



This Membership and Account Agreement ("Membership Agreement") covers the rights and responsibilities of both parties concerning accounts we offer and explains the rules governing your membership and accounts with us. In this Membership Agreement, the words "you" and "yours" mean anyone who signs a Membership and Account Application, Account Card, Account Update or Change Card, or similar document (collectively referred to as "Account Card"), including any agent stemming from a power-of-attorney or authorized signer. The words "we," "us," and "our" mean University Federal Credit Union (also referred to as "Credit Union"). The word "account" or "accounts" means any one or more share or other share type you have with us. The word "savings" means any savings share account you have with us. The word "checking" means any share draft account you have with us.

This Membership Agreement explains the rules governing your membership and accounts with us. It is supplemented by the other agreements that you enter into when you open or modify your accounts, such as the Funds Availability Policy and the Electronic Funds Transfer Disclosures, and others. All your agreements and transactions with us are also governed by various applicable federal and state laws and regulations. It is the intent of this Membership Agreement to provide disclosures that we are required by law to give you; to vary by agreement certain aspects of certain transactions that are permitted by law to be varied; and to establish terms and conditions of certain transactions that are not governed by any particular law or regulation.

By signing the Account Card and/or by continuing to use the accounts and services provided by us, each of you, individually, jointly and severally, agree to the terms and conditions in this Membership Agreement, the Account Card; the Fee Schedule and the Deposit Rate Sheet; any Account Receipt or similar document; and Share Certificate, Share Certificate Summary or similar document; our Charter, Bylaws and policies; and any amendments to these documents from time to time which collectively govern your accounts. All such documents are hereby incorporated by reference as if fully set forth herein.

**Suspension of digital services and access to share or deposit accounts.** Subject to applicable law, we may suspend some or all digital services and access to your checking or other account(s) if you become delinquent on any of your loan or deposit obligations to us, cause significant disruption to Credit Union operations or another member's ability to conduct business with us, or you cause a loss to us. We shall not be liable to you in any regard in connection with such suspension of services.

#### **APPLYING FOR MEMBERSHIP AND OPENING ACCOUNTS**

**Membership Eligibility; Application.** To open accounts at the Credit Union, you must qualify under our approved field of membership and otherwise meet the membership requirements. This includes an initial deposit of an amount equal to one share in the Credit Union, which amount is set forth on the Fee Schedule, and maintaining at least that amount in your primary savings account or other qualifying account. Your membership will terminate if you close this account; such closure indicates that you wish to terminate your membership. You agree to complete a Membership Application, you authorize us to check your account, credit, and employment history, and obtain reports from third parties (including credit reporting agencies) periodically to verify your eligibility for membership and the accounts and services you request.

The Credit Union is owned and controlled by its members. You become an owner by meeting the membership eligibility requirements and by depositing the required shares. Upon qualifying as a member and remaining in good standing, you have certain rights as governed by this Membership Agreement, our Charter, Bylaws, policies and applicable law, including the right to apply for Credit Union services and accounts and to vote in elections. You are entitled to one vote regardless of the number of shares you own. Shares may be issued in the name of an individual, jointly, or in other ways (e.g. in trust, or in the name of a minor) in accordance with our Charter, Bylaws and policies.

**Member Identification Program.** To help the government fight the funding of terrorism and money laundering activities, as well as to protect you from identity theft, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens, or is later added to, an account. This means that we will require you to provide, and we will verify, certain information about you when opening an account, in accordance with the requirements of the USA Patriot Act and the Bank Secrecy Act. This will include producing a government-issued picture ID. We may also ask for picture ID, passwords, PINs, or other means of identification and authentication whenever you initiate any transaction with us. We may refuse to open any account or to grant any request if you fail to provide adequate identifying or authenticating information, or we have a good-faith cause to believe that you are not the person you are purporting to be or are otherwise not authorized to open the account or initiate the transaction, and we will not be liable for any loss or expense you may incur due to our refusal. For identification purposes, we may also require you to provide your fingerprints at the time of account opening or at the time you negotiate certain checks.

You will also be required to provide a taxpayer identification number or social security number, collectively referred to as "TIN," to be used for this purpose and for subsequent regulatory reporting. We may also request from time to time, and you agree to provide, additional documentation depending on the type of account or service requested. Failure to furnish a correct TIN or meet other requirements may result in backup withholding. If your account is subject to backup withholding, we must withhold and pay to the Internal Revenue Service (IRS) a percentage of dividends, interest, and certain other payments. If you fail to provide your TIN, or provide a fraudulent or false TIN, we may refuse or suspend opening your account, or close your account and accelerate your loans.

**Consensual Pledge of Shares; Security Interest; Consensual Lien; Statutory Lien; Right to Set-off; Administrative Freeze:** By signing the Account Card or any other deposit or loan agreement or similar document granting a pledge or security interest in your shares, and/or by accessing, using, or otherwise accepting any funds, accounts or services, you grant the Credit Union, and we impress, a lien on your shares in the Credit Union. You also grant the Credit Union a security interest in such accounts to secure payment of any deposit obligations you owe (e.g., overdrafts, fees, etc.) and any loan or credit card obligations you owe, as well as any expenses we incur in connection with your accounts and services, including reasonable attorney's fees. You acknowledge and agree that we also have similar statutory lien rights in your shares under the Federal Credit Union Act and/or applicable state law, as well as the common law right to set-off and administrative freeze.

"Shares" and "share accounts" means any and all funds, regardless of the source of those funds, in any joint or individual share savings account(s), share draft account(s), certificate, payable on death ("P.O.D."), revocable trust or custodial account(s) or any other account whether jointly or individually held and whether your obligation under the account(s) is direct, indirect, contingent or secondary and whether held now or in the future. Your pledge and our lien rights do not include any Individual Retirement Account ("IRA"), Keogh or other account which would lose special tax treatment if pledged, or any irrevocable trust or fiduciary account in which you do not have vested ownership interest.

You understand and agree that these rights allow us to apply the funds in your share accounts to any obligations owed to us if you default or fail to pay or satisfy any obligation to us, and we can do so without any legal process, court proceeding or any notice to any owner of the share accounts affected hereunder or otherwise in this Membership Agreement, unless applicable law so requires. **You specifically agree that we have the right to place an administrative freeze on any of your share accounts**, so long as such action does not violate 11 USC § 362 or other applicable law. You understand that these rights are multiple and we can exercise one or all of them. Exercising one right does not waive the right to exercise others. Any payment to any joint owner, beneficiary, or other party for any reason shall be subject to our security interest, consensual lien, and right to set-off.

**CROSS-COLLATERALIZATION:** Property and/or shares given as security under any deposit, loan, or credit card accounts or services you have with the Credit Union will secure any and all obligations under such accounts or services as well as any account owner's joint or individual obligations to us, now or in the future, whether direct, indirect, contingent or secondary and arising from any loan or credit agreement, insufficient fund items, fees, cost, expenses, reasonable attorney's fees, or otherwise. This clause does not apply if such property is your primary residence, or are non-purchase money household goods.

**CREDIT CARD ACCOUNTS:** IF YOU HAVE A CREDIT CARD ACCOUNT WITH THE CREDIT UNION, YOU SPECIALLY AGREE THAT THE SECURITY INTEREST, CONSENSUAL LIEN, AND CROSS- COLLATERALIZATION CLAUSES ALSO APPLY TO THAT CREDIT CARD AND THAT GRANTING THESE RIGHTS TO US IS A CONDITION OF OBTAINING THE CREDIT CARD ACCOUNT.

### TYPES AND OWNERSHIP OF ACCOUNTS

We offer a variety of deposit and transaction accounts for which you may apply, including: savings, checking, and money market accounts which have no particular term or maturity date associated with them; and Share Certificate and Term Share Accounts, which must be maintained for a particular amount of time. Requirements of the accounts such as term, minimum opening deposit or minimum balance requirements, fees, and penalties are set forth in detail in your Truth-in-Savings Disclosure, Fee Schedule and the Deposit Rate Sheet, this Membership Agreement and other agreements that you may have with us. Ownership of the accounts may be held in a number of ways, such as individually, jointly, in trust, etc. Your account type(s) and ownership features are designated on your Account Card at the time you open the account, or any subsequent amendments which you may make from time to time after account opening.

Not all accounts or services described herein may be offered at certain times or in perpetuity. The Credit Union reserves the right to enhance or suspend certain accounts or services at any time. For example, we may occasionally offer enhancements or additional benefits to certain accounts or services such as purchase awards or travel accident insurance or other features at no additional cost to you. These features are offered solely at our discretion and can be changed or discontinued at any time with no prior notice to you.

The following describes the types of accounts that are generally available at the Credit Union:

**Savings, Checking, and Money Market Accounts:** You may open and close one or more share or savings accounts, checking accounts, or money market accounts, and may periodically deposit and withdraw funds from those accounts via access methods made available to you from time to time, including, but not limited to: share draft/checks; ATM Cards, checkcards or debit cards; telephone, in person, on-line banking, or mobile banking; and electronic funds transfers ("EFTs") such as Automated Clearing House ("ACH"), direct deposit, wire transfers, or preauthorized transfers. All transactions are subject to and in accordance with this Membership Agreement and all other agreements you have with us, including, but not limited to, the Funds Availability Policy; Truth-in-Savings Disclosure; Fee Schedule and the Deposit Rate Sheet; EFT Agreement and Disclosures; and Wire Transfer Agreement.

**Share Certificate Accounts:** Share Certificate accounts have stated maturity dates, and funds in those accounts are subject to penalty if withdrawn prior to the maturity date. Exact terms of the particular account such as Maturity Date, Annual Percentage Yield ("APY"), early withdrawal penalty fees, whether the account automatically renews, and other information will be provided at the time of account opening. If you maintain sufficient funds in the account for the full term in accordance with your share certificate agreement, at the end of the term we will pay you the principal amount you deposited, plus dividends or interest on account earnings in accordance with the share certificate agreement. If you withdraw all or part of your funds from this type of account before the certificate account matures we will charge you an early withdrawal penalty. That penalty is generally deducted from the dividends that have accrued on the account, but may be deducted from the principal, particularly if a sufficient amount of dividends to pay the penalty have not accrued. We may at our sole discretion grant you permission to withdraw funds early. If such permission is granted, it will be granted only at the time you request an early withdrawal.

Unless otherwise stated when you open the account, you hereby direct us to automatically renew applicable accounts upon maturity, at which time said account shall renew at each maturity date for a period of time equal to the original term and on the same conditions as the original account. The interest or dividend rate applicable to the renewal term shall be that rate that is applicable to new account on like terms in effect at the time the account renews. You can prevent an automatic renewal by providing us written instructions to the contrary or withdrawing funds on or within 7 days after the maturity date. If funds are withdrawn within 7 days after the maturity date, no penalty will be assessed. We may call an automatically renewing account for payment at the end of the original term or any renewing term, and any interest or dividends added to it for compounding will stop earning interest or dividends on the effective date of the call.

If the account is not automatically renewing, no interest or dividends will be earned after the stated maturity date. We will send you a notice on or before the maturity date of your account(s) advising you of the upcoming maturity date and the options available to you. You may be required to sign a separate agreement upon opening these accounts.

**IRA, Keogh and Coverdell Education Savings Accounts.** IRA accounts are individual retirement accounts and Coverdell Education Savings Accounts ("Coverdell ESA") are used to save for your child's college education. These accounts may be in the form of share certificates, money market accounts, or other types of accounts. There may be restrictions on contributions, withdrawals, and other features of the accounts according to applicable federal and state laws and guidelines. Funds may be tax deductible and/or tax-deferred. We do not provide tax advice; you should consult with a qualified tax advisor regarding any funds you may have in these accounts. You may be required to sign a separate agreement upon opening these accounts.

**Interest- or Dividend-Bearing Accounts.** Some of the accounts available earn interest or dividends while others do not. If the account is an interest- or dividend-bearing account, disclosures and terms regarding accrual, crediting, and compounding will be provided in the Deposit Rate Sheet or similar document at the time you open your account. To qualify for dividends, the member must provide a valid social security number.

The following describes the types of ownership by which an account may be held:

**Individual Accounts.** An individual or single-party account is an account owned by one person, including an individual, corporation, trust, or other organization qualified for Credit Union membership. If the account owner dies, the owner's interest passes, subject to applicable law, to the decedent's estate or POD beneficiary or trust beneficiary, subject to other provisions of this Membership Agreement and applicable law.

**Joint or Multiple Party Accounts.** An account owned by two or more persons is a "Multiple Party Account." Unless your Account Card specifically states otherwise (see "Multiple Party Account without Right of Survivorship" below), Multiple Party Accounts are held in joint tenancy with the right of survivorship. This means that you intend and agree that the balance in the account, upon the death of any party to the account, shall belong to the surviving owner(s). A surviving owner's interest is subject to our statutory lien rights, consensual lien rights, the right of set-off, and to any security interest or pledge granted by a deceased owner, even if a surviving owner did not consent to it. To preserve federal reporting requirements, in the event of primary account holder's death, services pertaining to said account will be suspended 150 days after actual notice of death is provided to UFCU. A joint account holder may open a separate transfer eligible funds, if they still qualify for membership.

We reserve the right to require all owners to sign the Account Card. Any and each owner is authorized and deemed to act for any other owner(s) and may instruct us regarding transactions and other account matters. Each owner guarantees the signature of any other owner(s). Any owner may withdraw all funds, stop payment on items, transfer funds into or out of the account, block or terminate any service or access device, or pledge to us all or any part of the shares without the consent or knowledge of the other owner(s). We have no duty to notify any owner(s) about any transaction. We reserve the right to require written consent of all owners for any change to or termination of an account. If we receive written notice of a dispute between owners or inconsistent instructions from them, we may act on any or none of the instructions or, alternatively, we may suspend or terminate the account and require a court order or written consent from all owners to act. One owner may not remove another owner.

Ownership rights and disputes involving the funds in your accounts are subject to your agreements with us, and applicable state or federal law. We shall not be liable to any owner if we in good faith act upon a valid court order from a court of competent jurisdiction. We will also not be liable if we in good faith refuse to act upon a court order or any instruction from any owner. All owners will be jointly and severally liable for any and all expenses, fees and costs, including reasonable attorney's fees, that we incur in connection with any dispute regarding the account, regardless of whether the dispute is initiated by an owner or third party. By signing the Account Card, or an amendment to the Account Card on a form approved by us, each of you authorizes us to take these expenses from any of your account(s) without prior notice to you.

If a deposited item in a multiple party account is returned unpaid, an account is overdrawn or if we do not receive final payment on a transaction, all owners are jointly and severally liable to us for the amount of the returned item, overdraft, or unpaid amount and any fees or expenses that we incur, including reasonable attorney's fees, regardless of who initiated or benefited from the transaction. If any account owner is indebted to us, we may enforce our rights against any account of any owner or against all funds in the multiple party account regardless of who contributed them and to what extent.

**Multiple Party Accounts without Right of Survivorship.** An account owned by two or more persons without right of survivorship is held in joint tenancy without the right of survivorship. On death of an account holder for a multiple party account without the right of survivorship, the remaining account holder(s) must provide a court order or similar document, acceptable to the Credit Union, that states the proper disposition of all funds.

**Payable on Death (POD) Accounts.** A POD account is an instruction to us that a single or multiple party account so designated is payable to the owner(s) during their lifetimes and, when the last account owner dies, is payable to any named, living POD beneficiary. Sums payable to more than one surviving beneficiary shall be distributed equally to each beneficiary. No beneficiary shall be entitled to another's interest upon said beneficiary's death. Unless subject to Section 752.052 of the Texas Estates Code, POD beneficiary may not be an owner of the account. A party acting as agent may not appoint themselves as a POD beneficiary on behalf of the account owner. However, an agent may be appointed as POD beneficiary prior to being appointed agent, or by another owner of the account. Any POD beneficiary designation shall not apply to IRAs, which accounts are governed by a separate account agreement and beneficiary designation. We are not obligated to notify any beneficiary of the existence of any account or the vesting of the beneficiary interest in any account, except as otherwise provided by law. Any owner may change any beneficiary designation upon written notice to us, on a form approved by us.

**Accounts for Minors.** We reserve the right to require any account established by a minor to be a multiple party account with an owner who has reached the age of majority under state law, a legal guardian of the minor, and/or who shall be jointly and severally liable to us for any returned item, overdraft, or unpaid charges or other amounts owing on such account ("Adult"). We may require the minor to sign the Account Card if so capable; otherwise, the Adult shall sign the Account Card on behalf of the minor, as well as in the Adult's own capacity. We may pay funds directly to the minor without regard to age. Unless a guardian or parent is an account owner, the guardian or parent shall not have any account access rights. We have no duty to inquire about the use or purpose of any transaction. We shall change the account status when the minor reaches the age of majority, unless otherwise authorized in writing by all account owners.

**Uniform Transfers to Minors Account/Uniform Gifts to Minors Account (UTMA/UGMA).** An account established under the Uniform Transfers to Minors Act (UTMA) or Uniform Gifts to Minors Act (UGMA) is an individual account created by a custodian who deposits funds as an irrevocable gift to a minor. The account is governed by the applicable UTMA/UGMA law adopted in the state in which the account is held. The minor to whom the gift is made is the beneficiary of the custodial property in the account and as such, the funds in the account belong to the minor. The custodian has possession and control of the account for the exclusive right and benefit of the minor, and, barring a court order otherwise, is the only party entitled to make deposits, withdrawals, or close the account. We have no duty to inquire or investigate regarding the use or purpose of any transaction or the propriety or impropriety of any action taken by the custodian. If the custodian dies, we may place an administrative freeze on the account, until we receive instructions from any person authorized by law to withdraw funds or a valid court order authorizing withdrawal. Any successor custodian must provide us with, and complete all, written documentation to our satisfaction that authorizes such custodian to act legally on behalf of the minor and ensuring that all applicable laws have been followed. It is agreed that the custodian may or may not be the minor's legal guardian or that there is more than one legal guardian, in such event we can accept orders and instructions from any legal guardian in good faith and in accordance with applicable law. When the beneficiary reaches the age of majority as defined by the applicable state's UTMA/UGMA law, the funds may be paid or withdrawn by the beneficiary without further notice or action by us, and we will not be liable for any disputes arising from such withdrawal. The account will otherwise terminate and be distributed in accordance with applicable law.

**Agency, Trust, or other Custodial Accounts.** We may open accounts pursuant to any court order, trust agreement, or similar authority in accordance with your desire to establish an account for a trust, probate, custodial, or other fiduciary purpose. Because we do not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your trust, will, or court order. The person acting as agent, guardian, custodian, personal representative, trustee or other fiduciary capacity shall be designated as such

on the Account Card. Such designation is an instruction to us that the account owner authorizes another person to make transactions as agent for the account owner regarding the accounts designated. For these accounts, you appoint the designated representative listed on the Account Card as your attorney-in-fact to deposit or withdraw funds held in the designated account(s). Your agent has no ownership interest in the account(s) or voting rights in the Credit Union. We have no duty to inquire or investigate regarding the use or purpose of any transaction or the propriety or impropriety of any action taken by the designated representative.

If you ask us to follow any instructions that we believe might expose us to claims, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, we may refuse to follow your instructions or may require you to indemnify us or post a bond or provide us with other protection.

**Commercial or Business Accounts:** Accounts held in the name of a business entity, organization, or member for business or commercial purposes are subject to the terms of this Membership Agreement, unless a separate Business Account Agreement or similar document has been signed. Such accounts are also subject to the following terms: You must provide us additional documentation acceptable to us appointing those individuals who are authorized on behalf of the entity to open accounts and transact business. Any changes to such authorization must be made in a writing acceptable to us, and we will not be liable for any actions taken before we are provided with such acceptable written notice of any change in authorization(s). We reserve the right to require that third party checks payable to an entity be deposited into a business account rather than being cashed. We have no duty to inquire or investigate regarding the use or purpose of any transaction or the propriety or impropriety of any action taken by the designated representative, and will have no notice of any wrongdoing unless and until we are informed in writing of such wrongdoing. **YOU ARE HEREBY NOTIFIED, AND YOU HEREBY AGREE, THAT ANY COMMERCIAL OR BUSINESS ACCOUNT OPENED IN THE FORM OF A PERSONAL ACCOUNT ARE SUBJECT TO THE TERMS AND CONDITIONS CONTAINED WITHIN THE BUSINESS MEMBERSHIP AGREEMENT AND THE APPLICABLE LAWS AND REGULATIONS THAT REGULATE SUCH ACCOUNTS AND MAY BE SUBJECT TO ADDITIONAL REPORTING REQUIREMENTS. YOUR ACCOUNT MAY AUTOMATICALLY BE CONVERTED TO A BUSINESS ACCOUNT.**

#### **TRANSFERS OR DEPOSITS TO YOUR ACCOUNT(S)**

**Deposit and Collection of Items.** You may make deposits to any account, in any manner approved by us including, but not limited to: in person, by mail, by electronic transfer, mobile deposit, direct deposit, Automated Teller Machine (ATM), night deposit box, or any other approved method made available by us. We are not responsible for any deposit made by mail, night deposit box, or through a depository not staffed by us. The common law mailbox rule does not apply; acceptance will not become effective until we actually receive the item. If a check, draft or other item that is payable to two or more persons is ambiguous as to whether it is payable to either or both, we may process the check, draft or item as though it is payable to either person. All transactions are subject to our Funds Availability Policy and related applicable laws.

**Direct Deposits.** We may offer preauthorized deposits (e.g., payroll checks, Social Security or retirement checks, or other government checks) or preauthorized transfers from other accounts. You must authorize each direct deposit or preauthorized transfer by filling out a separate form. You must notify us at least thirty (30) days in advance to cancel or change a direct deposit or transfer option. Upon a bankruptcy filing, or a garnishment or receivership action, unless you cancel an authorization we will continue making direct deposits in accordance with your authorization on file with us. If we are required to reimburse the U.S. Government for any benefit payment directly deposited into your account, we may deduct the amount returned from any of your accounts, unless prohibited by law or required to do so by a court of law. You are solely responsible for any overdrafts, fees or the like resulting from any such reimbursements.

**Crediting of Deposits.** Deposits made after the deposit cutoff time and deposits made on either holidays or days that are not our business days will be credited to your account on the next business day and in accordance with our funds availability policy.

**Liability.** In receiving and processing items for deposit or collection, we act only as your collection agent and we assume no responsibility beyond our obligations of good faith and ordinary care. We exercise ordinary care if our actions or inactions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearinghouse rules, and general banking practices followed in the area we serve. We are not liable for the negligence of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. We may send any item for collection and any items and their proceeds will be handled in accordance with applicable Federal Reserve and Clearing House rules and other applicable law.

If we do not properly complete a transaction according to this Membership Agreement, we will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. We will not be liable if: (1) your account contains insufficient funds for the transaction; (2) circumstances beyond our control prevent the transaction; (3) your loss is caused by your negligence or another financial institution's negligence; or (4) your account funds are subject to legal process or other claim. We will not be liable for consequential or special damages, except liability for wrongful dishonor. You grant us the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Membership Agreement. Any conflict will be resolved by reference to this Membership Agreement.

**Endorsements.** We may accept transfers, checks, drafts, and other items for deposit into any of your accounts even if they are not endorsed by all payees. If you fail to properly endorse an item, you authorize us to supply any missing endorsement, but we are not required to do so. We may require that certain government checks, insurance company items, or other check or draft be personally endorsed by each and all payees. Endorsements must be made on the back of the share draft or check within 1 and 1/2 inches from the trailing edge, although we may accept endorsements outside this space. You agree to reimburse us for any loss or expense we incur resulting from an irregular endorsement or other markings by you or any prior endorser.

If we offer remote deposit capture (mobile deposit) and you have been approved to use the service, you agree that prior to transmitting check or draft images, you will restrictively endorse each original check or draft in accordance with the Remote Deposit Capture User Agreement that governs this service. Items deposited which do not have the proper endorsement may be rejected and the deposit reversed. You are solely responsible for any overdrafts, fees, or the like, resulting from any such reversals.

**Charge-back; right of set-off.** All items, including checks, ACH transfers, or other transfers credited to your account are provisional until we receive final payment. We may charge-back or debit your account for the amount of such items under the following circumstances: (1) if final payment is not received; (2) if, within the normal handling period for such item, the item cannot be honored against the drawer's account; (3) if a deposited item is returned to us by the financial institution on which it is drawn, even if that financial institution failed to return the item before its midnight deadline; or (4) any other circumstances allowed by law. We may charge-back your account regardless of whether the other financial institution returned the item before its midnight deadline. You further authorize us to pursue collection of previously dishonored items, and you acknowledge that this may permit the payor bank to hold an item beyond the midnight deadline. When charging-back your account, we may also charge your account with a Returned Item fee for each presentment and any collection fees or expenses, including reasonable attorney's fees and court costs. You acknowledge and agree that we may charge-back your account even if it causes your account to have insufficient funds, and you agree to replenish the funds in your account and to pay any and

all overdraft, return, or non-sufficient funds fees ("NSF") and charges. You specifically agree that we may exercise our security interest and right of set-off against any other deposit accounts that you have with us to recover any of these amounts.

**Foreign banks.** We reserve the right to refuse or return any item or funds transfer. Items drawn on an institution located outside the United States are handled on a collection basis only.

**Waiver of notice.** You waive any notice of nonpayment, dishonor, or protest regarding items we purchase or receive for credit or collection to your account.

### TRANSFERS OR WITHDRAWALS FROM YOUR ACCOUNT(S)

**Account Access; Honoring Items; Limitations.** You may withdraw or transfer funds from your account(s), including share savings and money market accounts in any manner we permit, subject to federal regulation (e.g., by writing a check; using an ATM or debit card at point-of-sale or at an automated teller machine; in person; by mail; by automatic or preauthorized transfer, ACH, wire transfer or other electronic transfer; by telephone or on-line banking, mobile banking or bill pay services, or other means made available to you). If the transaction request is made by remote means such as telephone, we are not responsible for any request or order that we believe to be genuine; we can also refuse to honor such request or order if we in good faith do not believe it to be genuine or have reason to doubt the identity or authentication of the requestor. Your ability to transfer funds from your account is always subject to having sufficient available funds in the account(s) and is subject to this and the other agreements you have with us, including, but not limited to, the Funds Availability Policy. You authorize us to honor transactions initiated by a third person to whom you have given your account number even if you do not authorize a particular transaction. If there are sufficient funds to cover some, but not all of your withdrawal, we may allow those withdrawals for which there are sufficient funds in any order at our discretion.

The law permits us to pay items drawn on your account in any order, even if the order in which we pay items causes an overdraft. We may honor any item or instruction even if it creates an overdraft or negative balance in your account or if it violates any minimum balance requirement or other requirements of the account, in which case you agree to pay all fees, penalties or other charges imposed on you as well as costs incurred by us. We may return as unpaid any item drawn on a form we do not provide or approve, and you are responsible for any loss we incur handling such an item. For more information, please see *Transaction Posting Order* below.

To process certain electronic transactions, we may place a temporary hold on your funds which may be for 36 hours or more. We have no control over the other parties to the transactions or the commercial networks used in facilitating the transactions. It is your responsibility to make sure you have sufficient funds in your accounts to cover all transactions, regardless of when those transactions may clear.

We may refuse to allow a withdrawal in some situations, and will advise you accordingly. For example: (1) a legal garnishment, receivership or attachment is served; (2) the account secures any obligation to us; (3) required documentation has not been presented; (4) you fail to make payments on a loan that you have with us; or (5) any other reason allowed by applicable law. We may require you to give written notice of seven (7) days to sixty (60) days before any intended withdrawals.

**Authorized Signature; Electronic Signature; Facsimile Signature Device; Forged Checks.** Your signature on the Account Card is your authorized signature for account access to and from your account(s), and may include your electronic signature in compliance with the Electronic Signatures in Global and National Commerce Act (E-Sign Act). We are authorized to recognize this signature for the payment or transfer of funds, payment instructions, or other purposes relating to your account(s) but we may also allow transfers even without your signature. We will not be liable for refusing to honor any item or instruction if we believe the signature is not genuine. However, we are not required to check the signature for authenticity unless our internal policies and procedures require us to (e.g., if a check is written above a stated threshold amount), and you agree that failure to do so does not constitute failure on our part to exercise ordinary care. You may also authorize the use of a facsimile signature device, electronic signature, eSignature software, and, if you have done so, we may honor any draft or other item that appears to bear your facsimile signature even if it was made by an unauthorized person, and we will not be liable for any issues arising from such honor. You are responsible for the use and safeguarding of the facsimile signature device, your checks, and your access codes and as such, you specifically agree that you are in the best position to determine whether your facsimile signature has been used without your consent, or a counterfeit facsimile signature device has been used, or your signature has been forged. Therefore, you are required to make a good-faith effort to review any and all statements and items or checks returned to you or made available to you for any unauthorized use of your electronic, mechanical, or facsimile signature. We will not be liable if we honor an item that appears to be authorized by your signature, and you will reimburse us for any loss or costs (including reasonable attorney's fees) that we incur because the facsimile signature was used without your consent or because a counterfeit facsimile signature device was used. Nothing in this provision shall be construed to relieve us of our obligations to act in good faith and to exercise ordinary care.

**Automated Processing of Items.** You acknowledge and agree that we have adopted automated collection and payment procedures which are standard and reasonable in the industry. This allows us to process a large volume of items efficiently. However, these automated procedures rely primarily on information encoded onto each item in magnetic ink and does not provide for personal inspection of the item by our staff ("site examination"). You agree that in paying an item, we may disregard all information on the item except that which has been encoded onto the item in magnetic ink, such as identity of drawee bank and amount of the item, even if that information is inconsistent with other information printed or written on the item. You agree that we do not fail to exercise ordinary care in paying an item solely because our procedures do not provide for a sight examination of the item. You also agree to reimburse us for any loss or costs (including reasonable attorney's fees), that we incur because the item contained such extra information.

**Stale and Post-Dated Items.** We maintain the option to pay or dishonor any stale draft or check (i.e., more than six months old) upon presentation. You agree that we are not liable to you for charging your account before the indicated date on a properly payable but post-dated check unless you notify us in writing that you have issued a post-dated draft. The notice must be given to us in time so that we can notify our employees and reasonably act upon the notice, and it must provide the number of the check, its date, the name of the payee, the exact amount, and the account number on which it is drawn. You understand that the exact information is necessary for us to identify the draft. We are not responsible if you give us an incorrect or incomplete description, or untimely notice. You may make a verbal notice which lapses in fourteen (14) calendar days unless confirmed in writing. A written notice is effective for six (6) months and may be renewed in writing from time to time. You agree not to deposit checks, drafts, or other items before they are properly payable. We are not obligated to pay any check or draft drawn on your account which is presented more than six (6) months past its date.

**Overdrafts.** An overdraft occurs when, on any one day, the funds in your account are not sufficient to cover drafts, fees or other items posted to your account, whether the transaction was made by check, electronically, or otherwise. Our determination of an insufficient

account balance may be made at any time between presentation and our midnight deadline with only one review of the account required. We do not have to notify you if your account does not have funds to cover drafts, fees or other posted items. Whether the item is paid or returned, your account may be subject to a charge as set forth in the Fee Schedule. Except as otherwise agreed in writing, we, by covering one or any overdraft, do not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time without notice. If we pay a draft or impose a fee that would otherwise overdraw your account, you agree to pay the overdrawn amount immediately.

**Overdraft Protection Plan Agreement.** If we have approved an overdraft protection plan for your account, we will honor drafts drawn on insufficient funds by transferring funds from another designated account under this Membership Agreement or a loan account or credit card account, as you have directed, or as required under our overdraft protection policy. The fee for overdraft transfers, if any, is set forth on the Fee Schedule. You will not have any overdraft protection if the designated account has insufficient funds to cover the transaction or if the loan or credit card account has insufficient credit available. If the protected account is a joint account, you acknowledge and agree that transactions causing overdrafts made by a joint owner will be paid under the overdraft protection plan even if the designated account or loan or credit card account is not jointly owned or jointly made. If there is any conflict between this provision and any provisions regarding overdrafts contained in an applicable loan agreement or credit card agreement, the loan agreement or credit card agreement shall govern.

**Overdraft Courtesy Pay Agreement.** Under our Courtesy Pay program, if you are in good standing with us we may honor your overdrafts up to amounts set forth by Credit Union policies. Such amount(s) also include our standard NSF fee and our Courtesy Pay fee. We may honor overdrafts at our sole discretion and charge you the NSF or Courtesy Pay fee. This is a service that we offer and requires opt-in on the member's part. It is not a loan. You can set up alerts each time an overdraft occurs. We have no obligation to continue offering this service and may discontinue it at any time without notice to you. If you have an overdraft protection plan, we will look to that plan for funds to cover overdrafts before we use the Courtesy Pay program. This Courtesy Pay program does not relieve you of your obligation to replenish the funds in your accounts and to pay all obligations owing to us, including overdrafts and related fees. You are considered to be in "good standing" if the following conditions are met: (1) you bring your account to a positive balance at least once every 45 days; (2) you are current on all loans and obligations; (3) there are no past charge-offs that have not been fully recovered; (4) there are no tax levies, garnishments, receiverships or other legal actions directed against your account; (5) you do not have a delinquent loan, a regular Savings Share account balance below the \$5.00 minimum, an unresolved deposited returned check, unpaid or uncollected Credit Union fees, or a negative account balance with us; and (6) you have not caused a financial loss to the Credit Union, nor have been found to have violated our Member Conduct Policy.

We may return debits (e.g., ACH payments) submitted for payment against the checking account if the amount of the debit exceeds the funds available in the checking account. Each time we return a debit for insufficient funds, we will assess an NSF fee in the amount shown on our current Fee Schedule for each returned debit item. The entity that submitted the debit may submit another debit to us even if we have already returned the prior debit for insufficient funds in the checking account and or money market share. If the resubmitted debit again exceeds the funds available in the checking account, we again will return the debit, resulting in an additional NSF fee. Thus, you may be charged multiple NSF fees in connection with a single debit that has been returned for insufficient funds multiple times.

The Courtesy Pay program is not available on the \_\_\_Simply U\_\_\_\_\_ Account or any non-checking accounts.

**Transaction Posting Order:** Transactions are posted in the order they are received. Processing methods vary dependent upon the way the transaction is received; i.e. ACH and Bill Pay have different processing times. Please contact UFCU for more information.

**Available vs. Actual:** Your "available balance" reflects any pre-authorization holds or deposit holds and is used to determine available funds when future transactions attempt to clear the account. The balance we use internally as transactions clear is called your "actual balance" or "total balance" and includes all items that have cleared the account up to that point in time. This actual balance does not include outstanding debit purchases, share drafts (checks), or automatic drafts. If funds are not sufficient in the actual balance at the time of clearing, an overdraft fee is charged for each transaction that attempts to clear. Your actual balance includes items that have not yet cleared your account such as checks written and not negotiated and debit-card pre-authorization holds. Please contact us if you have any questions.

**Stop Payment Orders.** You may request a stop payment order on any check or other written instrument drawn on your account that has not been paid or certified. You may call us to request a stop payment, but to be binding, we require that the order be in writing, dated, signed, and describe the account number, item number, and the exact amount of the item. The stop payment order will be effective if we receive the order in time for us to act upon the order. You understand that the exact information is necessary for our computer system to identify the item. If you give us incorrect or incomplete information, or the stop payment order is not received in time for us to act upon it, we will not be responsible for failing to stop payment on the item and we will not be liable to you or to any other party for payment of the draft. If we re-credit your account after paying a draft over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer to us all of your rights against the payee or other holders of the draft and to assist us in any legal action.

A verbal stop payment order is valid for only 14 days, unless we receive a written confirmation thereof. A written stop payment order on a check that is not converted to an ACH transaction is valid for only six months unless it is renewed by you. For all other transactions, stop payment orders do not expire.

Fees for stop payment orders will be imposed and are set forth on the Fee Schedule. You may not stop payment on any certified check, cashier's check, teller's check, official check, or any other check, draft, or payment guaranteed by us. Although payment of an item may be stopped, you may remain liable to any item holder, including us. You have the burden of establishing the fact and amount of loss resulting from the payment of an item contrary to a binding stop payment order. You agree to indemnify and hold us harmless from all costs, including reasonable attorney's fees, damages or claims related to our refusing payment of an item, including claims of any multiple party account owner, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

**ACH and Wire Transfers.** Wire transfer services may be provided in accordance with the separate Wire Transfer Agreement and Disclosure provided to you.

**Choice of Law.** We may accept, on your behalf, payments to your account which have been transmitted through one or more Automated Clearing Houses and which are not subject to the Electronic Fund Transfer Act. Your rights and obligations with respect to such payments shall be construed in accordance with and governed by Federal Reserve Regulation J, Article 4A, and the laws of the State of Texas, and as provided by the operating rules of the National Automated Clearing House Association.

#### **OTHER RULES APPLICABLE TO YOUR MEMBERSHIP AND ACCOUNTS**

**Illegal Transactions.** You warrant and agree that you will not use any Credit Union services or loan or deposit accounts to make or cause to be made any transaction that is deemed illegal under applicable law, including, but not limited to, any gambling activity, embezzlement, identity theft, fraud, trafficking or selling of controlled substances, conversion of goods, money laundering or terrorist activity. Any such use

shall constitute a breach of this Membership Agreement. In response we may take a variety of actions, including but not limited to: we may delay processing, refuse to process, return processed funds to the account from which they came, or may be required by Federal Reserve Reg GG ("Reg GG") to refuse to process any transaction that we believe to be illegal, suspicious, unenforceable, or which is a restricted transaction under Reg GG, and will not be liable to you for such delay or refusal. Restricted transactions generally include, for example, those in which credit, electronic fund transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with the participation by others in unlawful internet gambling. You further agree to indemnify us and hold us harmless from any liability of any kind and costs incurred by us in any form whatsoever that results directly or indirectly from such illegal use. We will also not be liable to you if we in good faith freeze your accounts and/or notify our regulators or local or federal enforcement authorities regarding any activity we believe to be illegal, suspicious, or unenforceable.

**Negative Information Notice.** We may report information about your accounts to credit bureaus. Late payments, missed payments, insufficient funds transactions or other defaults on your account may be reflected in your credit report.

**Account Rates and Fees.** We pay interest or dividends on qualified accounts and assess fees against your account as set forth on the Fee Schedule and the Deposit Rate Sheet. You agree that we may debit your account for any fees incurred without prior notice to you. We may change the Fee Schedule and the Deposit Rate Sheet at any time and will notify you as required by law. For the most current rates and fees, you may contact us at any time and manner available.

**Statements and Copies of Checks.** If we provide a periodic statement for your account, we will send or make available to you a periodic statement of transactions and activity on your account during the statement period as required by applicable law. In the case of multi-party accounts, you agree and acknowledge that we are required to provide only one statement on the account and can provide it to any one of the parties on the account as we choose.

For checking accounts, you understand and agree that your original check (or substitute check), when paid, becomes our property and may not be returned to you. We may, but are not required to, retain the original checks. You agree to keep copies of your checks in order to verify their validity. If you request copies of your checks, you agree that we may provide an electronic image of the check or a sufficient copy thereof. We may charge you, and you agree to pay, fees for providing copies of the checks and/or any research involved with your request, as set forth on the Fee Schedule.

You understand and agree that statements are made available to you on the date they are mailed to you or delivered electronically. You also understand and agree that checks or copies thereof are made available to you on the date the statement is sent to you, even if the checks do not accompany the statement.

**Your Duty to Examine.** You are responsible for promptly examining each statement and reporting any irregularities or issues to us. We will not be liable for any forged, altered, unauthorized, unsigned, or improperly endorsed or encoded items drawn on your account if: (1) you fail to notify us in writing within thirty (30) days of the mailing date of the earliest statement containing or evidencing such irregularities regarding any item described in the statement; or (2) any items are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of a facsimile signature machine.

If you fail to receive a periodic statement you agree to notify us within fourteen (14) days of the time you regularly receive a statement.

**Electronic Statements, Notices, Disclosures and Agreements; Electronic Services.** We may provide electronic document delivery services for the delivery to you of all disclosures, statements, notices, contracts or agreements, receipts, modifications or amendments, and all other documentation regarding your membership, accounts, transactions, or other business you have with us (collectively referred to as "documents" or "documentation"). If you agree to receive such documentation electronically, you specifically agree and acknowledge that we may provide the documents electronically either by sending an email with the text of the documents embedded in the text of the email message or as an attachment contained within the email, or by posting such documents on our website or on-line banking service. You have a right to request and receive a paper copy of these documents if that right is provided under applicable law. You may also withdraw your consent and revoke your agreement to receive the documents electronically. To request a paper copy or to revoke your consent, call, write, or email us at the number and addresses provided on the Deposit Rate Sheet.

We may also offer electronic services such as on-line banking, mobile banking, or on-line bill pay, which allow you to conduct transactions to and from your account(s) and to conduct other business with us electronically. You may be required to sign or accept prior to use, a separate agreement regarding these services and you will be subject to any on-line instructions, rules, agreements, and restrictions provided on the website(s), in mobile applications, or provided to you at the time you open an account or enroll in these services. You may be required to be enrolled in our on-line banking service in order to enroll in our electronic document delivery service.

Enrollment in, and use of, these electronic services does not relieve you of your duty to promptly examine your statements, checks, and other documentation for irregularities or discrepancies regarding your accounts in accordance with this and your other agreements you have with us.

Subject to applicable law, we may suspend some or all digital services and access to your checking or other account(s) if you become delinquent on any of your loan or deposit obligations to us, cause significant disruption to Credit union Operations or another member's ability to conduct business with us, or you cause a loss to us. We shall not be liable to you in any regard in connection with such suspension of services.

**Notices; eNotices; Name or Address Change.** Any written notice we give to you is effective when it is made available in our on-line banking system (if you have agreed to receive such notices electronically), or when it is deposited in the U.S. Mail, postage prepaid and addressed to you at the most recent mailing address on file with us. Notice to any account owner is considered notice to all account owners. Any written notice you give us is not effective until we actually receive it in our offices.

You agree to notify us of any postal or email address change or name change in writing. We reserve the right to require verification of your identity and proof of a change in address prior to making any changes in our records. We are only required to attempt to communicate with you at the most recent address you have provided to us. If you fail to provide notice of a change in address or name, and we attempt to locate you, we may impose a service fee as set forth on the Fee Schedule.

**System Requirements.** In order to enroll in our electronic document delivery service, mobile banking, or on-line banking services, you must be able to receive, view, and print (or otherwise retain), the documents involved. As such, you must have a computer or mobile device that has access to the internet, and use of a browser that supports Secure Sockets Layer ("SSL") and cookies. Additionally, many of our documents, including periodic statements, will be sent to you in a Portable Document Format ("PDF"), and to open, read, and print these documents, you will need Adobe Acrobat Reader or a similar PDF reader. Adobe Acrobat Reader may be available for download for free via

the internet. Minimum system requirements are subject to change without notice as the technology changes. By enrolling in, and using the electronic services, you are asserting that your system meets these requirements and that you are capable of, and are indeed receiving, viewing, and retaining the documents involved. If you discover that you are not receiving such documents, you must contact us immediately. We will not be liable for any failure to deliver the documents if you do not notify us of such failure, or if the failure is due to your computer hardware, software, or other equipment, or due to other circumstances beyond our control.

**System Disruptions.** You understand and agree that such electronic services may occasionally be unavailable for short periods of time due to system maintenance or other reasons. We will not be liable for any delay that this may cause and you are ultimately responsible for conducting your transactions in a timely manner with regard to your banking and bill-paying needs. In the unlikely event that our electronic services become unavailable for a prolonged period of time, you understand and agree that you still have access to the Credit Union and your account(s) in the traditional manner (i.e., in person, by mail, telephone, or check-writing), and we will not be liable to you if you fail to use these means to conduct your business with us.

**For the following services, you may be required to enroll in each service separately, and sign or accept, prior to use, a separate agreement regarding each.**

**e-Statements.** If we make the e-Statement service available to you, you may agree to receive statements via electronic means, whereby your periodic statement will be e-mailed or sent electronically to you, and made available on, our on-line banking website. Please see the provision, "Electronic Statements, Electronic Notices, Electronic Disclosures and Electronic Agreements" for more information regarding e-Statements.

**e-Notices.** If we make this service available to you, you may agree to receive electronically all notices regarding your membership, account(s), or services with us whereby these notices will be e-mailed or sent electronically to you, and made available on, our on-line banking website. Please see the provision, "Electronic Statements, Notices, Disclosures and Agreements; Electronic Services" for more information regarding e-notices.

**Text Message Banking.** If we make this service available to you, you may agree to receive, via text message on your mobile device, certain notices regarding your membership, account(s), or services with us, whereby these notices will be sent to you via text message and made available on, our on-line banking website.

**Security Safeguards.** Even if you enroll in on-line banking, mobile banking, bill pay, or our electronic document delivery service, we may from time to time require certain transactions to be made in-person, or we may require verification or authentication of your identity, for security purposes before a transaction, or other business with us may be initiated, processed, or completed. You agree and understand that this is for the protection of us, and you, and is intended to safeguard your personal information and all funds held in or by the Credit Union, and to help prevent identity theft and bank fraud. You agree that we will not be liable for any delay in, or prevention of, any transaction or business conducted by you due to these security measures.

**Legal Process Against Your Account.** If any legal action is brought against your account such as tax levy, garnishment, receivership, attachment, etc., we may pay out funds according to the terms of the action or refuse any payout until the dispute is resolved. We will not be liable to you for any such payout, even if it leaves insufficient funds in your account to pay checks you have written or other items that have not yet been processed. Further, we may also be required to freeze your accounts subject to additional instruction from a court of law or its representative. Any expenses or attorney fees we incur responding to legal process may be charged against your account without notice, unless prohibited by law. Any legal process against your account is subject to our lien and security interest in your account and our right to set-off.

**Power of Attorney.** We may allow a third person to act as your attorney in fact pursuant to a Power of Attorney ("POA"), but we are not required to do so unless otherwise directed by applicable law. We have the right to review and approve any form of POA and may restrict account withdrawals or transfers. You understand and agree that we are under no obligation to honor any POA and we have no duty to investigate or verify the scope, authenticity, or validity of any POA. We also have no duty to inquire or investigate regarding the use or purpose of any transaction or the propriety or impropriety of any action taken by your attorney in fact. As required by state law, in the event a POA is rejected the Credit Union will send a letter to you at your address on file citing the reason.

**Sharing and Disclosing Account Information.** While we value your right to privacy and confidentiality of your personal information, there are times where your information will be shared and disclosed, as follows:

**With joint account owners and other parties to the transaction.** If you have a joint deposit account or loan account, or if you enter into a transaction or account with us that requires a co-signer, guarantor or a third-party owner of pledged collateral, you specifically agree to allow us to share and disclose, in good faith, information pertaining to those accounts with all your joint owners and other such persons described herein. By agreeing to involve these persons in your accounts and transactions, you acknowledge and agree that you are waiving your right to privacy in this regard and that it is understood that each of you will see each other's personal, non-public information that would otherwise be held in confidence.

**With Third Parties.** We generally do not disclose your account information to third parties except: (1) when it is necessary in processing a transaction, whether that is to pay an item or to send a notice of dishonor or nonpayment; (2) to exchange, in the normal course of business, credit information with third party financial institutions or other business entities or a third party seeks to verify the existence or condition of your account in accordance with applicable law; (3) to provide information to our regulators or law enforcement when we in good faith believe we have been a victim of a crime or we have observed suspicious activity; (4) to a court of law, or your legal counsel; (5) in order to comply with a government agency inquiry, subpoena or court order or a valid attachment, garnishment, receivership, or other legal action; (6) you give us written permission; (7) to guarantee a check by a third party; (8) at account opening, account renewal, or account review; (9) when we are attempting to collect a debt owed to us; or (10) any other reasonable disclosure allowed by law and appropriate to the circumstance. You also understand and agree that we may from time to time receive credit reports and other information about you in connection with your accounts or other legitimate business purpose. Upon request, we will give you the name and address of each agency from which we obtain such a report.

**Inactive or Dormant Accounts.** If your account falls below any applicable minimum balance and you have not made any transactions over a period specified in the Fee Schedule, we may classify your account as inactive, abandoned or dormant. Unless prohibited by applicable law, we may charge a service fee for processing your inactive account. You authorize us to transfer funds from another account of yours to cover any service fees. To the extent allowed by law, we reserve the right to transfer the account funds to a general Credit Union account and to suspend any further account statements. If a deposit or withdrawal has not been made on the account and we have had no other sufficient contact with you within the period specified by state law, the account will be presumed to be abandoned. Funds in

abandoned accounts will be reported and remitted in accordance with applicable state law. Once funds have been turned over to the State, we have no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state agency.

**Death or Incompetence of Account Owner.** We may continue to honor all transfer orders, withdrawals, deposits and other transactions on an account until we are notified of a member's death or adjudication of incompetence and are provided satisfactory evidence thereof, such as a certified death certificate or court order. Once we are notified of a member's death or incompetence, we may pay drafts or honor other payments or transfer orders authorized by the member for a period of ten (10) days after that date unless we receive instructions from any person claiming an interest in the account to stop payment on the drafts or other items. We may require anyone claiming the owner's account funds to indemnify us for any losses resulting from our honoring that claim. Upon the death of an individual account owner, we will pay all funds on deposit in accordance with the specific instructions on the Account Card such as to a Payable on Death Beneficiary. If there is no beneficiary designation, no probate proceedings or no estate, we may, but are not required to, pay the funds to any heir, who will be solely responsible for any further distribution of the funds. Alternatively, we may hold the funds until a proper court order is presented to us. We may require proper documentary evidence satisfactory to us before we determine the proper treatment of the funds and before we will release funds to any claiming party. Funds in a joint account will be payable subject to the provision, "Joint or Multiple Party Accounts." Any payment of funds upon the death or incompetence of any account holder is subject to our lien and security interest. This Membership Agreement will be binding upon any heirs or legal representatives of any account owner.

**Termination of Accounts and Services.** We may terminate your account or place a freeze on the funds at any time without notice to you or may require you to close your account and apply for a new account if: (1) there is a change in owners or authorized signers; (2) there has been a forgery, fraud, or unauthorized use reported or committed involving your account; (3) there is a dispute as to the ownership of the account or of the funds in the account; (4) any checks are lost or stolen; (5) there are excessive returned unpaid items not covered by an overdraft protection plan; (6) there has been any misrepresentation or any other abuse of any of your accounts; (7) we believe that you have been negligent in protecting your access devices or access codes; (8) you have breached any promise under this Membership Agreement; (9) you do not fulfill the terms of any of the accounts; or (10) we reasonably deem it necessary to prevent a loss to us or to be in the best interests of the Credit Union or our members or employees. If we are informed of such circumstances or otherwise believe that any of these circumstances are about to occur, we may place a stop payment on any item and we will not be liable to you for such a stop payment.

You may terminate a single party account by giving written notice. We reserve the right to require the consent of all owners to terminate a multiple party account. We are not responsible for payment of any draft, withdrawal, or other item after your account is terminated. However, if we pay an item after termination, you agree to reimburse us.

We reserve the right to require that all checking accounts and related services be closed or deactivated if you move your residence outside the U.S., its territories, or its possessions. If you do not close or deactivate the checking accounts within 30 days of your move, we may close the accounts.

**Termination of Membership.** You may terminate your membership by giving us notice and otherwise following our policies and procedures. You may be denied services or expelled for any reason allowed by applicable law, including having your membership account or primary share account balance fall below the required par value for membership, causing significant disruption to credit union operations or another member's ability to conduct business with us, or causing a loss to the Credit Union. Suspension of services or termination of your membership does not relieve you of your obligations to pay any fees or obligations that you owe us, and you are still responsible for any outstanding items that have not yet been processed or paid. Once membership has been terminated, no further transactions or services will be allowed. Please see our Member Conduct Policy for more information on member expulsion. It is located on [UFCU.org](http://UFCU.org).

**Amendments to the Agreement and Change-in-Terms.** Except as prohibited by applicable law, we may change the terms of this Membership Agreement or any other agreements you have with us, including rates and fees and the method with which we determine dividends and interest. We will notify you of any changes in the manner and within the timeframes required by law.

**Changes in Accounts or Ownership.** Any changes in accounts or services requested by you, or any account owner, such as adding or closing an account or service, shall be evidenced by a signed form approved and accepted by us. We reserve the right to require all account owners on a multiple-party account to consent to any changes and to sign the change form.

**Recording Conversations.** You acknowledge and agree that we may record any telephone conversation we have with you, regardless of whether we so inform you at the time of the conversation. This helps document the transaction or conversation and helps protect both parties.

**Severability; Headings; No Waiver.** If a court holds any portion of this Membership Agreement to be invalid or unenforceable, the remainder of this Membership Agreement shall remain valid and enforceable and will continue in full force and effect. All headings are intended for reference only and are not to be construed as part of the Membership Agreement. We reserve the right to waive or choose not to enforce any and all terms, rights, or remedies under this Membership Agreement and such waiver shall not affect our right to enforce that or another term, right, or remedy at a later time.

**Enforcement.** You are liable to us for any loss, cost or expense that we incur resulting from your failure to follow this Membership Agreement. This shall include reasonable attorney fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions. You authorize us to deduct any such loss, costs or expenses from your account without prior notice to you.

**Electronic Communications.** You authorize us to contact you using any digital device or other telephone number you have provided to us on Your Membership and Account Card, and at any digital device or other telephone number you may furnish to us or we may obtain for you in the future. We may contact you using any electronic means we choose, which may include but is not limited to, voice messages, text messages and other similar electronic methods of communication. If you have furnished us with any email address(es), you understand and agree that we may send you email messages regarding your account(s) with us from time to time. If you have or subsequently entered into any separate consent to receive electronic documentation form, any communications covered by such disclosure and consent shall be subject to the terms and conditions set forth in that disclosure and consent.

You understand that the nature of electronic communications is such that anyone with access to your digital device or other telephonic device or email may be able to read or listen to such transactional or relationship messages from us, and you agree that any person or party sending or leaving such messages shall have no liability for any consequences resulting from the interception of such messages by any other party. Without limitation, you also agree that you are responsible to pay all costs that you may incur as a result of any contact method we choose including, but not limited to, charges for telecommunications, wireless and/or internet charges.

**Elder Financial Abuse.** In the event we should suspect financial abuse, we may at our sole discretion freeze funds then on deposit and you agree that we may do this. Subject to our policies, if we do freeze such funds, then the account(s) may remain frozen until we receive written notice from the appropriate law enforcement or other government agency as to a disposition of funds on deposit. It is our responsibility to report to law enforcement any specific acts of abuse, neglect or elder exploitation.

**Governing Law.** This Membership Agreement is governed by our Charter and Bylaws, federal and state laws and regulations, local clearing house rules, and the local laws (including applicable principles of contract law) and regulations of the State of Texas. As permitted by applicable law, you agree that any legal action regarding this Membership Agreement shall be brought in Travis County, Texas.



The following disclosures and terms apply to your accounts with the University Federal Credit Union (Credit Union). The Membership and Account Agreement, Fee Schedule and Deposit Rate Sheet also sets out terms of your accounts and are hereby incorporated by reference as if fully set forth herein.

**SAVINGS, CHECKING, AND MONEY MARKET ACCOUNTS:**

- 1. RATE INFORMATION.** Please see our current Deposit Rate Sheet for current Annual Percentage Yield (APY) and any applicable tiers. The APY reflects the total amount of dividends to be paid on an account based on the dividend rate and frequency of compounding for an annual period. The dividend rate, bonus dividends, and APY may change at any time as determined by our Board of Directors. You must provide and maintain minimum opening deposits and/or minimum daily balances in order to earn the APYs stated below, if so indicated.
- 2. COMPOUNDING AND CREDITING.** The frequency with which dividends will be compounded and credited is set forth below. The "Month" or "Quarter" begins on the first calendar day of the month or quarter and ends on the last calendar day of the month or quarter.
- 3. MINIMUM BALANCE REQUIREMENTS.** The minimum balance requirements for each account type are set forth below. Minimum balance requirements may include a minimum opening deposit, the minimum balance that you must maintain in the account to avoid service fees, and the minimum balance that you must maintain each day to earn the stated APY for that account. The par value of a share in this credit union is disclosed on the Fee Schedule.
- 4. BALANCE COMPUTATION METHOD.** Unless otherwise indicated, we use the *Daily Balance Method* to calculate dividends on your account. The *Daily Balance Method* applies a daily periodic rate to the balance in the account each day.
- 5. ACCRUAL OF DIVIDENDS.** Dividends will begin to accrue on the day that you deposit cash/noncash items (e.g. checks) to your account. If you close your account before dividends are paid, you will receive the accrued dividends.
- 6. COURTESY PAY.** Courtesy Pay may allow members who are in "good standing" to overdraw their personal checking account up to the amounts set forth by Credit Union policies. To be in "good standing" the following conditions must be met: (1) you bring your account to a positive balance at least once every 45 days; (2) you are current on all loans and obligations; (3) you have no past charge-offs that have not been fully recovered; (4) there are no tax levies, garnishments, or other legal action against your account; (5) you do not have a delinquent loan, a regular Savings account balance below the \$5.00 minimum, an unresolved deposited returned check, unpaid or uncollected Credit Union fees, a negative balance on an account with us; and (6) you have not caused a financial loss to the Credit Union, nor have been found to have violated our Member Conduct Policy.

The Courtesy Pay program is not available on the Simply U or any non-checking accounts.

If you overdraw your account, we may, at our discretion, pay overdrafts up to the limit. You will be assessed either an NSF Fee or Courtesy Pay Fee, but not both. These fees will be included in the overdraft limits set forth above. **Courtesy Pay is a service that requires opt-in\* on the member's part. It is not a loan.** You can set up alerts each time an overdraft occurs through on-line banking. If monthly Social Security payments are deposited into your checking account, and you do not want to utilize these funds, in conjunction with the Courtesy Pay program, in order to pay overdrafts, you must advise us of this in writing.

We may return debits (e.g., ACH payments) submitted for payment against the checking account if the amount of the debit exceeds the funds available in the checking account. Each time we return a debit for insufficient funds, we will assess an NSF fee in the amount shown on our current Fee Schedule for each returned debit item. The entity that submitted the debit may submit another debit to us even if we have already returned the prior debit for insufficient funds in the checking account and or money market share. If the resubmitted debit again exceeds the funds available in the checking account, we again will return the debit, resulting in an additional NSF fee. Thus, you may be charged multiple NSF fees in connection with a single debit that has been returned for insufficient funds multiple times.

**7. VARIABLE RATE INFORMATION.** If your rate is variable as indicated below, the rate is based on the Board of Director's discretion. We may change the rate at every dividend period. There are no limitations on the amount the rate can change.

**Regular and Special Savings Account**

- Rate is: Variable
- Dividends are Compounded: Daily
- Dividends are Credited: Quarterly
- Minimum Opening Deposit: \$1.00
- Minimum Balance to Avoid a Service Fee: N/A
- Minimum Balance to Earn the Stated APY: \$100.00

**Teen and Kidz Savings Account**

- Rate is: Variable
- Dividends are Compounded: Daily
- Dividends are Credited: Quarterly
- Minimum Opening Deposit: \$1.00
- Minimum Balance to Avoid a Service Fee: N/A
- Minimum Balance to Earn the Stated APY: \$5.00

### Money Market Account

**Rate is:** Variable and Tiered

**Dividends are Compounded:** Daily

**Dividends are Credited:** Monthly

**Minimum Opening Deposit:** \$2,500.00

**Minimum Balance to Avoid a Service Fee:** N/A

**Minimum Balance to Earn the Stated APY:** N/A

**Bonus Dividend:** Upon engaging in ten (10) or more checking transactions in a given month, existing account holders may receive bonus dividend rates paid on Money Market Accounts for that month. Bonus Dividends are compounded daily and credited monthly and are paid on balances up to \$10,000.00. Balances in excess of \$10,000.00 will earn dividends at the current available rate.

### Free Checking Account

**Rate is:** N/A

**Dividends are Compounded:** N/A

**Dividends are Credited:** N/A

**Minimum Opening Deposit:** \$0.00

**Minimum Balance to Avoid a Service Fee:** N/A

**Minimum Balance to Earn the Stated APY:** N/A

### Plus Checking Account

**Rate is:** Variable

**Dividends are Compounded:** Daily

**Dividends are Credited:** Monthly

**Minimum Opening Deposit:** \$2,500.00 or in the alternative, aggregate balances of \$2,500.00 (Savings, Checking, Money Market, Certificates and IRA Accounts Combined)

**Minimum Balance to Avoid a Service Fee:** \$2,500.00 or in the alternative, aggregate balances of \$2,500.00 (Savings, Checking, Money Market, Certificates and IRA Accounts Combined)

**Minimum Balance to Earn the Stated APY:** \$1,000.00

### Teen Checking Account

**Rate is:** Variable

**Dividends are Compounded:** Daily

**Dividends are Credited:** Monthly

**Minimum Opening Deposit:** \$0.00

**Minimum Balance to Avoid a Service Fee:** N/A

**Minimum Balance to Earn the Stated APY:** N/A

### Simply U Account

**Rate is:** N/A

**Dividends are Compounded:** N/A

**Dividends are Credited:** N/A

**Minimum Opening Deposit:** \$0.00

**Minimum Balance to Avoid a Service Fee:** N/A

**Minimum Balance to Earn the Stated APY:** N/A

### Variable IRA Account

**Rate is:** Variable

**Dividends are Compounded:** Daily

**Dividends are Credited:** Monthly

**Minimum Opening Deposit:** \$100.00

**Minimum Balance to Avoid a Service Fee:** N/A

**Minimum Balance to Earn the Stated APY:** N/A

**CERTIFICATE ACCOUNTS:**

**1. RATE INFORMATION.** Please see our current Deposit Rate Sheet available at [www.ufcu.org](http://www.ufcu.org) for current APY and any applicable tiers. The APY reflects the total amount of dividends to be paid on an account based on the dividend rate and frequency of compounding for an annual period. If the dividend rate and APY are fixed, then they will remain in effect for the initial term of the account as indicated below. If the dividend rate and APY are variable, as indicated below, then the dividend and APY are based on the Credit Union's discretion as further described below. The rates for renewals shall be those rates in effect at the time of renewal. The APY stated is based on the assumption that dividends will remain on deposit until maturity; a withdrawal of dividends will reduce earnings.

**2. COMPOUNDING AND CREDITING.** The frequency with which dividends will be compounded and credited is set forth below.

**3. MINIMUM BALANCE REQUIREMENTS.** The minimum balance requirements for each account are set forth below. The par value of a share in this credit union is disclosed on the Fee Schedule.

**4. BALANCE COMPUTATION METHOD.** We use the *Daily Balance Method* to calculate dividends on your account. The *Daily Balance Method* applies a daily periodic rate to the balance in the account each day.

**5. ACCRUAL OF DIVIDENDS.** Dividends will begin to accrue on the day that you deposit noncash/cash items (e.g. checks) to your account. If you close your account before dividends are paid, you will receive the accrued dividends minus, if applicable, early withdrawal penalties.

**6. MATURITY.** Your account will mature according to the term indicated on your account summary or statement.

**7. EARLY WITHDRAWAL; PENALTIES.** We will impose a penalty if you withdraw funds in your certificate before the maturity date. The amount of the penalty is calculated based on the lesser of (a) all accrued dividends on the certificate; or (b) 25% of the dividends on the entire term. If you withdraw funds before the maturity date, you forfeit either all accrued dividends or 25% of what would have been earned if the certificate had been held to maturity. The APY disclosed for your certificate is based on an assumption that dividends will remain in the certificate until maturity; a withdrawal will reduce earnings. **Exceptions to Early Withdrawal Penalties\*\*:** We may, at our option, pay the account before maturity without imposing an early withdrawal penalty under the following circumstances: (1) If an account owner dies or is determined to be legally incompetent by a court or other body of competent jurisdiction; or (2) if the account is an IRA and the owner attains the age of 59 1/2 or becomes disabled.

**8. RENEWAL POLICY.** Unless you instruct us otherwise, you hereby direct us to automatically renew your certificate(s) at maturity. You will have a grace period of 7 days after the applicable maturity date to withdraw the funds in the certificate without being charged an early withdrawal penalty. The dividend rate and APY for the renewed term will be set by the Credit Union. Automatic renewal feature does not apply to the following Certificate Account(s): 9 Month Promo Certificate, (if available) Early Savers Certificate (The Early Savers Certificate will not be renewed, once you attain the age of eighteen (18) ("Non-Renewable Certificates"). At maturity or once you attain the age of eighteen (18), funds will be placed into the associated savings share.

**9. VARIABLE RATE INFORMATION.** If your rate is variable as indicated below, the rate is based on the Board of Director's discretion. We may change the rate at every dividend period. There are no limitations on the amount the rate can change.

	<b>Fixed Rate Certificate</b>	<b>Fixed Rate IRA Certificate</b>	<b>Step Up Certificate</b>	<b>Early Savers Certificate</b>
<b>Rate is:</b>	<b>Fixed</b>	<b>Fixed</b>	<b>Fixed</b>	<b>Variable</b>
<b>Dividends are Compounded:</b>	<b>Daily</b>	<b>Daily</b>	<b>Daily</b>	<b>Daily</b>
<b>Dividends are Credited:</b>	<b>Monthly</b>	<b>Monthly</b>	<b>Monthly</b>	<b>Monthly</b>
<b>Minimum Opening Deposit:</b>	<b>\$1,000.00</b>	<b>\$1,000.00</b>	<b>\$1,000.00</b>	<b>\$100.00</b>
<b>Additional Deposits:</b>	<b>Not Allowed</b>	<b>Not Allowed</b>	<b>At time of step-up</b>	<b>Anytime</b>
Early Withdrawal Penalty** (See Section 7 above)	The amount of the penalty is calculated based on the lesser of (a) all accrued dividends on the certificate; or (b) 25% of the dividends on the entire term. If you withdraw funds before the maturity date, you forfeit either all accrued dividends or 25% of what would have been earned if the certificate had been held to maturity.			

\*Courtesy Pay OPT-In for ACH, Checks, and Bill Pay is not required

\*\*We do not charge members that are over the age of 59 1/2 an early withdrawal IRA CD penalties.



This Electronic Funds Transfer Agreement and Disclosure ("EFT Agreement") is the contract which governs the rights and responsibilities of both parties regarding electronic funds transfer services offered by us. "Account" means any one or more of your savings, money market, line-of-credit, loan and checking account(s) you have with us. "ATM" means Automated Teller Machine. "Electronic funds transfers" or "EFT" are electronically-initiated transfers of money from or to your account through the various services described below. By signing a Membership and Account Application and Account Card which authorizes EFT services, or by accessing any service, you agree to the terms and conditions in this EFT Agreement, any amendments thereto, and any other agreements which may govern your accounts. We may refuse any transaction that would draw upon insufficient funds, lower an account below any required minimum balance, exceed a credit limit, or otherwise require us to increase our required reserve on an account.

**Suspension of digital services and access to share or deposit accounts.** Subject to applicable law, we may suspend some or all digital services and access to your checking or other account(s) if you become delinquent on any of your loan or deposit obligations to us, cause significant disruption to Credit Union operations or another member's ability to conduct business with us, or you cause a loss to the Credit Union. We shall not be liable to you in any regard in connection with such suspension of services.

**TYPES OF ELECTRONIC FUND TRANSFER SERVICES.** If approved, the following describes the services that are available, and the limitations that may apply:

1. **ATM Card.** You may use your ATM card and Personal Identification Number (PIN) to:

- Withdraw funds from your savings, checking, money market, and line-of-credit accounts.
- Make deposits to your savings, checking, and money market accounts.
- Transfer funds between your savings, checking, and money market accounts.
- Obtain balance information on your savings, checking, money market, and loan accounts.
- Make loan payments from your savings, checking, and money market accounts.
- Take an advance from your line-of-credit account.

**Limitations.** The following limitations will apply to your ATM Card:

Sufficient funds must be available to make any withdrawal. The total maximum dollar amount of cash withdrawals (money market, savings, line-of-credit, and checking combined for each category) per day is:

- Teen Checking account holders: \$500.00
- Free Checking, and Plus Checking account holders: \$2,000.00
- Simply U account holders: \$1,000.00

2. **Visa® Debit Card\*.** You may use your Visa Debit Card and PIN to perform all of the functions listed above in the ATM Card Access section. Additionally, you may also:

- Make Point of Sale (POS) transactions to purchase goods or services at POS terminals bearing the Visa logo.
- Pay for purchases at places that have agreed to accept the Visa Debit Card.
- Order goods or services by mail, telephone, mobile application or via the Internet from places that accept the Visa Debit Card.
- Pay bills or make other transactions on non-Visa networks (for example: STAR® and ACCEL®) without a PIN.\*\*

Some ATM or Debit Card services may not be available at all terminals. The amount of purchases and/or cash obtained (if permitted) will be deducted from your checking account. Advances from your line-of-credit account are loans that must be repaid by you, and are governed by your line-of-credit agreement.

\*VISA® is a trademark of Visa International Service Association and is used under license.

\*\*Non-Visa PIN-less transactions will not be processed as Visa transactions and therefore will not include Visa's zero liability or chargeback and dispute resolution benefits. Additionally, provisions of this EFT Agreement relating only to Visa transactions are not applicable to non-Visa and PIN-less debit transactions.

**Limitations.** The following limitations will apply to your Visa Debit Card:

**Teen Checking \_\_\_\_\_ account holders:**

- Maximum Daily amount of cash withdrawals (money market, savings, line-of-credit, and checking combined) of \$ 500 \_\_\_\_\_.
- POS withdrawals from the checking account are subject to a maximum daily amount of \$ 2,000.00 provided you have sufficient funds.

**Plus Checking \_\_\_\_\_ account holders:**

- The total maximum dollar amount of cash withdrawals (money market, savings, line-of-credit, and checking combined for each category) per day is \$2,000.00.
- POS withdrawals from the checking account are subject to a maximum daily amount of \$7,500.00. Provided you have sufficient funds.

**Free Checking** \_\_\_\_\_ **account holders:**

- The total maximum dollar amount of cash withdrawals (money market, savings, line-of-credit, and checking combined for each category) per day is \$2,000.00.
- POS withdrawals from the checking account are subject to a maximum daily amount of \$3,000.00. Provided you have sufficient funds.

**Simply U** \_\_\_\_\_ **account holders:**

- The total maximum dollar amount of cash withdrawals (money market, savings, line-of-credit, and checking combined for each category) per day is \$1,000.00.
- POS withdrawals from the checking account are subject to a maximum daily amount of \$2,000.00. Provided you have sufficient funds.

For security reasons, there are other limitations to frequency and number of transfers you may make at ATMs. Your available account balance may be reduced for preauthorizations for 3 business days or until the transaction clears. You are not allowed to make deposits at an ATM that UFCU does not operate or own. Additional limitations may apply.

**3. Electronic Check Conversion & Electronic Returned Check Fees.** If you pay for something with a check, you may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to: (1) pay for purchases or (2) pay your bills. When your check is used to initiate an EFT in this way, you authorize the funds to be debited from your account as soon as the same day, and your check may not be returned to you. You also authorize a one-time EFT to pay a Returned Check/EFT fee or Non Sufficient Funds fee if you have insufficient funds.

**4. Preauthorized EFTs.** You may authorize periodic or recurring automatic payments from, and deposits into, your designated account(s). Examples of such transfers include: direct deposit of your paycheck or Social Security check into your designated Credit Union account; automatic payment(s) from your designated Credit Union account to third parties; and automatic payment from your designated Credit Union account for loan payments or other amounts you owe us.

The frequency and amounts of these preauthorized transfers will be subject to and in accordance with the authorization that you sign, and any separate agreement you have with the originator of the transfer. Additional limitations may apply.

**5. Smart Teller or Telephone Banking.** You may access your accounts via our touch-tone telephone system. You may use telephone access to:

- Transfer funds between your savings, checking, and money market accounts;
- Obtain balance, account activity, and other information on your savings, checking, and money market accounts;
- Make loan or credit card payments from your savings, checking, and money market accounts;

The telephone access service is available twenty-four (24) hours a day, but may be inaccessible for a short period each day for data processing.

Limitations. Additional limitations may apply.

**6. Internet Banking Transactions.** We offer a Home Banking service that you may access from a personal computer, mobile phone, or other electronic device that has Internet access. You will need your assigned password and member number or user name to access your accounts, when you log on. You may use this service for the following:

- Make transfers between your savings, checking, money market, and line-of-credit accounts;
- Obtain balance information on your savings, checking, money market, and loan accounts;
- Make payments on your Credit Union loans from your savings and checking accounts;
- Access internet Bill Pay services to make payments to various creditors;
- Verify whether a check or other item has cleared your account;
- Obtain information on dividends paid on loan accounts;
- Make transfers to other University Federal Credit Union account holders;
- Make transfers into accounts you hold at other financial institutions and/or;
- Access or utilize other services that we may make available to you from time to time.

Our home banking service will be available to you twenty-four (24) hours a day, but may be interrupted for a short period of time each day for data processing or maintenance. Security protocols, such as electronic lock-out and/or limits on the duration of access, are utilized if there are numerous unsuccessful attempts to enter a transaction.

Other EFT Disclosures contained in this document apply to home banking services as well. You will also be required to comply with instructions and agreements provided on-line when you log onto the home banking service. Additional limitations may apply.

**7. Online Bill Payment Services.** Through our online home banking service, we offer Bill Pay services so that you may pay your bills to third-party creditors and payees electronically. You must agree to the Online Bill Payment Services Agreement included on the Bill Pay services website, which is incorporated by reference herein. You may also be required to comply with other instructions, additional policies and agreements provided on-line when you log onto the Bill Pay service.

**8. Mobile Banking Services.** Through our online HomeBanking service, we offer mobile banking services. You must agree to the online mobile banking service agreement included in this EFT Agreement, the Mobile Banking Agreement and Disclosure, as well as to the terms and conditions contained on the HomeBanking services website when you enroll in mobile banking, which are hereby incorporated by reference herein. You may also be required to comply with other instructions and agreements provided online when you log onto the mobile banking service.

**FEES.** There are certain fees and charges for using EFT services. For a current list of the types and amounts of these fees, please see your Fee Schedule that was provided to you, and is available at <https://www.ufcu.org>. ATM Fees: Additionally, 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. The amount of this fee will be disclosed to you by the owner of the ATM.

#### **USE OF EFT CARDS AND SERVICES.**

Ownership: any card or other access device that we provide you remains our property and upon request, our agent, or to any person who is authorized to honor the card according to our instructions. We may repossess the card at any time in our sole discretion without demand or notice to you. You cannot transfer the card, access code, or account to another person. **YOU WILL BE LIABLE FOR ANY TRANSFERS MADE BY ANYONE TO WHOM YOU GIVE YOUR CARD OR ACCESS CODES.**

Honoring the Card(s); Refunds: Neither we nor the merchants authorized to honor the card will be liable for failure or refusal to honor your card, access device, or code. If a merchant agrees to provide a refund or adjustment to you, you agree to accept a credit to your account instead of a cash refund. In the event you fail to do so, depending on the type of transaction, either your account will not be credited with the refund amount, or you will remain liable to us for the refunded amount.

Illegal Transactions: You must not use your card to make any illegal transaction as determined by applicable law. We may decline any transaction that we believe to be illegal, including but not limited to any transaction involving or relating to any gambling activity. We will have no liability or responsibility for any such use or for declining any such transaction. You further agree to indemnify and hold us harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from such illegal use.

Foreign Transactions; Currency Conversion: Purchases and cash advances made in foreign currencies will be debited from your account in U.S. dollars. The conversion rate in dollars will be (1) a rate selected by Visa International from a range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives; or (2) the government-mandated rate in effect for the applicable central processing date in each instance. All transactions processed outside of the United States (which may include internet transactions) will be charged an International Transaction Fee in the amount disclosed on your Fee Schedule which is available at <https://www.ufcu.org>, even if you are located in the United States.

Security of Card and Access Codes. The access codes issued to you are for security purposes, any codes issued to you are confidential and should not be disclosed to anyone else or recorded on or with the card. You agree to safeguard the codes and agree not to disclose or otherwise make available your cards or codes to anyone not authorized to sign on your accounts. If you authorize someone to use your access codes, that authority shall remain in place until you specifically revoke that authority by notifying the Credit Union.

Joint Accounts. If any of your accounts accessed under this EFT Agreement are joint accounts, all joint owners including any authorized users, shall be bound by the terms and conditions of this EFT Agreement. You understand and agree that any joint owner you authorize to use an access code may withdraw or transfer funds from any one of your accounts without your prior notice or permission, and we will not be liable to you in any way. Each of you shall jointly and severally be responsible for any and all transactions under this EFT Agreement regardless of which owner accessed the accounts or used the services. Each joint account holder is authorized to act for the others, and we may accept orders and instructions regarding any transaction on any account from any owner. We can refuse to follow conflicting instructions.

Reversal of Transactions. You may not reverse any transaction when using your card to pay for goods or services by transferring funds through a terminal.

No Right to Stop-Payment for Terminal Transactions. Transfers made by terminal may be executed immediately. This means that a cash withdrawal or other debit transaction is immediately deducted from your account; there is no "float" time and therefore there is no effective way of stopping the transaction.

**LIABILITY FOR UNAUTHORIZED USE.** Tell us AT ONCE if you believe your ATM or Debit Card or any of your access codes have 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.

*For cards with the Visa logo, and PIN-less debit card transactions over Visa Networks (and the access codes associated with those cards):* You will not be liable for any amount unless we can prove that you were negligent in the handling of your card. For example, if you write your PIN on your Card or otherwise keep the PIN with the Card, you may be negligent.

Under no circumstances, however, will you be liable for more than \$50 if you tell us within 2 business days after you learn of the loss or theft of your card or access code and someone used your card or access code without your permission. If you do NOT tell us within 2 business days after you learn of the loss or theft of your card or access code, and we can prove we could have stopped someone from using your card or access code without your permission if you had told us, you could lose as much as \$500.

You should always save your terminal receipts, keep a record of your transactions, and reconcile your receipts with your periodic statements. **If your statement shows transfers that you did not make**, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was provided 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 may extend the time periods.

**You are liable for all transfers or purchases made via your card(s), access code(s) or passwords that you authorize or allow.** If you give your card, access code, or password to someone else, you are responsible for all transfers or purchases that that person makes with your card or via the service that he or she accesses, even if that person uses the card or code in a way that you did not anticipate or intend. You may revoke your permission for the other person to use your card by notifying us in writing, and allowing us reasonable time to act on your notification.

**If you believe your card or access code has been lost or stolen**, call: (512) 467-8080 or (800) 252-8311 during normal business hours or write: P.O. Box 9350, Austin, TX 78766. You should also call this number or write to this address if you believe a transfer has been made using the information from your check without your permission.

**BUSINESS DAYS.** For purposes of these disclosures, our business days are Monday through Friday, 7:00 a.m. CT - 7:00 p.m. CT. Holidays are not included.

**DISCLOSURE OF YOUR INFORMATION.** We may disclose information to third parties about your account or the transfers you make:

1. Where it is necessary for completing transfers;
2. In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
3. In order to comply with government agency or court orders; or
4. If you give us your written permission.

**RIGHT TO RECEIVE DOCUMENTATION:**

Periodic statements. Transfer and withdrawal transactions made through any card, Home Banking or Bill Pay service, telephone access system, or preauthorized transfer will be reflected on your periodic statement. You will receive a monthly statement unless there are no transfers in a particular month. In any case you will get a statement at least quarterly.

Terminal Receipts. You can get a receipt at the time you make any transaction (except inquiries) to or from your account using an ATM, Point-of-Sale terminal, or Check Card transaction with a participating merchant. However, we are not required to provide you with terminal receipts for transactions of \$15.00 or less. You should keep your statements and receipts, as they may be admissible evidence in legal proceedings if a dispute should arise and shall constitute prima facie proof that such transfer was made.

Preauthorized EFTs. If you have arranged to have a direct deposit or preauthorized debit or credit made to your account at least once every 60 days from the same person or company, you can call us at (512) 467-8080 or (800) 252-8311 or use telephone access or Home Banking to find out whether or not the deposit has been made.

**RIGHTS REGARDING PREAUTHORIZED PAYMENTS:**

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 at (512) 467-8080 or (800) 252-8311, or write us at P.O. Box 9350, Austin, TX 78766, in time for us to receive your request three (3) business days or more before the payment is scheduled to be made (If you want to stop a payment being made through Bill Pay, you should follow the instructions within Bill Pay). If you call, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call. Please see the Fee Schedule, available at <https://www.ufcu.org>, for any fees charged for stopping payments.

Notice of Varying Amounts. If preauthorized recurring payments may vary in amount, the person you are going to pay generally should tell you, ten (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.

Liability for Failure to Stop Payment of Preauthorized Transfer. If you order us to stop one of these payments in a manner described herein three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

**OUR 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 will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- If, through no fault of ours, you do not have enough available funds in your account to make the transfer.
- If the funds in your account are pledged as collateral for a loan or frozen because of a delinquent loan or other reason.
- If the transfer would go over the credit limit on your overdraft line.
- If you used your card or access code in an incorrect manner.
- If the ATM where you are making the transfer does not have enough cash.
- If the error was caused by a system of any participating ATM network.
- If the ATM, POS terminal, telephone access system, home banking or Bill Pay system or other electronic service 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.
- Any other exceptions stated in any of our agreements with you or which may be amended in the future.

**BILLING ERROR RESOLUTION** (*does not apply to international remittance transfers*):

In case of errors or questions about your electronic transfers, contact us at the number or address listed below as soon as you can and include the information listed below. We must hear from you no later than sixty (60) days after we sent the first statement on which the problem or error appeared.

By Telephone: (512) 467-8080 or (800) 252-8311

By U.S. Mail: P.O. Box 9350, Austin, TX 78766

- Tell us your name and account number.
- 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.
- Tell us the dollar amount of the suspected error.

If you tell us verbally, we may require that you send us your complaint or question in writing within ten (10) business days. So that we may fully investigate your complaint, we may ask you to provide additional information to the extent allowed by law. We will determine whether an error occurred within ten (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 forty-five (45)\* days to investigate your complaint or question. If we decide to do this, we will credit your account within

ten (10)\*\* business days for the amount you think is in error, so that you will have the 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 ten (10) business days, we may not credit your account.

If a notice of error involves an unauthorized transaction on your Visa Debit Card, other than a cash disbursement at an ATM, we will provide provisional credit to your account within five (5) business days of your notification so you will have use of the money during the time it takes us to complete our investigation.\*\*\* However, we may delay providing provisional credit if the circumstances or account history warrants the delay, in which case we will provide provisional credit within ten (10) business days. You may ask for copies of the documents that we used in our investigation. See the Fee Schedule, available at <https://www.ufcu.org>, for any fees associated with such copies.

\*For errors involving new accounts, point of sale, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. \*\* For new accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error. \*\*\* Does not apply to Non-Visa PIN-less transactions.

**Termination.** You may terminate this EFT Agreement by (1) notifying us in writing; and (2) destroying or returning your Card(s). We may terminate this EFT Agreement by notifying you in writing. Termination does not affect any party's rights or responsibilities under this EFT Agreement regarding any transactions made before termination.

**IMPORTANT SAFETY TIPS REGARDING THE USE OF ATM MACHINES.** The following is a list of safety precautions that you should follow when using an ATM machine or night depository:

- Be aware of your surroundings, particularly at night;
- Consider having someone accompany you when using an ATM or Night Depository after dark;
- If the ATM facility is equipped with a door, close it tightly before beginning your transaction, and do not allow anyone you don't know into the facility with you;
- If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction;
- Refrain from displaying your cash - place it in your pocket or purse as soon as the transaction is completed. Count your cash in the safety of a locked enclosure such as a car or home;
- Use a different ATM or return at a later time if you notice anything suspicious while using or approaching the ATM. If you are in the middle of your transaction, cancel the transaction, take your card or deposit envelope, and leave;
- If you are followed after completing your transaction, go to the nearest public area where people are present;
- Do not write your personal identification number or code on your ATM card;
- Report all crimes immediately to the operator of the ATM or to local law enforcement officials. If emergency assistance is needed, call the police from the nearest available public telephone. If you have complaints or concerns about the security of the ATM, contact the operator of the ATM, or the state banking department.



### Your Ability to Withdraw Funds

Our policy is to make funds from your cash and most deposits available to you on the same business day that we receive your deposit, subject to certain exceptions outlined below. Electronic direct deposits will be available on the day we receive the deposit, unless they involve an International ACH Transaction. See below for more information on International ACH Transactions. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

**Longer Delays May Apply.** However, in some cases, the availability of funds may be delayed under the following circumstances:

**Case-by-Case Holds:** Depending on the type of check that you deposit, funds may not be available until the beginning of the second business day after the day of your deposit, or longer if subject to an Exception Hold listed below. The first \$225 of your deposits, however, will be available on the first business day after the date of deposit.

If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not tendered directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

**Exception Holds:** In addition, funds you deposit by check may be delayed for up to seven (7) business days after the business day of your deposit 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 within the last six (6) months; or
- There is an emergency, such as failure of computer or communications equipment or natural disaster.

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.

### Holds on Other Funds

If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately, but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

### Deposits at Automated Teller Machines

Except for deposits of U.S. Treasury checks made payable to you, checks written on a UFCU account and the first \$225.00 of your deposits made at ATMs owned and operated by the Credit Union, deposits will become available for withdrawal on the second business day after the business day of deposit, subject to review and approval. For deposits of U.S. Treasury checks made payable to you, checks written on a UFCU account, and the first \$225.00 of your deposits made at ATMs owned and operated by the Credit Union, deposits will become available for withdrawal on the 1st business day after the day of deposit.

If you make such a deposit prior to closing 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 closing or on a day that we are not open, we will consider the deposit made on the next business day we are open.

### Deposits via Mobile Banking

Deposits made via Mobile Banking are subject to the terms and conditions contained within the Remote Deposit Capture User Agreement entered into at the time of first use of mobile deposit feature within UFCU's mobile application and updated from time to time, the terms and conditions of which are incorporated herein by reference.

## Cash Withdrawal Limitation

We place certain limitations on withdrawals in cash. In general, \$225 of a deposit is available for withdrawal in cash on the first business day after the business day of deposit. Thereafter, any amount of the deposit over \$225, up to \$450, is available for cash withdrawal on the second business day after the day of the deposit. Any amount of the deposit over \$450 will be available for withdrawal in cash on the following business day. In addition, the following daily limitations apply to Point of Sale withdrawals and ATM withdrawals:

Account Type	Point of Sale "POS" Withdrawal limits per day:	ATM maximum daily withdrawal limit (money market, savings, line of credit and checking combines):
Free Checking Account	\$3,000.00	\$2,000.00
Teen Checking Account	\$2,000.00	\$500.00
Plus Checking Account	\$7,500.00	\$2,000.00
Simply U Account	\$2,000.00	\$1,000.00

## Special Rules for New Accounts

Our funds availability policy for New Accounts follow the same rules as other accounts, as detailed in this document.

## Business Days and Cut-off Times

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, federal holidays, and days in which a state of emergency has been declared which affects the operations of the Credit Union. If you make a deposit before 7:00 p.m. CST 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 that 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.

## International ACH Transactions

International ACH Transactions (IAT) that are transmitted to or from any of your accounts may be identified and designated by us for review and examination under the Office of Foreign Assets Control Rules and Regulations (OFAC Rules). In such a case, settlement of the IAT may be delayed or suspended, and may be terminated under applicable OFAC Rules. You understand that we may be required to place an indefinite hold on funds covered by the IAT if the IAT is required to be terminated under OFAC Rules. You agree that any such delay is permissible under the laws applicable to the availability of funds held in deposit accounts. In the event an IAT is delayed or terminated, we will provide you such notice as required by applicable law.

## Foreign Checks or Drafts

Checks drawn on financial institutions located outside the U.S. (foreign checks) cannot be processed the same as checks drawn on U.S. financial institutions. Foreign checks are exempt from the policies outlined in this disclosure. Notwithstanding, it is the policy of UFCU not to accept checks drawn on Foreign Financial institutions. In the event a Foreign check is inadvertently accepted it will be sent back to the presenter. Generally, the availability of funds for deposits of foreign checks will be delayed for the time it takes us to collect the funds from the financial institutions upon which it is drawn.

## Substitute Checks and Your Rights: Important Information About Your Checking Account

### What Is a Substitute Check?

To make check processing faster, federal law permits financial institutions 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 (e.g., 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 are also entitled to dividends on the amount of your refund if your account is a dividend-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 dividends if your account earns dividends) within 10 business days after we received your claim and the remainder of your refund (plus dividends if your account earns dividends) not later than 45 calendar days after we received your claim.

We may reverse the refund (including any dividends 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 contact us at P.O. Box 9350, Austin, TX 78766, (512) 467-8080 or (800) 252-8311. 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 description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss (if applicable); and
- A copy of the substitute check and the following identifying information to help us identify the substitute check: *check number, the name of the person to whom you wrote the check, and the amount of the check as well as any additional relevant identifying information.*



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## WIRE TRANSFER AGREEMENT AND DISCLOSURE

This Wire Transfer Agreement and Disclosure ("Wire Transfer Agreement") covers the movement of funds by means of wire transfers and automated clearinghouse (ACH) transactions. Wire transfers are electronic funds transfers that are performed through the Fedwire system of the Federal Reserve banks, which is regulated and monitored by the Board of Governors of the Federal Reserve. ACH transactions are processed through the Automatic Clearing House Network which is an established electronic payment system governed by the National Automated Clearing House Association (NACHA). This Wire Transfer Agreement establishes the terms and conditions of all such funds transfers involving you and us. Using us to send or receive funds transfers shall constitute your acceptance of these terms and conditions. To the extent that the terms contained in this Wire Transfer Agreement are different than those in any other agreement or terms of account, this Wire Transfer Agreement shall control and be deemed to modify such other agreements or terms of account.

**Scope.** This Wire Transfer Agreement applies to funds transfers as defined in Article 4A of the Uniform Commercial Code and Subpart B of Regulation J of the Board of Governors of the Federal Reserve System (herein collectively referred to as "wire transfers"). It does not apply to any electronic funds transfer governed by the Electronic Funds Transfer Act and its implementing Regulation E. (e.g., debit card purchases and transactions).

**Transfer Services; Fees.** You authorize us to transfer funds according to your instructions ("transfer request") to and from your designated account(s), or to and from another financial institution. If you do not designate an account, we may transfer funds from any of your accounts and such account shall be deemed to be your designated account. Transfers shall be made in accordance with the security procedures set forth in this Wire Transfer Agreement. We may debit your designated account(s) for the amount of the funds transfer, as well as any related fees or services charges. Any fees and service charges are disclosed on the Fee Schedule provided to you when you opened your account(s), or as later amended.

**Processing of Transfer Requests; Cut-off Times.** We may establish or change cut-off times for the receipt and processing of transfer requests, amendments, or cancellations. The cut-off times are disclosed on the Wire Transfer Request form that you use to initiate a transfer request. We will use ordinary care to process the transfer request on the same funds-transfer business day that it is received, if it is received prior to the cut-off time. Transfer requests, cancellations or amendments received after the applicable cut-off time will be treated as having been received on the next following funds transfer business day and processed accordingly.

**Authorized Persons.** You agree that any one of the authorized signatories on the designated account may initiate any transfer request. We are not required to obtain authorization from all signatories and we shall not be liable for following the instructions of only one signatory. If we receive conflicting verbal and written instructions, we will follow the written instructions. You or any of your joint account holders may also authorize by written instrument any other person who is acceptable to us to initiate transfers to and from the account. We may rely on any such written authorization until we receive written notification revoking or modifying that authorization.

**Security Procedures.** We may establish, from time to time, security procedures to verify the authenticity of a transfer request. You will be notified of the security procedures, if any, to be used to verify transfer requests issued by you or for which your account will be liable. You agree that the authenticity of transfer requests may be verified using that security procedure unless you notify us in writing that you do not agree to that security procedure. In that event, we shall have no obligation to accept any transfer request from you or other authorized parties on the account until you and we agree, in writing, on an alternate security procedure.

**Identifying Account and Routing Numbers.** When processing a transfer request, payment may be made based solely on the account number provided in the transfer request, even if that account number identifies a beneficiary other than the one that you name in the transfer request. Similarly, if the transfer request identifies the name, routing number and transit number of the beneficiary's financial institution, payment may be made solely on the basis of the routing and transit number, even if those numbers do not correspond to the name of the financial institution that you supplied. You agree that your obligation to pay the wire transfer is not affected if the identifying numbers do not match the named beneficiary or financial institution. You are also responsible for any loss or expenses incurred by a receiving financial institution which executes or attempts to execute the transfer request in reliance on the identifying number you provided. We may also pay wire transfers received by us for your benefit based solely on the account number.

**Acceptance and Execution of Transfer Requests; Rejection.** Nothing in this Wire Transfer Agreement shall obligate us to accept or execute any transfer request, or an amendment or cancellation thereof, and we shall be deemed to have accepted a transfer request or its amendment or cancellation only upon execution thereof. We may reject or refuse to accept or execute a transfer request if (1) the designated account(s) does not contain sufficient available or collected funds; (2) the account number that you provide on the transfer request does not correspond to any known account with us; (3) the transfer request is not authorized or does not comply with applicable security procedures; (4) we are prohibited from doing so due to applicable law; or (5) we have a good-faith, reasonable cause for rejecting the transfer request.

**Method of Making Transfers.** We may select any means that we deem suitable to transmit funds under this Wire Transfer Agreement, including, but not limited to, our internal systems or Fedwire. Any subsequent financial institution may use Fedwire as well. Your rights and liabilities in a wire transfer involving Fedwire will be governed by Regulation J and other applicable Fedwire rules.

**Account Statements; Notices.** ACH transactions are governed by the operating rules of the National Automated Clearing House Association. All transfers under this Wire Transfer Agreement shall be shown on your periodic account statement and reflection on the statement shall constitute notice of receipt of the transfer. You may inquire whether a specific transfer has been received at any time during our normal business hours and/or by any means that we provide you for making inquiries on your accounts.

**Provisional Credit.** You may be credited for ACH payments or wire transfers before we receive final settlement of the funds transfer. This means that we may provide you with access to the funds before we actually receive the money. Any such credit is provisional until we receive final settlement of the payment. You are hereby notified and agree that, if we do not receive such final settlement, we are entitled to a refund from you for the amount credited to you in connection with the entry, and the party making payment shall not be deemed to have paid you for that amount.

**Limitation of Liability.** We are not responsible for any transmission performance failure as a result of interruption in transfer facilities; power failures; equipment malfunctions; labor disputes; emergency conditions; fire, flood, or other natural disasters; war or terrorist attack; or other circumstances beyond our control. We are also not responsible for transfer failures due to suspension of payment by another party, or refusal or delay by another financial institution to accept the transfer, or if we are prohibited from performing under any applicable law. We shall not be liable for any special, indirect, consequential or punitive damages arising from any failure or delay in processing a transfer request or any other obligation under this Wire Transfer Agreement. In no case shall we pay attorney's fees or other legal expenses incurred in connection with this Wire Transfer Agreement.

**Dividends.** If we become obligated under Article 4A to pay dividends to you, you agree that the rate of dividends to be paid shall be equal to the dividend rate, on a daily basis, applicable to the account to which the funds transfer was made.

**International Wire Transfers.** International wire transfer services are not available to members at this time. Occasionally, it may be necessary in the ordinary course of business for us to send international wire transfers in connection with your accounts. In such a case, you agree that we do not guarantee the receipt or timely processing of the funds on the part of the foreign beneficiary financial institution, that we have no control of how funds may be received and processed by such foreign financial institution, and we shall have no liability to you beyond such liability specifically enumerated in applicable law.

**Choice of Law.** We may accept, on your behalf, payments to your account which have been transmitted through one or more Automated Clearing Houses and which are not subject to the Electronic Fund Transfer Act. Your rights and obligations with respect to such payments shall be construed in accordance with and governed by Regulation J, Article 4A, the laws of the State of Texas, and as provided by the operating rules of the National Automated Clearing House Association.



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Rev 4/21

**FACTS**

**WHAT DOES UFCU DO WITH YOUR PERSONAL INFORMATION?**

<b>Why?</b>	Financial Institutions choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
<b>What?</b>	The types of personal information we collect and share depend on the product or service you have with us. This information can include: - Social Security number and income - account balances, account transactions and payment history - credit history, credit scores and insurance claims history. When you are <i>no longer</i> our customer, we cease sharing your information as described in this notice.
<b>How?</b>	All financial institutions need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial institutions can share their customers' personal information; the reasons UFCU chooses to share; and whether you can limit this sharing. <b>UFCU does not sell our member's personal information, nor do we condone or endorse the use of the personal information we share with third parties for any other purpose than for acting on behalf of UFCU and strictly for the benefit, service or education of our members.</b>

Reasons we can share your personal information	Does UFCU share?	Can you limit this sharing?
<b>For our everyday business purposes</b> - such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes</b> - to offer our products and services to you	Yes	Yes
<b>For joint marketing<sup>3</sup> with other financial companies</b>	Yes	No
<b>For UFCU Affiliates<sup>1</sup> everyday business purposes</b> - information about your transactions and experiences	Yes	No
<b>For UFCU Affiliates<sup>1</sup> everyday business purposes</b> - information about your creditworthiness	Yes	Yes
<b>For UFCU Affiliates<sup>1</sup> to market to you</b>	Yes	Yes
<b>For Nonaffiliates<sup>2</sup> to market to you</b>	Yes	Yes

<b>To limit our sharing</b>	Call Member Services at (512) 467-8080 or Toll-Free at (800) 252- 8311 - our menu will prompt you through your choice(s) -or- Visit us online: <a href="http://www.ufcu.org/privacy">www.ufcu.org/privacy</a> <b>Please note:</b> If you are a <i>new</i> customer, we can begin sharing your information from the date we sent this notice. When you are <i>no longer</i> our customer, we discontinue sharing of your information as described in this notice.
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<b>Questions?</b>	Call Member Services at (512) 467-8080 or Toll-Free at (800) 252-8311 or visit us online: <a href="http://www.ufcu.org/privacy">www.ufcu.org/privacy</a>
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<b>Who we are</b>	
<b>Who is providing this notice?</b>	University Federal Credit Union UFCU Financial Services, LLC dba UFCU Insurance Services UFCU Real Estate Services dba Member Home Advisor
<b>What we do</b>	
<b>How does UFCU protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use physical, electronic and procedural security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
<b>How does UFCU collect my personal information?</b>	We collect your personal information, for example, when you <ul style="list-style-type: none"> <li>- open an account or deposit or withdraw money</li> <li>- pay your bills using UFCU's Bill Pay feature</li> <li>- apply for a loan or insurance</li> <li>- use your credit or debit card</li> <li>- give us your contact information</li> </ul> We also collect your personal information from others, such as credit bureaus, UFCU Affiliates, or other companies.
<b>Why can't I limit all sharing?</b>	Federal law gives you the right to limit only <ul style="list-style-type: none"> <li>- sharing for UFCU Affiliates' everyday business purposes - information about your creditworthiness</li> <li>- Affiliates from using your information to market to you</li> <li>- sharing for Nonaffiliates to market to you</li> </ul> State laws and individual companies may give you additional rights to limit sharing.
<b>What happens when I limit sharing for an account I hold jointly with someone else?</b>	Your choices will apply to everyone on your account, and may be subject to change if additional instruction is given to us by an other owner of your account.
<b>Definitions</b>	
<sup>1</sup> <b>UFCU Affiliates</b>	Companies related by common ownership or control. They can be financial and nonfinancial companies.  <i>Our Affiliates include UFCU Financial Services, LLC doing business as UFCU Insurance Services, a wholly-owned affiliate of University Federal Credit Union and UFCU Real Estate Services, LLC doing business as Member Home Advisor, a wholly-owned affiliate of University Federal Credit Union.</i>
<sup>2</sup> <b>Nonaffiliates</b>	Companies not related to UFCU by common ownership or control; commonly known as "third party vendors". They can be financial and nonfinancial companies. Nonaffiliates provide benefits or services to UFCU, and members on behalf of UFCU.
<sup>3</sup> <b>Joint Marketing</b>	A formal agreement between UFCU or UFCU Affiliate and a non-affiliated financial company that together market financial products or services to you.  <i>- Our joint marketing partners include financial services companies (such as insurance agencies and organizations with whom we have agreements to jointly market financial products).</i>