

3. Right to Refuse Deposit. If you request that we accept a substitute check or a check for a deposit that has already been deposited at a financial institution but returned, we are under no obligation to accept that substitute check or check for deposit. If we do, however, you agree to hold us harmless from any loss or liability, including consequential damages, attorney's fees, and expenses which may arise because of our acceptance of the item. In any event, in our discretion, we may refuse any deposit, limit the amount which may be deposited, accept all or any part of a deposit for collection only, return all or any part of any deposit, or close the Account subject to applicable law.

4. Deposit Verification. If a deposit is made to your Account and we subsequently determine that the amount of the deposit initially credited was incorrect, we may correct any such error and make corresponding adjustments to your Account in order to reflect the correction.

GENERAL PROVISIONS

1. Account Security. You agree to exercise precautions to safeguard your identity, your Accounts, and your Account information. You agree never to give your personal information or Account information to anyone you do not know or whose identity you cannot verify. If you give your personal information to someone and that person uses your information to access your Account, you agree that such use will be deemed an authorized use for which you will be responsible. We will never contact you and ask you to give us your Account information, including user names, personal identification numbers, and Account numbers, over the telephone, by e-mail, or by text messaging. You agree not to disclose your personal information and Account information to unknown persons through these communication channels for any reason. You agree to remain vigilant for phishing and other fraudulent scams and notify us promptly if you become aware of or suspect fraudulent activity involving your identity, your Accounts, we will not accept liability unless required by law.

2. Taxpayer Identification Number and Backup Withholding. The Internal Revenue Service (IRS) requires most recipients of dividend, interest, or other payments to give taxpayer identification numbers to credit unions and other payers who must report the payments to the IRS. The IRS uses the numbers for identification purposes. Credit unions and other payers must be given the numbers whether or not recipients are required to file tax returns. Credit unions and other payers generally must withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not furnish a taxpayer identification number. Certain penalties may also apply. In the event that (i) you have been notified by the IRS that you are subject to backup withholding due to payee under reporting and you have not received a notice from the IRS that the backup withholding has been terminated or, (ii) you provide us with an incorrect taxpayer identification number, the Credit Union is required to withhold payment, in part, of dividends or interest owing to you in amounts determined by the IRS and to pay interest or dividends withheld to the IRS.

3. Inactive Accounts. We may charge an Inactivity Fee as set forth in the Fee Schedule if your Account becomes inactive. You authorize us to charge the Inactivity Fee to any eligible Account of yours. An Account is inactive if for more than one year there has not been a debit or credit to the Account because of an act by you or your agent (other than us) and you have not corresponded in writing with us. An Account is presumed abandoned if (i) the Account has been inactive for at least five years from the date of your last transaction

on the Account (three years for Checking, Savings, Money Market, and matured Term Share Certificate Accounts) or your last correspondence with us, and (ii) we are unable to locate you. If an Account is presumed abandoned, we are required to report the abandonment and to pay the funds in the Account to the State of Texas.

4. Account Statements. You are responsible for promptly examining each Account statement. Any objection that you may have with respect to any unauthorized withdrawal, payment order (including a wire transfer), or any item or deposit shown on a statement (except electronic fund transfers) will be waived unless made in writing to us and received on or before the 35th day following the date the statement is mailed or is otherwise made available, subject to applicable law. If you have an issue relating to a substitute check, you must notify us in writing within 60 days of the date we mailed or delivered the substitute check in question or the Account statement showing the substitute check posted to your Account, whichever is later. If you are unable to make a timely claim relating to a substitute check because of extraordinary circumstances, we will extend the time period. You agree that we will not be liable for any unauthorized withdrawal, any payment order, any forged, unauthorized, or altered item drawn on or deposited to your Account, any item with missing signatures or indorsements, any missing or diverted deposit, or any other error or discrepancy if you fail to notify us within that 35-day period (60 days for substitute checks), nor will we be liable for any forged, unauthorized, or altered item if the forgery or alteration is not readily ascertainable upon inspection. We also will not be liable for subsequent unauthorized withdrawals by the same wrongdoer if you fail to notify us of the first unauthorized withdrawal within the 35-day period, even if the subsequent unauthorized withdrawals are reported promptly. You agree that no legal action may or will be instituted by you against us seeking the recovery of any alleged loss as a result of the payment of a forged, unauthorized, or altered item, or as a result of any missing or diverted deposit, or due to any other error or discrepancy unless you have provided us with such notice within the period prescribed above and any such legal action shall have been instituted within two years after the date that the statement containing any such error was mailed or otherwise made available to you. Unless we adopt alternative procedures from time to time, checks drawn on your Account will not be returned to you and copies of checks will be made available to you upon your request, subject to any fee disclosed in the Fee Schedule. That notwithstanding, you agree that your duty to examine statements promptly and your obligation to notify us in the event of any error is not waived or diminished in any respect by our retention of checks drawn on your Account. For consumer Accounts, please refer to your Electronic Fund Transfers Agreement and Disclosures to determine your rights and obligations in the event of unauthorized electronic fund transfers or other errors in connection with such transfers.

You will receive an Account statement monthly for your Checking Accounts. You will receive an Account statement at least quarterly for your Savings Accounts. We will provide the monthly or quarterly Account statement only to the Primary Member. The Primary Member is responsible for providing Account statement and other Account information to any other parties to the Account. Notice to one of you shall be considered notice to all of you. You acknowledge that any person to whom you provide or otherwise make available your Account statement may have access to the Account information appearing on the statement for all of your Accounts, and we will not be responsible for any such access. Unless we have agreed otherwise, we will mail or deliver your Account statement to the address we have for the Primary Member in our records. You agree to notify us promptly and in any event within 30 days if you move, change your address, or if any other contact information such as your telephone number or e-mail address is changed. It is your responsibility to ensure that your statements are received, and you agree that we will not be responsible for the loss or theft of your statements. You agree to notify us immediately if you fail to receive a statement for your Checking Accounts monthly, or a statement for your Savings Accounts at least quarterly. It is important that you make note of the time that you regularly receive your statement. You agree to notify us immediately and in any event within 10 days of that time, if you fail to receive your statement.

5. Illegal Transactions. You agree to comply with applicable law in maintaining your Accounts with us, including without limitation United States economic sanctions laws and regulations issued by the United

States Department of Treasury, Office of Financial Assets Control, and Presidential Executive Orders. We are prohibited from processing illegal transactions through your Accounts or through our relationship with you, including unlawful Internet gambling transactions. You may not use your Account in any manner or for any transaction that we believe poses an undue risk of illegality, and we may refuse to process or authorize any such use or transaction. If you engage in illegal transactions or unlawful activity, we also may impose restrictions on your Account, including restricting your access to Account services, or we may close your Account. If you use your Account relationship or engage in a transaction that is determined to be illegal, you will be liable to us to the extent permitted by law. You waive any right to take legal action against the Credit Union for any illegal use or transactions and you agree to indemnify, defend, and hold harmless the Credit Union and any third-party processors from and against any lawsuits, other legal action, or liability that results directly or indirectly from such illegal use or transactions.

If you open a corporation, partnership, organization, or have any other kind of non-personal Account with us, you agree to certify to us at Account opening, and if requested annually, that (i) you do not engage in an Internet gambling business or (ii) you have legal authority to engage in an Internet gambling business. You agree to cooperate with us and provide any documentation we may reasonably require in order to substantiate your certification or maintain your Account. You authorize us to investigate the Account Owner, its principals, and the authorized signers' background, including any current or previous financial institution and payment processor references. You also agree to notify us immediately if any time your business or organization changes in any way that causes any prior certification to be inaccurate. If you certify to us that you have legal authority to engage in an Internet gambling business, you acknowledge that we may choose not to open the Account or to close the Account in our sole and absolute discretion.

6. Legal Process. You authorize the Credit Union to recognize and honor legal process issued against you from any jurisdiction or state. You authorize the Credit Union to recognize and honor legal process issued against you from any jurisdiction or state. You agree that we may debit your Account for charges and costs, including attorney's fees, in connection with negotiations, responses, appearances, and the production of statements, items, or other documents pursuant to subpoenas, court orders, levies, garnishments, or other instruments of legal process to the extent not otherwise prohibited by law. You agree that any levy, attachment, or garnishment against your Account will be subject to our contractual and statutory liens set forth below, and you authorize us to exercise those liens whether or not any outstanding obligation is in default, subject to applicable law.

7. Statutory Lien. Federal law grants us the right to impress a lien on all funds in any Account that you have with us if you are in default or otherwise fail to satisfy a financial obligation with us. We may exercise this right without further notice to you. This lien applies to all Accounts that you have with us, to the extent permitted by law, including Accounts that you hold jointly with another person.

8. Contractual Lien. In addition to any statutory lien we have as a matter of law, you grant us a contractual lien on any and all funds deposited or maintained in any Account in which you have an interest to the extent of any loans made to you and any other obligation of yours which you owe to us, which lien secures repayment of any such loan or obligation to the extent not prohibited under the Federal Truth-In-Lending Act. You are not giving a security interest in any shares or deposits in an IRA or any other Account which, if pledged, would result in the loss of special tax treatment under the Internal Revenue Code. You agree that, if any such Account is a Joint or Multiple Party Account, the entire amount in such Account shall be subject to our lien and shall secure the indebtedness of each party owing to us. You agree that we may exercise our lien and apply the entire amount in any such Account against the indebtedness of any party owing to us notwithstanding the interest of any other party in the Account and without notice. You agree to pay us for expenses and costs, including attorney's fees, which we may incur in defending or enforcing our right to exercise our lien against the indebtedness of any one or more parties, and you agree that we will not be liable for dishonoring checks or other items where the exercise of our lien or any right of offset which

may exist results in there being insufficient funds in the Account to honor such items. If we cash a check for you and any such check is subsequently returned unpaid for any reason, you agree that we may charge the amount of the item against your Account. If we elect not to enforce our lien at any time, we do not waive our right to enforce that lien on subsequent occasions. The lien secures all direct and indirect indebtedness which you may owe to us whether as borrower, co-maker, guarantor, or otherwise. You agree that, with regard to any indebtedness owing to us secured by your principal residence, our lien on shares and deposits shall not be construed so as to diminish or forfeit any security interest in or indebtedness secured by such residence, nor shall our lien be construed so as to permit the modification of any claim we may have under 11 U.S.C. §1322(b)(2), and to the extent that this lien is so construed, it is hereby waived and shall be void.

9. Dispute Resolution. If we suspect that fraudulent misconduct is taking or has taken place with respect to any Account, or if we are notified that a party to an Account has died or is incompetent to manage his or her affairs, or if we have been notified that a dispute exists between or among parties to the Account or third parties with regard to their respective interests in the Account, or if there are competing claims to funds on deposit, or if we are in doubt concerning the respective interests of any parties to an Account or persons claiming an interest in an Account, we may restrict withdrawals or any other Account transactions until we are satisfied that any obligation we may have at law and under this Agreement has been met or until any such dispute, doubt, suspected fraudulent misconduct or probate matter has been resolved by a court of competent jurisdiction or by written settlement agreement entered into by all parties to the Account and any third party making claim to funds in any such Account. You agree that we may recover any attorney's fees or costs expended in connection with the foregoing, which fees will be payable by you directly or out of the Account made the subject of any such doubt, dispute, misconduct, or probate proceeding, or out of any other Account in which you have an interest. You agree, further, that the Credit Union may impose withdrawal or other transaction limitations on any of your Accounts at any time, including your ability to access your Accounts electronically or otherwise, if you are in default or delinquent under any obligation you owe to the Credit Union.

10. Notices. Unless otherwise provided in any of our agreements or disclosures we have provided to you, any notice you provide to us must be in writing and will not be effective until we have actually received it and have had a reasonable opportunity to act on it. Unless we specify otherwise in any notice we provide to you, notices from us will be effective when mailed or otherwise delivered or made available to you.

11. Power of Attorney. We may decline to accept any power of attorney where permitted by applicable law. Further, even if we accept a power of attorney for a member's file or for a particular transaction, that does not mean that we will accept it for a future transaction. We reserve the right to refuse a power of attorney at any time and for any transaction where permitted by applicable law, even if the requested transaction is expressly within the scope of the agent's powers. If we accept a power of attorney, we may continue to honor it until we receive written notification of its revocation from a competent authority and have had a reasonable time to act on it. We may inform any Joint Owners of the use of a power of attorney on your behalf.

12. (a) Withdrawal of Services. In the event that any Credit Union member is in default or becomes delinquent on any obligation to us, causes us a loss, or makes known his or her intention to cause us a loss, whether by way of loan default, Account overdraft, or otherwise, or in the event that any Credit Union member has been abusive in the conduct of his or her affairs with the Credit Union, it is our policy to withdraw or restrict member services otherwise extended to that member, including but not limited to, the right to maintain Accounts (except a primary Savings Account), and the availability of electronic fund transfer services, including pre-authorized transfers, telephone, computer, and mobile access services, and ATM and check card services, and you agree that we may do so. Any electronic access restrictions we may impose under these circumstances may apply to all of your Accounts. Under certain circumstances, services may be reinstated if any default, delinquency, loss, or other adverse matter is subsequently cured.

(b) Termination of Membership. It is our policy that your Credit Union membership is subject to termination

you fail to complete payment of one share within six months of admission to membership, or within six months from the increase in the par value of shares, or if your share balance is reduced below the par value of one share and you do not increase the balance to at least the par value of one share within six months of the reduction. Your Credit Union membership is additionally subject to termination if you do not participate in the affairs of the Credit Union, including without limitation, voting in annual elections, purchasing shares, and obtaining Credit Union loans from time to time. Unless expelled from membership, members have a right to maintain a Primary Savings Account and to vote in annual and special meetings.

13. Closing the Account. Any Account Owner may close the Account at any time; provided, however, that no Joint Owner may close the Primary Savings Account of the Primary Member or reduce the balance of any such Account below the par value of one share. Your right to close an Account is subject to any statutory or contractual lien existing in our favor and any legal process levied against any such Account. If we pay any item or payment order after your Account is closed, you agree to reimburse us. We may close an Account at any time and disburse <u>funds on deposit</u> in any such Account to the Owners of the Account or in satisfaction of any obligation owing to us, in any manner we deem appropriate, if (i) any of the events set forth in the preceding Paragraphs 9 or 12 should arise, (ii) we believe that we may suffer a loss if the Account is not closed or we believe that any party to the Account or party claiming interest in the Account has been abusive in the use of the Account or in the conduct of his or her affairs with the Credit Union, (iv) our attempts to verify your identity have failed, (v) you do not cooperate with our reasonable requests in connection with maintenance of your Account, or (vi) there has been a change in Account ownership or a change with regard to the persons authorized to sign on the Account.

14. Death or Incompetence of Account Owner. We may continue to accept deposits to an Account, to pay items drawn against an Account, to pay other payment orders against an Account, and allow any other transactions with respect to an Account until we are notified of an Account Owner's death or of an adjudication of incompetence and we have a reasonable opportunity to act upon any such notice. Subject to our policies and procedures, and subject to any separate agreement we may enter into with any surviving Account holder, once we are notified of an Owner's death or adjudicated incompetence, we may pay items drawn against the Account or other payment orders authorized by the deceased Account Owner for a period of 10 days after the Account Owner's death unless we are ordered to stop payment by a person claiming an interest in the Account. We may require any person claiming an interest in the Account to indemnify us against any losses arising out of the payment of any such claim, and this Account Agreement will be binding upon the heirs or legal representatives of any deceased Account Owner or any Account Owner who is adjudicated incompetent. We may discontinue paying dividends on an Account following the death of an Account Owner. If any surviving joint Owner is a member of the Credit Union, we may require that the Account be closed and the funds transferred to the surviving joint Owner's Account.

15. Attorney's Fees. In addition to any other rights we may have at law or under this Agreement to recover fees and costs, and to the extent permitted by applicable law, we shall be entitled to recover reasonable attorney's fees and costs expended in connection with the enforcement of this Agreement and the defense of any rights we may have under this Agreement, and you authorize the Credit Union to deduct any such costs or expenses from your Account without prior notice to you.

16. Amendment. We may add to, change, or delete any of the terms of this Agreement, the Truth-In-Savings Disclosures and Rate and Fee Schedules, and any notice, agreement, or policy made a part of this Agreement, from time to time in our sole discretion, subject to applicable law.

17. Severability. If any provision of this Agreement shall be declared invalid, unenforceable or illegal, that part will not affect the validity, enforceability, or legality of any other provision.

18. Reopened Accounts. Should your Account be closed at any time or times by withdrawal of the balance of the Account and later re-opened by you, such re-opened Account shall be subject to all of the terms and conditions of this Agreement, whether or not any new signature card or other Account Agreement is signed.

19. Governing Law. This Agreement shall be governed by the Federal Credit Union Act, the Rules and Regulations of the National Credit Union Administration, the Credit Union's Bylaws, and, to the extent not pre-empted by federal law, the laws of the State of Texas. You acquiesce and submit to personal jurisdiction in the State of Texas. Venue is proper in Bexar County, Texas.

20. Waiver of Right to Jury Trial. You and the Credit Union knowingly and conclusively waive all rights to trial by jury in any dispute or proceeding relating in any way to this Agreement, including all claims arising out of any lending relationship or share Account that may be affected by this Agreement.

21. Waiver of Class Action Participation. You and the Credit Union knowingly and conclusively waive all rights to participate, either as a representative or member of a class, in any dispute or matter instituted as a purported class action. You and the Credit Union knowingly and conclusively waive the right to join or consolidate disputes by or against others as a representative or member of a class, to act in any legal matter in the interests of the general public, or to act as a private attorney general.

22. Permitted Time for Initiating Legal Actions. You must file any legal action arising out of or relating to this Agreement or any other agreement you have with us within two years after the cause of action arises, unless applicable law provides for a shorter limitations period or the applicable agreement provides for a different limitations period. For purposes of a lawsuit concerning a fee or charge assessed to your Account, the cause of action will be deemed to have arisen or accrued on the date the first such fee or charge being complained of was assessed, regardless of whether you had actual or constructive knowledge of any such cause of action, and you expressly waive any application of or reliance on any theory or doctrine of a continuing violation of a breach or any other doctrine which might otherwise serve to toll or delay the beginning of the two-year limitation period.

23. Credit Reports. You agree and authorize us to check your credit and employment history and to request and use credit reports when considering any application to open an Account or application for related financial services. We may report information about your share and loan accounts to credit bureaus. Late payments, missed payments, or other defaults on your accounts may be reflected in your credit report.

If you believe that information we have reported or may report to a credit bureau is inaccurate or incomplete, please notify us in writing at

H-E-B Federal Credit Union Attn: Financial Service Center P.O. Box 782529, San Antonio, TX 78278

Include your name, address, home telephone number and Account number and identify the information you believe is incorrect. If your notification relates to an incident of identity theft, we will require a copy of your identity theft report filed with law enforcement authorities.

24. Direct Disputes of Information Appearing in Credit Reports. You may dispute directly to us any

information contained in a credit report that pertains to an account or other relationship we have or have had with you. We will investigate such disputes if you notify us in writing at any address for us that appears in the credit report or at the following address:

H-E-B Federal Credit Union Attn: Financial Service Center P.O. Box 782529, San Antonio, TX 78278

In your letter, you must include sufficient information for us to identify the account or other relationship in dispute, and you must identify the specific information you are disputing and explain your basis for the dispute. You also must provide all supporting documentation or other information we may reasonably require to substantiate your dispute. If you do not comply with these requirements, we may decline to investigate your dispute.

25. Assignment. You may not assign your Account or this Agreement, or any of your rights under this Agreement, without our express written consent, which may be withheld in our sole and absolute discretion.

26. Headings. The titles and headings of the various paragraphs of this Agreement are for the sole convenience of the parties to this Agreement and are not intended for any other purpose or to explain, modify, of place any construction on any of the provisions of this Agreement.

27. No Waiver of Rights. We do not waive any of our rights or remedies under this Agreement unless we agree to any such waiver in a writing signed by us. If we delay or omit to enforce any of our rights or remedies under this Agreement, any such delay or omission shall not operate as a waiver of such rights or remedies or any other rights or remedies. A waiver on any one occasion shall not prevent us from enforcing our rights and remedies on future occasions.

28. Confidentiality. Protecting your privacy and the security of your personal information is very important to us. Our privacy and security practices are explained in our Privacy Notice. We will only disclose your personal information to nonaffiliated third parties (i) as necessary to carry out or complete transactions you have requested, including verifying the existence of sufficient funds, (ii) on your written instructions, and (iii) as otherwise permitted or required by law, such as in connection with court orders and subpoenas.

29. Cooperation in the Investigation of Claims of Unauthorized Activity. If you submit a claim of unauthorized activity relating your Account, you agree, on our request, to (i) adequately describe your claim in writing in a signed affidavit, declaration under penalty of perjury, or any related form that we provide, (ii) file a police report, if requested, and (iii) cooperate with us in all respects in the investigation of your claim, including promptly completing and returning to us any documentation that we may require. If you fail to fully cooperate with us in the investigation of your claim, we may terminate our investigation and revoke any provisional credit we have provided to you, subject to applicable law.

30. Communications. To ensure quality service, telephone calls and other communications between you and us may be monitored and recorded. Additionally, if you provide a telephone number or an email address to us, you represent and warrant that you are the subscriber, customary user, or owner of any such telephone number or email address. When you provide your telephone number (including cell phone) and/or email address, you authorize us and/or our service providers to contact you through those means to service your Accounts and provide general information, even if any telephone number you have provided may be on a state or federal do-not-call registry or similar list. We may contact you by voice, text messaging, or email. Message and data rates may apply. Some of our systems may use an automated dialer or prerecorded voice to deliver messages. If you provide your email address, you agree that we may send email messages concerning member

benefits available to you. You must notify us promptly if any telephone number or email address you have provided changes or if you transfer your telephone number to another person or release it to your phone company, and you agree to hold us harmless if you fail to do so.

31. Electronic Records and Signatures. You agree that we may act upon and rely upon documentation, correspondence, or other instructions with respect to your Accounts that we receive by way of electronic or facsimile transmission, including Account agreements, requests to modify Accounts, loan agreements, and any other business with respect to your Accounts, and you agree to such verification procedures as we may implement from time to time. By using a computer, mobile device, signature pad, or other electronic device in connection with authorizing and completing transactions with us, you agree to the use of electronic records and signatures and any electronic signature of yours will be deemed your handwritten signature for all purposes. We may maintain copies of Account records, including electronic copies, in lieu of any originals and you agree that any such copies will be considered original records for any purpose, including admissibility in evidence as original records before any court or administrative agency.

ELECTRONIC FUND TRANSFERS AGREEMENT AND DISCLOSURES AGREEMENT

1. General. The terms, conditions, and disclosures which appear below generally apply to all of our Electronic Fund Transfer Services ("Services"), unless we reference a specific service in connection with any disclosure. Additional terms and disclosures may be furnished to you at the time you arrange for any of these Services with us. In this Agreement and these Disclosures, the term "Card" individually and collectively refers to the H-E-B Federal Credit Union Automated Teller Machine (ATM) Card and the CheckMate Debit Card. If a Card is issued to you or if you arrange for a Service, you agree that the use of any such Card or Service shall be governed by the terms of your Account Agreement, the terms and conditions set forth in this Agreement and these Disclosures, and any additional terms, conditions or disclosures provided to you when a Card is issued or a Service is provided. In the event of any conflict between those documents, any additional terms, conditions, or disclosures shall prevail, followed by the terms of this Agreement and Disclosures, and then the terms of the Account Agreement, unless one of those documents specifically provides for a different priority.

2. Overdrafts. You agree not to make any withdrawal or transfer from any of your Accounts through the use of your Card, a Personal Identification Number, Password, or Touch ID (individually and collectively referred to in this Agreement and Disclosures as a "PIN"), or otherwise that results in an overdraft. Subject to any Overdraft Transfer arrangements you have made with us, you agree that we will be under no obligation to make a withdrawal or transfer if there is an insufficient Available Balance in your Account. The term "Available Balance" means funds that are not subject to any holds and are immediately available for withdrawal and to pay presented transactions. Refer to the Overdrafts and Overdraft Protection provisions of the Account Agreement for more information about overdrafts and the Available Balance for your Account. If your Account has a sufficient Available Balance to cover one or more but not all checks, withdrawal orders, or electronic fund transfers during any given business day, we may honor those items, allow those withdrawals, or make any such electronic fund transfers in any order that we choose in our sole discretion, including first honoring any such checks, orders, or transfers payable to us, and dishonoring or refusing any item, order, or transfer for which there is an insufficient Available Balance thereafter. You also agree that, at our option, we may post all Card transactions during any day before posting any other checks, withdrawal orders, or other electronic fund transfers presented or made. You agree that your use of the Card and/or a PIN shall be subject to the Overdraft and Overdraft Protection provisions set forth in the Account Agreement and any other overdraft protection agreements, policies, or disclosures you may have with us.

3. Stop Payment. Unless otherwise provided in any agreement or disclosure you receive when you arrange

for a Service, you acknowledge and agree that you may not stop payment of any transaction initiated through use of the Card or a PIN.

4. Card and PIN Security. You agree to keep your Card and all PINs issued to you in a place of safekeeping, to refrain from disclosing your PINs to any third party, and to refrain from writing your PIN on your Card. You agree that the use of the Card or a PIN by (i) you, (ii) any other applicant, (iii) any Joint Owner on any of your Accounts which may be accessed by the Card, (iv) anyone you permit or authorize to use your Card or PIN, and (v) anyone to whom you disclose your PIN or give access to your Card or PIN shall be deemed an authorized user for which you shall be liable. You understand and agree that anyone authorized to use your PIN for the NetBranch Online Banking and Mobile Banking Services will have full access to your Account and loan Information available through those Services, including Accounts in which the person may not have any legal interest, and we are not responsible for such access. You will be responsible for reporting the loss or theft of your Card or PIN to us as soon as possible after the loss or theft.

5. Surrender and Amendment. You agree to surrender the Card to us upon demand. You also agree that we may amend, supplement, or add to this Agreement and Disclosures, from time to time, subject to such notification as may be required by applicable law.

6. Suspension and Termination of Services. The use of the Electronic Fund Transfer Services is a privilege of membership and not a right. In the event that a member is in default or otherwise becomes delinquent on an obligation to us, causes us a loss, or makes known his or her intention to cause us a loss, whether by way of loan default, Account overdraft, or otherwise, or in the event that a member or anyone authorized to use the Services has been abusive in the conduct of his or her affairs with the Credit Union, it is our policy to restrict or terminate certain services extended to the member, including without limitation, the availability of electronic fund transfers Services such as ATM and CheckMate Debit Card and preauthorized transfers Services, and you agree that we may do so. Any electronic access restrictions we may impose under these circumstances may apply to all of your Accounts. Under certain circumstances, Services may be reinstated if any default, delinquency, loss, or other adverse matter is subsequently cured. The Card shall at all times remain our property and we may cancel any one or more Services or this Agreement at any time and for any reason, subject to such notification as may be required by applicable law. No suspension or termination of this Agreement or any Service shall relieve you of any liability for obligations that have accrued prior to the suspension or termination. We are not required to notify any other Account Owners or authorized users of any changes to or termination of any Service made by an Account Owner that affects the other Account Owners or authorized users.

7. Mastercard CheckMate Debit Card Preauthorization Holds. When you use your Card at certain merchants such as self-service gas stations, restaurants, hotels, airlines, and rental car companies, the merchant may request a preauthorization amount from us to cover the transaction. The preauthorization amount may be greater than the actual purchase amount. We will place a hold on your Account for up to five business days for the amount of a preauthorization request. This hold may remain on your Account for up to five business days, not including Sundays and banking holidays, even after the transaction has been paid. Preauthorization holds may affect the availability of funds in your Account to pay for checks, CheckMate Debit Card transactions, and other withdrawal transactions on your Account. It is your responsibility to ensure that your available balance remains sufficient to cover the transactions you make. You may incur NSF or Overdraft Transfer fees if you fail to maintain a sufficient available balance to pay your transactions when presented. You acknowledge and agree that we may place merchant preauthorization holds on your Account in connection with your Card use, and we are not liable for any damages you may incur for dishonor of items or otherwise because of such holds.

DISCLOSURES

Note to Business and Organization Account Holders. The following disclosures are provided for the benefit of consumers pursuant to the Electronic Fund Transfer Act and Federal Reserve Board Regulation E. The Act and Regulation do not apply to business or organization Accounts. If you are a business or organization Account holder, the disclosures below relating to member liability (except for the Mastercard zero liability rules for the Mastercard CheckMate Debit Card), credit union liability, and billing errors do not apply to business or organization Accounts. The remainder of the disclosures are provided for informational purposes only and are not intended to expand the scope or coverage of the Act or Regulation to business or organization Accounts.

1. TYPES OF AVAILABLE SERVICES AND TRANSFERS. Card and NetBranch Services are generally accessible 24 hours a day, seven days a week, except that Services may be inaccessible from time to time for system maintenance or for reasons beyond our control.

(a) ATM Card and CheckMate Debit Card. You may use your Card to:

- (1) Withdraw cash from your Checking, Savings, and Money Market Accounts.
- (2) Transfer funds between your Checking, Savings, and Money Market Accounts whenever you request.
- (3) Pay for purchases from your Savings Account at places that have agreed to accept the ATM Card, and pay for purchases from your Checking Account at places that have agreed to accept the CheckMate Debit Card. These transactions are referred to as point-of-sale transactions.
- (4) Request balance information for your Checking, Savings, and Money Market Accounts.
- (5) Make payments on loans which you have with us.

Some of these services may not be available from all Accounts or at all terminals.

Please see Section 2 below for transfer limitations applicable to these Services.

(b) **NetBranch Home Banking and Mobile Banking Services.** You may use your User Name and Password or Touch ID to:

- (1) Transfer funds between your Checking, Savings, and Money Market Accounts.
- (2) Transfer funds from your Checking, Savings, and Money Market Accounts to make payments on Credit Union loans.
- (3) Make bill payments from your Checking Account to designated merchants, persons or entities permitted by the Credit Union.
- (4) View transactions and Account history.
- (5) Perform other transactions and functions as permitted by the Services.

Some of these Services may not be available for all Accounts.

Your contractual arrangement and any User Instructions for the NetBranch and Mobile Banking Services provides for additional terms, conditions, disclosures, and limitations. These Services may be unavailable periodically for system maintenance or other reasons beyond our control. Please see Section 2 below for transfer limitations applicable to these Services. Touch ID login is only available on certain Apple[®] mobile devices.

- (c) **Preauthorized Transfers.** Depending on our arrangement with you, you may make certain preauthorized transfers to or from your Accounts including:
 - (1) Direct deposit of your payroll or other recurring types of deposits to your Checking or Savings Accounts.
 - (2) Preauthorized payment of certain types of recurring payments from your Checking or Savings Accounts.
 - (3) Preauthorized payment of certain types of recurring payments to your Checking or Savings Accounts.

Please see Section 2 below for transfer limitations applicable to these Services.

(d) **Electronic Check Conversion.** If you pay for something by check and the merchant or payee permits, you may authorize the merchant or payee to make a one-time electronic payment from your Checking Account using information from your check to pay for the purchase or to pay a bill. You may also authorize a merchant or payee to electronically debit your Checking Account for returned check fees. You are deemed to have authorized these transfers if you sign an authorization or if you engage in the transaction after receiving notice that the transfer will be treated as an electronic fund transfer.

2. LIMITS ON TRANSFERS.

You may withdraw and transfer funds between your Checking, Savings, Money Market Savings, and other eligible Accounts up to the available balance in the Account at the time of the transfer. Your primary Savings Account must maintain a minimum daily balance of \$25 at all times. Transfers and withdrawals may not be made from the primary Savings Account that would cause the balance to fall below the required minimum daily balance. In addition to the following limitations, some Accounts may be subject to additional transfer and withdrawal limitations as set forth in the Truth in Savings Account Disclosures.

(a) **ATM Card**. You may withdraw cash from ATMs and perform other PIN-based transactions in amounts up to \$1,000 in the aggregate from your eligible Accounts each day. See Section (c) below for additional limitations.

(b) **CheckMate Debit Card**. You may withdraw cash from ATMs and perform other PIN- based transactions in amounts up to \$1,000 in the aggregate from your eligible Accounts each day. For signature- based transactions, you may withdraw up to the available amount in your Account, with a single transaction limitation of \$5,000.

- **3.** CHARGES FOR TRANSFERS OR RIGHT TO MAKE TRANSFERS. Charges imposed in connection with your use of the Services are disclosed on your Truth-In-Savings Fee Schedule which accompanies these disclosures. There are no charges for preauthorized transfers.
- 4. NON-PROPRIETARY AND OUT-OF-NETWORK ATM FEES. When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be

charged a fee for a balance inquiry even if you do not complete a fund transfer).

5. BUSINESS DAYS OF H-E-B FEDERAL CREDIT UNION. Our business days are Monday through Friday except for federal holidays.

6. RIGHT TO RECEIVE DOCUMENTATION OF TRANSFERS.

- (a) **Terminal Transfers.** You can get a receipt at the time you make any transfer of more than \$15 to or from your Account using an ATM or point-of-sale terminal.
- (b) **Preauthorized Transfers.** If you have arranged to have direct deposits made to your Account at least once every 60 days, either the person or company making the payment will tell you every time they send us the money, or you can call us at the number listed below to find out if the deposit has been made.
- (c) **Periodic Statements.** You will get a monthly Account statement on any Account having an electronic fund transfer. In any case, you will get a statement at least quarterly.
- 7. TELEPHONE NUMBER AND ADDRESS FOR NOTIFICATION OF UNAUTHORIZED TRANSFERS. If you believe your CARD or PIN has been lost or stolen or that someone has transferred or may transfer money from your Account without your permission, call:

(210) 938-7850

or write:

H-E-B FEDERAL CREDIT UNION

P.O. Box 782529, San Antonio, Texas 78278

You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.

8. DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES.

We will disclose information to third parties about your Account or the transfers you make:

(a) Where it is necessary for completing transfers, or

(b) In order to verify the existence and condition of your Account for a third party, such as a credit bureau or merchant, or

- (c) In order to comply with government agency or court orders, or
- (d) If you give us your written permission.
- 9. MEMBER'S LIABILITY FOR UNAUTHORIZED TRANSFERS AND ADVISABILITY OF PROMPT REPORTING. Tell us AT ONCE if you believe your Card or PIN has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your Account (plus your maximum overdraft line of credit).

For Transactions Using Your CheckMate Debit Card:

If you believe your CheckMate Debit Card or PIN has been lost or stolen, you will not be liable once you notify us that someone may use or has used your CheckMate Debit Card or PIN without your permission. The foregoing liability limitation does not apply unless (a) you have exercised reasonable care in safeguarding the CheckMate Debit Card from risk of loss or theft, and (b) upon becoming aware of such loss or theft, you promptly notify us. If you do not meet these conditions and you are a consumer cardholder, your liability will be determined under the standards set forth below for All Other Transactions.

For All Other Transactions:

If you tell us within two business days, you can lose no more than \$50 if someone used your Card or PIN without your permission.

If you do NOT tell us within two business days after you learn of the loss or theft of your Card or PIN, and we can prove we could have stopped someone from using your Card or PIN without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, including those made by card, PIN, or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

10. PREAUTHORIZED PAYMENTS.

(a) **Right to Stop Payment and Procedure for Doing So.** If you have told us in advance to make regular payments out of your Account, you can stop any of these payments. Here's how:

Call us or write us at the telephone number or address disclosed above in time for us to receive your request three business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. There will be a charge for each stop payment order you give. Please refer to our Truth-In-Savings Fee Schedule accompanying this Agreement for fees we will charge you in connection with stop payment orders.

- (b) Notice of Varying Amounts. If these regular payments may vary in amount, the person or company you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.
- (c) Liability for Failure to Stop Payment of Pre-Authorized Transfer. If you order us to stop one of these payments three business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.
- 11. CREDIT UNION'S LIABILITY FOR FAILURE TO MAKE TRANSFERS. If we do not complete a transfer to or from your Account on time or in the correct amount according to our agreement with you, we may be liable for your losses or damages proximately caused by our failure. However, there are some exceptions. We will NOT be liable, for instance:
 - If, through no fault of ours, you do not have enough money in your Account to make the transfer.
 - If you have an overdraft protection line of credit and the transfer would go over the credit limit.
 - If the funds in your Account are subject to an administrative hold, legal process, or other claim.
 - If the automated teller machine or terminal where you are making the transfer does not have

enough cash.

- If the automated teller machine or system was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- If you have closed your Account.
- If the failure to properly complete the transaction is caused by erroneous information supplied by you or the person authorized by you.

There may be other exceptions stated in our Agreement with you.

- 12. IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS. Telephone or write us at the telephone number or address above as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.
 - (1) Tell us your name and Account number.
 - (2) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
 - (3) Tell us the dollar amount of the suspected error. If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your Account within 10 business days for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your Account.

For errors involving new Accounts, point-of-sale, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. For new Accounts, we may take up to 20 business days to credit your Account for the amount you think is in error.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

13. ILLEGAL TRANSACTIONS. You agree that you will not cause or allow the Card or PIN to be used in any manner or for any transaction that we believe poses an undue risk of illegality and we may decline to authorize any such transaction. If you use your Card or PIN for a transaction that is determined to be illegal, you will be liable for the transaction. You also waive any right to take legal action against the Credit Union for your illegal use of the Card or PIN, and you agree to indemnify and hold the Credit Union and Mastercard International, Inc. harmless from and against any lawsuits, other legal action, or liability that results directly or indirectly from such illegal use. 14. INTERNATIONAL TRANSACTIONS. If you effect an international transaction with your CheckMate Debit Card, Mastercard International, Inc. will convert the charge into a U.S. dollar amount. Mastercard International will use its currency conversion procedure, which is disclosed to institutions that issue Mastercard cards. Currently the currency conversion rate used by Mastercard International to determine the transaction amount in U.S. dollars for such transactions is generally either a government-mandated rate or a wholesale rate determined by Mastercard International for the processing cycle in which the transaction is processed. The currency conversion rate used by Mastercard International on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date. We will charge a 1% Foreign Transaction Fee on all international purchase, cash disbursement, and Account credit transactions, even if there is no currency conversion. International transactions include transactions made in person in a foreign country and in some cases in U.S. territories, and also include internet and phone transactions made in the U.S. but with a merchant who processes the transaction in a foreign country or in some cases in a U.S. territory.

15. ATM SAFETY PRECAUTIONS. Exercise discretion when using an Automated Teller Machine or night deposit facility. Observe basic safety precautions. Prepare for any ATM transactions prior to approaching the ATM or night deposit facility. Retain your receipts, and do not leave them at the ATM or night deposit facility. Do not lend your Card to anyone, and do not leave your Card or any other documents at the ATM or any night deposit facility. Keep your PIN secret and memorize it. Do not give anyone information regarding your Card or PIN over the telephone. When using an ATM, place your body in a position so that you will prevent others from observing your PIN when entered. Never enter your PIN in any terminal that does not look genuine, has been modified, has a suspicious device attached, or is operating in a suspicious manner. At any ATM or night deposit facility, keep a lookout for any suspicious activity near the facility and assure yourself that the facility and all approaches to the facility are well lighted. Conceal cash received from an ATM to the best of your ability and count it after you have left the ATM. If anyone offers assistance while you are operating an ATM, do not accept it. If you have begun a transaction, consider canceling the transaction and leaving the ATM location. Finally, compare your receipts against the statements you receive and notify us immediately if you suspect that an error or unauthorized transaction has occurred.

FUNDS AVAILABILITY POLICY Your Ability to Withdraw Funds at H-E-B Federal Credit Union

Our policy is to delay the availability of funds from your cash and check deposits. During the delay, you may not withdraw the funds in cash and we will not use the funds to pay checks that you have written. Please note that this policy only applies to deposits made into your Checking Accounts and other transaction Accounts with us. Deposits into non-transaction Accounts may be subject to longer holds. Additionally, as provided in the Remote Deposit Capture Agreement, remote deposits made through the NetBranch Online Banking service may not receive funds availability in accordance with this policy. Also, deposits made at Shared Branch facilities are subject to the funds availability policy of the shared branch used to make the deposit and may not receive the same availability as set forth below. Check with the Shared Branch you are using to determine the availability of your deposit.

Determining the Availability of a Deposit

The length of the delay is counted in business days from the day of your deposit. Every day is a business day except Saturdays, Sundays, and federal holidays. If you make a deposit before the Credit Union's cut-off time (4:30 p.m.) or before 8:00 a.m. to the night depository on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after the Credit Union's cut-off time or on a day we are not open, we will consider that the deposit was made on the next business day

we are open. The length of the delay varies depending on the type of deposit and is explained below.

Same-Day Availability

Funds from electronic direct deposits to your Account will be available on the day we receive the deposit.

Next-Day Availability

Funds from the following deposits are available on the first business day after the day of your deposit:

- U.S. Treasury checks that are payable to you.
- Wire transfers, including pre-authorized credits, such as social security benefits and payroll payments

If you make the deposit in person to one of our employees, funds from the following deposits are also available on the first business day after the day of your deposit:

- Cash.
- State and local government checks that are payable to you.
- Cashier's, certified, and teller's checks that are payable to you.
- Federal Reserve Bank checks, Federal Home Loan Bank checks, and postal money orders, if these items are payable to you.
- Payroll checks (must be identified as such) deposited in an Account which has been established for over 6 months; this Account cannot have had any NSF activity or deposit items returned.

If you do not make your deposit in person to one of our employees (for example, if you mail the deposit), funds from these deposits will be available on the second business day after the day we receive your deposit.

Other Check Deposits

For other check deposits, the first \$225 of the deposit will be available on the first business day after the day of your deposit. The remaining funds will be available on the second business day after the day of your deposit.

Longer Delays May Apply

Funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,525 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your Account repeatedly in the last six months.
- There is an emergency, such as failure of communications or computer equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the 7th business day after the day of your deposit.

Please remember that even after we have made funds available to you and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit. If you have any questions, be sure to ask us.

Special Rules for New Accounts

If you are a new member, the following special rules will apply during the first 30 days your Account is open. Funds from electronic direct deposits into your Account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's, money orders and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,525 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury Check) is not made in person to one of our employees, the first \$5,525 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the ninth business day after the day of your deposit.

SUBSTITUTE CHECKS & YOUR RIGHTS

Important Information about Check 21 and Your Credit Union Share Accounts

Notice: The following information only applies to your consumer Accounts which are used primarily for a personal, family or household purpose.

What is a substitute check?

To make check processing faster, federal law called "Check 21" permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check. Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your Account. However, you have rights under other law with respect to those transactions.

What are my rights regarding substitute checks?

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your Account (for example, if you think that we withdrew the wrong amount from your Account or that we withdrew money from your Account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your Account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your Account is an interest-bearing Account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500 of your refund (plus interest if your Account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your Account earns interest) not later than 45 calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your Account.

How do I make a claim for a refund?

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your Account, please call us at: (210) 938-7850 or write us at:

H-E-B Federal Credit Union P.O. Box 782529 San Antonio, TX 78278

You must contact us within 60 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the Account statement showing that the substitute check was posted to your Account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include--

- a) A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- b) An estimate of the amount of your loss;
- c) An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- d) A copy of the substitute check and the following information to help us identify the substitute check:
 - Check number
 - Name of person to whom you wrote the check
 - Amount of the check

08/2024