AGREEMENT - This document, along with any other documents we give you pertaining to your account(s), is a contract that establishes rules which control your account(s) with us. Please read this carefully and retain it for future reference. If you sign the signature card or open or continue to use the account, you agree to these rules. You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this document. If you have any questions, please call us.

This agreement is subject to applicable federal laws, the laws of the state of Texas and other applicable rules such as the operating letters of the Federal Reserve Banks and payment processing system rules (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. The purpose of this document is to:

1. summarise some laws that apply to common transactions;
2. establish rules to cover transactions or events which the law does not regulate;
3. establish rules for certain transactions or events which the law regulates but permits variation by agreement; and
4. give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variation from an untrue standard agreement, but we must agree to any variation in writing either on the signature card for your account or in some other document. Nothing in this document is intended to vary our duty to act in good faith and with ordinary care when required by law.

As used in this document, the words "we," "our," and "us" mean the financial institution and the words "you" and "your" mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. However, this agreement does not intend, and the terms "you" and "your" should not be interpreted, to expand an individual's responsibility for an organization's liability. If this account is owned by a corporation, partnership or other organization, individual liability is determined by the laws generally applicable to that type of organization. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular. "Party" means a person who, by the terms of an account, has a present right, subject to request, to payment from the account other than as a beneficiary or agent.

BYLAWS - Our bylaws, which we may amend from time to time, establish basic rules about our credit union policies and operations which affect your account and membership. You may obtain a copy of the bylaws on request. Our right to require you to give us notice of your intention to withdraw funds from your account is described in the bylaws. Unless we have agreed otherwise, you are not entitled to receive any original item after it is paid, although you may request that we send you a substitute check. We make a record of an item (deposit or withdrawal) if we do not pay or return it, and we may offset the amount of the item from your account. The record is made by entry on an account record, which is a record of the transaction.
COURTESY PAY OVERDRAFT SERVICES - Courtesy Pay covers overdrawn items and your transaction will be paid provided that the amount does not exceed your available balance. With each item that is paid, a fee will be posted to your account. See rate and fee schedule.

OVERDRAFTS - You understand that we may, at our discretion, honor withdrawal requests that overdraw your account. However, the fact that we may honor withdrawal requests that overdraw the account balance does not obligate us to do so later. You can NOT rely on us to pay overdrafts on your account regardless of how frequently or under what circumstances we have paid overdrafts on your account in the past. We can change our practice of paying overdrafts on your account without notice to you. You can ask us if we have other account services that might be available to you where we commit to paying overdrafts under certain circumstances. For consumer accounts, we will not charge fees for overdrafts caused by ATM withdrawals or one-time debit card transactions that you have not opted-in to that service. We may use subsequent deposits, including direct deposits of social security or other government benefits, to cover such overdrafts and overdraft fees.

Understanding Your Account Balance for Overdrafts -

- Your checking account has two kinds of balances: the "actual" balance and the "available" balance. You can review both balances when you review your account online, at an ATM, by phone or at a branch. We use your available balance when determining whether a transaction will cause your account to overdraw and for charging overdraft fees.

Your Actual Balance is the amount of money that is actually in your account at any given time. Your actual balance reflects transactions that have "posted" to your account but it does not include transactions that have not yet posted and therefore will not appear on your actual balance. While the actual balance is the most up-to-date display of funds that you can spend from your account, this is not always the case. Your account may have purchases, holds, fees, other charges, or deposits made on your account that have not yet posted and therefore will not appear on your actual balance.

Your Available Balance is the amount of money in your account that is available to you without incurring an overdraft fee. Your available balance takes into account holds that have been placed on deposits and pending transactions (such as pending debit card transactions) that we have authorized but that have not yet posted to your account.

COURTESY PAY OVERDRAFT SERVICES - Courtesy Pay covers overdrawn items up to a specified limit so that you will not incur additional overdraft fees from the payee (store, individual, landlord, etc.) when you exceed your checking available balance. With each item that is paid, a fee will be posted to your account and your transaction will be paid provided that the amount does not exceed your pre-approved limit. You have 30 days to bring your account to a positive balance. Our standard courtesy pay practices are as follows, for qualified accounts:

We DO authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using the checking account number

- Automatic bill payments and recurring debit card transactions

We DO NOT authorize and pay overdrafts for the following types of transactions unless the member asks us to (opt-in):

- ATM transactions
- Everyday debit card transactions

See rate and fee schedule.

Multiple signatures, electronic check conversion, and similar transactions - An electronic check is a transaction in which a check is converted into an electronic fund transfer as defined in the Electronic Fund Transfers regulation. In these types of transactions the check or similar item is either removed from circulation (truncated) or given back to you. As a result, we have no opportunity to review the check to examine the signatures on the item. You agree that, as to these or any items as to which we have no opportunity to examine the signatures, we have full reliance upon the information which appears on the item for the purpose of determining as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds.

OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION - These rules apply to this account depending on the form of ownership and beneficiary designation, if any, specified on the account records. We reserve the right to refuse some or all of a transfer or to pay a transfer only in accordance with the terms of the trust or letters.

SINGLE-PARTY ACCOUNT WITHOUT "P.O.D." (PAYABLE ON DEATH) DESIGNATION - The party to the account owns the account. On the death of the party, ownership of the account passes as a part of the party's estate under the party's will or by intestacy.

SINGLE-PARTY ACCOUNT WITH "P.O.D." (PAYABLE ON DEATH) DESIGNATION - The party to the account own the account in proportion to the parties' net contributions to the account. The financial institution may pay any sum in the account to a party at any time. On the death of the last surviving party, the ownership of the account passes to the P.O.D. beneficiaries.

MULTIPLE-PARTY ACCOUNT WITH RIGHT OF SURVIVORSHIP - The parties to the account own the account in proportion to the parties' net contributions to the account. The financial institution may pay any sum in the account to a party at any time. On the death of the last surviving party, the ownership of the account passes to the P.O.D. beneficiaries.

MULTIPLE-PARTY ACCOUNT WITH RIGHT OF SURVIVORSHIP AND "P.O.D." (PAYABLE ON DEATH) DESIGNATION - The parties to the account own the account in proportion to the parties' net contributions to the account. The financial institution may pay any sum in the account to a party at any time. On the death of the last surviving party, the ownership of the account passes to the P.O.D. beneficiaries.

TRUST ACCOUNT - The parties named as trustees to the account own the account in proportion to the parties' net contributions to the account. A trustee may withdraw funds from the account. A beneficiary may not withdraw funds from the account before all trustees are deceased. On the death of the last surviving trustee, the ownership of the account passes to the beneficiary. The trust account is not a part of a trustee's estate and does not pass under the trustee's will or by intestacy, unless the trustee survives all of the beneficiaries and all other trustees.

FIDUCIARY ACCOUNTS - Accounts may be opened by a person acting in a fiduciary capacity - A fiduciary is a person who is appointed to act on behalf of and for the benefit of another. We are not responsible for the actions of a fiduciary, including the misuse of funds. This account may be opened and maintained by a person or persons named as a trustee under a written trust agreement, or as executors, administrators, or conservators under court orders. You understand that by merely opening such an account, we are not acting in the capacity of a trustee in connection with the trust nor do we undertake any obligation to monitor or enforce the terms of the trust or letters.

UTMA ACCOUNTS - Under the Uniform Transfers to Minors Act, the funds in the account are owned by the child who has unconditional use of the account when he or she reaches the age of majority. Before that time, the account may be accessed only by the custodian (or successor custodian), and the funds must be used for the benefit of the child. We, however, have no duty or agreement whatsoever to monitor or insulate that the acts of the custodian (or successor custodian) are for the child's benefit. We are not responsible for the custody, management, or use of the UTMA account, even though our records may include the minor's date of birth. It is the custodian's responsibility to properly distribute the funds in the account upon the minor's death (because of the age of majority). For this type of account, the child's SSN/TIN is used for the Backup Withholding Certification.

STOP PAYMENTS - Unless otherwise provided, the rules in this section cover stopping payment of items such as checks and drafts. Rules for stopping payment of other types of transfers of funds, such as consumer electronic fund transfers, may be established by law or our policy. If we have not disclosed these rules to you elsewhere, you may ask us about those rules.

We may accept an order to stop payment on any item from any one of you. You must make any stop-payment order in the manner required by law; it must be made in a dated, authenticated record that describes the item with certainty. (Generally, a "record" is information that is stored in such a way that it can be retrieved and can be heard or read and understood – you can ask us what type of stop payment record we give you in order to make a reasonable opportunity to act on it before our stop-payment cutoff time. Because stop-payment orders are handled by computers, to be effective, your stop-payment order must precisely identify the number, date, and amount of the payment order).

You may stop payment on any item drawn on your account whether you sign the item or not. Your stop-payment order is effective for six months. Your order will lapse after that time if you do not renew the order in writing before the end of the six-month period. If you are not obligated to multiple signatures, your stop-payment order will expire. A release of the stop-payment request may be made only by the person who initiated the stop-payment order.

If you stop payment on an item and we incur any damages or expenses because of the stop payment, you agree to indemnify us for those damages or expenses,
including attorneys’ fees. You assign to us all rights against the payee or any other holder of the item. You agree to cooperate with us in any legal actions that we may take against such persons. You should be aware that anyone holding the item may be entitled to enforce payment against you despite the stop-payment order.

Our stop-payment cutoff time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop payment are provided by law (e.g., we paid the item in cash or we certified the item).

TELEPHONE TRANSFERS - A telephone transfer of funds from this account to another account with us, if otherwise arranged for or permitted, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing. Unless a different limitation is disclosed in writing, we restrict the number of transfers from a savings account to another account or to third parties, to a maximum of six per month (less the number of “preauthorized transfers” during the month). Other account transfer restrictions may be described elsewhere.

AMENDMENTS AND TERMINATION - We may change our bylaws and any term of this agreement. Rules governing changes in rates are provided separately in the Truth-in-Savings disclosure or in another document. For other changes we will give you reasonable notice in writing or by any other method permitted by law. We may close this account if your membership in the credit union terminates, or by giving reasonable notice to you and tender of the account balance personally or by mail. Items presented for payment after the account is closed may be dishonored. When you close your account, you are responsible for leaving enough money in the account to cover any outstanding items and charges to be paid from the account. Reasonable notice depends on the circumstances, and in some cases such as when we cannot verify your identity or we suspect fraud, it might be reasonable for us to give you notice on the day after the closing. To the extent permitted by law, we may close the account if we suspect fraudulent activity with respect to your account, we might immediately freeze or close your account and then give you notice. At our option, we may suspend your right to make transfers from the account while you violate the terms of your account agreement. If this occurs, we have notified you of a change in any term of your account, and you continue to have your account after the effective date of the change, you have agreed to the new terms.

NOTICES - Any written notice you give us is effective when we actually receive it and it must be given to us according to the specific delivery instructions provided elsewhere, if any. We must receive it in time to have a reasonable opportunity to act on it. If the notice is regarding a check or other item, you must give us sufficient information to be able to identify the check or item, including the precise check or item number, amount, date and payee. Written notice we give you is effective when it is deposited in the United States Mail with proper postage and addressed to your mailing address we have on file. Notice to any of you is notice to all of you.

STATEMENTS - Statements are a valuable tool to help prevent fraudulent or mistaken transfers. Your statement will show the transactions that occurred in connection with your account during the statement period. Your duty to report unauthorized signatures, alterations and forgeries - Your statement will provide sufficient information for you to reasonably identify the items paid (item number, amount, and date of payment). You should keep a record of each transaction as it is made so that when we give you the information in the statement, you will have a complete understanding of each transaction listed. You have some responsibilities in connection with your statement. You must examine your statement with “reasonable promptness.” Also, if you discover (or reasonably should have discovered) any unauthorized signatures or alterations, you must promptly notify us of the relevant facts. As between you and us, if you fail to do either of these duties, you must bear the loss entirely yourself or share the loss with us (we may have to share some of the loss if we failed to use ordinary care and if we contributed to the loss). The loss you may have to bear will not only be by reason of any items listed on the statement, but also other items with unauthorized signatures or alterations by the same wrongdoer. Of course, an attempt can be made to recover the loss from the thief, but this is often unsuccessful. You agree that the time you have to examine your statement and report to us will depend on the circumstances, but you will not, in any circumstance, have a total of more than 30 days from when we first send or make the statement available to you. You further agree that if you fail to report any unauthorized signatures, alterations or forgeries in your account within 60 days of when we first send or make the statement available, you cannot assert a claim against us on any items in that statement, and as between you and us the loss will be entirely yours. This 60-day limitation is without regard to whether we exercised ordinary care. The limitation in this paragraph is in addition to those contained in the second paragraph of this section.

Contact us if you do not receive your regular or electronic statement. If this is a business account you agree that you will review and discuss with at least two people review your statements, notices, and returned checks, or in the alternative, the person who reviews these will be someone who does not have authority to transact business on the account.

Your duty to report other errors - In addition to the Commercial Code and other state law, you agree there is a common law duty to promptly review your statement for errors in addition to unauthorized signatures, alterations or forgeries. Promptly reviewing your statement is valuable to both you and us because it can help identify, correct and prevent future mistakes.

In addition to your duty to review your statements for unauthorized signatures, alterations and forgeries, you agree to examine your statement with reasonable promptness for any other error - such as an encoding error. In addition, if you receive or we make available either your items or images of your items, you must examine them for any unauthorized or improper signatures or any other problems. You agree that the time you have to examine your statement and items and report to us will depend on the circumstances. However, this time period shall not exceed 60 days from the banking day on which we receive the item. In addition to 60 days of when we first send or make the statement available precludes you from asserting a claim against us for any errors on items identified in that statement and as between you and us the loss will be entirely yours. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the 60 day time period to report other errors.

Errors relating to electronic fund transfers or substitute checks - For information on errors relating to electronic fund transfers (e.g., computer, check card or ATM transactions) refer to your Electronic Fund Transfers disclosure and the sections on consumer liability and error resolution. For information on errors relating to a substitute check you received, refer to your disclosure entitled Substitute Check Notice.

ACCOUNT TRANSFER - This account may not be transferred or assigned without our prior written consent.

DIRECT DEPOSITS - If we are required for any purpose to reimburse the federal government (or any other entity or person) for any amount, we reserve the right to debit your account when we receive notice of such a requirement from the government (or other entity or person). We may use any available source of funds in your account, including attorneys’ fees. You assign to us all rights against the payee or any other person you owe money to. You agree to cooperate with us in any legal actions that we may take against such persons. You should be aware that anyone holding the item may be entitled to enforce payment against you despite the stop-payment order.

RIGHT TO REPAYMENT OF INDEBTEDNESS - You each agree that we will (without prior notice and when permitted by law) charge against and deduct from this account any due and payable debit any of you owe us now or in the future. If this account is held by one or more of the owners, we may have a right to an obligation owed to the account against a due and payable debt a partnership owes us now or in the future, to the extent of your liability as a partner for the partnership debt. If your debt arises from a promissory note, then the amount of the due and payable debt will be the full amount we have demanded, as entitled under the terms of the note, and this amount may include any portion of the balance for which we have properly accelerated the due date.

In addition to these contract rights, we may also have rights under a “statutory lien.” A “lien” on property is a creditor’s right to obtain ownership of the property in the event a debtor defaults on a debt. A “statutory lien” is one created by federal or state statute. If federal or state law provides us with a statutory lien, then we are authorized to apply, without prior notice, your shares and dividends to any debt you owe us, in accord with the statutory lien.

Neither our contract rights nor rights under a statutory lien apply to this account if prohibited by law. For example, neither our contract rights nor rights under a statutory lien apply to this account if: (a) it is an Individual Retirement Account or similar tax-deferred account, or (b) the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), or (c) any debtor's right of withdrawal arises only in a representative capacity, or (d) the debt is created by a home equity loan, or (e) setoff is prohibited by the Military Lending Act or its implementing regulations. We will not be liable for the dishonor of any check or draft when the dishonor occurs because we charge and deduct an amount you owe us from your account. You agree to hold us harmless from any claim arising as a result of our exercise of our right to repayment.

RESTRICTIVE LEGENDS OR INDORSEMENTS - The automated processing of the large volume of checks we receive prevents us from inspecting or looking for restrictive legends, restrictive indorsements or other special instructions on every check. Examples of restrictive legends placed on checks are “must be presented within 90 days” or “not valid for more than $1,000.00.” The payee’s signature accompanied by the words “for deposit only” is an example of a restrictive indorsement. For this reason, we are not required to honor any restrictive legend or indorsement or other special instruction placed on checks you write unless we have agreed in writing to the restriction or instruction. Unless we have agreed in writing, we are not responsible for any losses, claims, damages, or expenses that result from your placement of these restrictions or instructions on your checks.

PAYMENT ORDER OF ITEMS - You agree that we may process items (such as checks or drafts) drawn on your account in any order. To assist you in handling your account with us, we are providing you with the following information regarding how we process the items that you write. When processing items drawn on your account, our policy is to pay draft number in sequential order as we receive them. Our payment processing policy pays drafts in the sequence in which the member intended. If an item is presented without sufficient funds in your account to pay it, we may, at our discretion, pay the item (creating an overdraft) or return the item (NSF). See Rate and Fee Schedule for amounts of the overdraft and NSF fees. We encourage you to make careful records and practice good account management. This will help you to avoid writing checks or drafts without sufficient funds, resulting in NSF fees.

PLEDGES - Each owner of this account may pledge all or any part of the funds in it for any purpose to which we agree. Any pledge of this account must first be satisfied before the rights of any surviving account owner or account beneficiary become effective.
LEGAL ACTIONS AFFECTING YOUR ACCOUNT - If we are served with a subpoena, restraining order, writ of attachment or execution, levy, garnishment, search warrant, or similar order relating to your account (termed “legal action” in this section), we will comply with that legal action. Or, in our discretion, we may freeze the check in question and not allow any payments out of the account until a final court determination regarding the legal action. We may do these things even if the legal action involves less than all of you. In these cases, we will not have any liability to you if there are insufficient funds to pay your items because we have frozen your funds from your account or in any way restricted access to your funds in accordance with the legal action. Any fees or expenses we incur in responding to any legal action (including, without limitation, attorneys’ fees and our internal expenses) may be charged against your account. The list of fees applicable to your account(s) provided elsewhere may specify additional fees that we may charge for certain legal actions.

SECURITY - It is your responsibility to protect the account numbers and electronic access devices (e.g., a check/debit card, cell phone, etc.) we provide you for your account(s). Do not discuss, compare, or share information about your account number(s) with anyone unless you are willing to give them full use of your money. An account number can be used by thieves to issue an electronic debit or to encode your number on a false demand draft which looks like and functions like an authorized check. If you furnish your access device and grant actual authority to make transfers to another person (a family member or coworker, for example) who then exceeds that authority, you are liable for the transfers unless we have been notified that transfers by that person are no longer authorized.

Your account number can also be used to electronically remove money from your account, and can be made from your account even though you did not contact us directly and order the payment. You must also take precaution in safeguarding your blank checks. Notify us at once if you believe your checks have been lost or stolen. As between you and us, if you are negligent in safeguarding your checks, you must bear the loss entirely yourself or share the loss with us (we may have to share some of the loss if we failed to use ordinary care and if we substantially contributed to the loss).

Except for consumer electronic funds transfers subject to Regulation E, you agree that if we offer you services appropriate for your account to help you detect and limit fraud or other unauthorized transactions against your account, such as positive pay or commercially reasonable security procedures, and you reject those services, you will be responsible for any fraudulent or unauthorized transactions which could have been prevented by the services we offered, unless we acted in bad faith or to the extent our negligence contributed to the loss. If we offered you a commercially reasonable security procedure which you reject, you agree that you are responsible for any payment order, whether authorized or not, that we accept in compliance with an alternative security procedure that you have selected.

TELEPHONIC INSTRUCTIONS - Unless required by law or we have agreed otherwise in writing, we are not required to act upon instructions you give us via facsimile transmission or any unauthorized voice mail or on a telephone answering machine.

MONITORING AND RECORDING TELEPHONE CALLS AND CONSENT TO RECEIVE COMMUNICATIONS - We may monitor or record phone calls for security reasons, to maintain a record and to ensure that you receive courteous and efficient service. You consent in advance to any such recording. We need not remind you of our recording before each phone conversation.

To provide you with the best possible service in our ongoing business relationship for your account, we may need to contact you about your account from time to time by telephone, text messaging or email. However, we must first obtain your consent to contact you about your account because we must comply with the consumer protection provisions in the federal Telephone Consumer Protection Act of 1991 (TCPA), CAN-SPAM Act and their related federal regulations and orders issued by the Federal Communications Commission (FCC).

- Your consent is limited to this account, and as authorized by applicable law and regulations.
- Your consent does not authorize us to contact you for telemarketing purposes (unless you otherwise agreed elsewhere).

With the above understandings, you authorize us to contact you regarding this account throughout its existence using any telephone numbers or email addresses that you have previously provided to us or that you may subsequently provide to us. This consent is regardless of whether the number we use to contact you is assigned to a landline, a paging service, a cellular wireless service, a specialized mobile radio service, other radio common carrier service or any other service for which you may be charged for the call. You further authorize us to contact you through the use of voice, voice mail and text messaging, including the use of pre-recorded or artificial voice messages and an automated dialing device.

If necessary, you may change or remove any of the telephone numbers or email addresses at any time using any reasonable means to notify us.

CLAIM OF LOSS - If you claim a credit or refund because of a forgery, alteration, or any other unauthorized withdrawal, you agree to cooperate with us in the investigation of the loss, including giving us an affidavit containing whatever reasonable information we require concerning the alleged transaction, and any circumstances surrounding the loss. You will notify law enforcement authorities of any criminal act related to the claim of lost, missing, or stolen checks or unauthorized withdrawals. We will have a reasonable period of time to investigate

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**TRAILING EDGE**

- Keep your indorsement out of this area.

**FRONT OF CHECK**

- Keep your indorsement out of this area.

**YOUR INORDSEMENT MUST BE WITHIN THIS AREA**

It is important that you confine the indorsement information to this area since the remaining blank space will be used by others in the processing of the check to place additional needed indorsements and information. You agree that you will indemnify, defend, and hold us harmless for any loss, liability, damage or expense that occurs because your indorsement, another indorsement or information you have printed on the back of the check obscures our indorsement.

These indorsement guidelines apply to both personal and business checks.

DEATH OR INCOMPETENCE - You agree to notify us promptly if any person with a right to withdraw funds from your account(s) dies or is adjudicated (determined by the appropriate official) incompetent. We may continue to honor your checks, items, and instructions until: (a) we know of your death or adjudication of incompetence, and (b) we have had a reasonable opportunity to act on that knowledge. You agree that we may pay or certify checks drawn on or before the date of death or adjudication of incompetence for up to ten (10) days after your death or adjudication of incompetence unless ordered to stop payment by someone claiming an interest in the account.

CREDIT VERIFICATION - You agree that we may verify credit and employment history by any necessary means, including preparation of a credit report by a credit reporting agency.

CHECK CASHING - We may charge a fee for anyone that does not have an account with us who is cashing a check, draft or other instrument written on your account. We may also require reasonable identification to cash such a check, draft or other instrument. We can decide what identification is reasonable under the circumstances and such identification may be documentary or physical and may include collecting a thumbprint or fingerprint.

INDORSEMENTS - We may accept for deposit any item payable to you or your order, even if they are not indorsed by you. We may give cash back to any one of you. We may supply any missing indorsement(s) for any item we accept for deposit or collection, and you warrant that all indorsements are genuine.

To ensure that your check or share draft is processed without delay, you must endorse (sign it on the back) in a specific area. Your entire indorsement (whether a signature, a stamp) along with any other indorsement information (e.g. additional indorsement information encoded in magnetic ink along the bottom of the items. This means that we do not individually examine all of your items to determine if the item is properly completed, signed and indorsed or to determine if it contains any information other than what is encoded in magnetic ink. You agree that we have exercised ordinary care if our automated processing is consistent with general banking practice, even though we do not inspect each item. Because we do not inspect each item, if you write a check to multiple payees, we can properly pay the check regardless of the number of indorsements unless you notify us in writing that the check requires multiple indorsements. We must receive the notice in time for us to have a reasonable opportunity to act on it, and you must tell us the precise date of the check, amount, check number and payee. We are not responsible for any unauthorized signature or alteration that would not be identified by a reasonable inspection of the item. Using an automated process helps us keep costs down for you and all account holders.

CHECK PROCESSING - We process items mechanically by relying solely on the information encoded in magnetic ink along the bottom of the items. This means that we do not individually examine all of your items to determine if the item is properly completed, signed and indorsed or to determine if it contains any information other than what is encoded in magnetic ink. You agree that we have exercised ordinary care if our automated processing is consistent with general banking practice, even though we do not inspect each item. Because we do not inspect each item, if you write a check to multiple payees, we can properly pay the check regardless of the number of indorsements unless you notify us in writing that the check requires multiple indorsements. We must receive the notice in time for us to have a reasonable opportunity to act on it, and you must tell us the precise date of the check, amount, check number and payee. We are not responsible for any unauthorized signature or alteration that would not be identified by a reasonable inspection of the item. Using an automated process helps us keep costs down for you and all account holders.

As you look at the front of a check, the “trailing edge” is the left edge. When you flip the check over, be sure to keep all indorsement information within 1 1/2” of that edge.
the facts and circumstances surrounding any claim of loss. Unless we have acted in bad faith, we will not be liable for special or consequential damages, including loss of profits or opportunity, or for attorneys' fees incurred by you.

You agree that you will not waive any rights you have to recover your loss against anyone who is obligated to repay, insure, or otherwise reimburse you for your loss. You will pursue your rights under our option, assign them to us so that we may pursue them. Our liability will be reduced by the amount you recover or are entitled to recover from these other sources.

EIGHTHLY WITHDRAWAL PENALTIES (and involuntary withdrawals) - We may impose early withdrawal penalties on a withdrawal from a time account even if you don't initiate the withdrawal. For instance, the early withdrawal penalty may be imposed if the withdrawal is caused by our setoff against funds in the account or as a result of an attachment or other legal process. We may close your account and impose the early withdrawal penalty on the entire account balance in the event of a partial early withdrawal. See your notice of penalty for early withdrawals for additional information.

WAIVER OF NOTICES - To the extent permitted by law, we waive any notice of non-payment, dishonor or protest regarding any items credited to or charged against your account. For example, if you deposit a check and it is returned unpaid or we receive a notice of nonpayment, we do not have to notify you unless required by federal Regulation CC or other law.

ACH AND WIRE TRANSFERS - This agreement is subject to Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the state in which you have your account with us. If you originate a fund transfer and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. You agree to be bound by automated clearing house association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional and final settlement is made by the Federal Reserve. Unless we agree otherwise, payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we do not receive such payment, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. Credit entries may be made by ACH. If we receive a payment order to credit an account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit.

NOTICE OF RECEIPT OF ACH ITEMS - We are not liable for errors, delays, interruptions or transmission failures caused by third parties or circumstances beyond our control including mechanical, electronic or equipment failure. We will not provide you with next day notice of ACH and other electronic payments credited to your account. You will receive notice of such credits on your account statements. You may contact us to determine whether a payment has been received. Any account owner may amend or cancel a payment order even if that person did not initiate the order. We may refuse requests to amend or cancel a payment order that we believe will expose the Credit Union to liability or loss. You agree to hold us harmless from and indemnify us for all losses and expenses resulting from any actual or attempted amendment or cancellation of a payment order.

PROVISIONAL PAYMENT (ACH ORIGINATION) - Credits given by any Receiving Depository Financial Institution to the receiver with respect to any automated clearing house credit entries sent to ACH, or any transfer of funds made as a result of such credit entries (UCC-4A) are provisional until the Receiving Depository Financial Institution has received final settlement through a Federal Reserve Bank, or has otherwise received payment as provided in 4A-403(a) of UCC-4A. If the Receiving Depository Financial Institution does not receive such final settlement or payment, then they shall be entitled to a refund from the receiver of the amount so credited, and we shall not be deemed to have paid the receiver the amount of such entry.

PROVISIONAL PAYMENT (ACH RECEIPT) - Credit given by us to you with respect to any automated clearing house credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to you in connection with such entry, and the party making payment to you via such entry (i.e. the originator of the entry) shall not be deemed to have paid you the amount of such entry.

UNLAWFUL INTERNET GAMBLING ENFORCEMENT ACT (UIEAA) - Restricted transactions as defined by Federal Reserve Regulation GG are prohibited from being processed through this account or relationship. Restricted transactions generally include, but are not limited to, 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.

FACSIMILE SIGNATURES - Unless you make advance arrangements with us, we have no obligation to honor facsimile signatures on your checks or other orders. If we do agree to honor items containing facsimile signatures, you authorize us, at any time, to charge you for all checks, drafts, or other orders, for the payment of money, that are drawn on us. You give us this authority regardless of by whom or by what means the facsimile signature(s) may have been made so long as they resemble the facsimile signature specimen filed with us, and contain the required number of signatures for this purpose. You must notify us at once if you suspect that your facsimile signature is being or has been misused.

STALE-DATED CHECKS - We are not obligated to, but may at our option, pay a check, other than a certified check, presented for payment more than six months after its date. If you do not want us to pay a stale-dated check, you must place a stop-payment order on the check in the manner we have described elsewhere.

ADDRESS OR NAME CHANGES - You are responsible for notifying us of any change in your address or name. You agree to inform us within 10 days of any change in your address or name, and to provide us with written evidence satisfactory to us that the change of address or name must be made in writing by at least one of the account holders. Informing us of your address or name change on a check reorder form is not sufficient. We will attempt to communicate with you only by use of the most recent address you have provided to us. If provided elsewhere, we may impose a service fee if we attempt to locate you.

RESOLVING ACCOUNT DISPUTES - We may place an administrative hold on the funds in your account (refuse payment or withdrawal of the funds) if it becomes subject to a claim adverse to (1) your own interest; (2) others claiming an interest as survivors or beneficiaries of your account; or (3) a claim arising by operation of law. The hold may be placed for such period of time as we believe reasonably necessary to allow a legal proceeding to determine the merits of the claim or until we receive evidence satisfactory to us that the dispute has been resolved. We will not be liable for any items that are dishonored as a consequence of placing a hold on funds in your account for these reasons.

INTERNATIONAL ACH AND WIRE TRANSACTIONS - Financial institutions are required by law to scrutinize or verify any international ACH transaction (IAT) that they receive against the Specially Designated Nationals (SDN) list of the Office of Foreign Assets Control (OFAC). This action may, from time to time, cause us to temporarily suspend processing of an IAT and potentially affect the settlement and/or availability of such payments.

SHARED BRANCHES AND SERVICE CENTERS

Service Centers, managed by the Credit Union Service Center Corporation, are available for your use. Shared branches (including Service Centers) are defined as those offices where members of different credit unions are able to perform transactions to their own credit union account. Transactions performed at shared branch locations are subject to their fees, rules, policies, and procedures.

Availability Policy Disclosure

If we accept for deposit a check at a shared branch, the first $200.00 of your deposits will be available on the first business day after the day we receive your deposit. The remaining funds will be available on the second business day after the day of your deposit. A deposit at a Shared Branch is considered received when it is accepted with all appropriate endorsements. For determining the availability of your deposits, every day is a business day that your own credit union is open which may differ from the days a shared branch is open. If you make a deposit on a day your credit union is open, that day will be considered the day of deposit. However, if you make a deposit at a shared branch on a day your credit union is not open, your deposit will be considered made on the next business day your credit union is open.

NOTICE OF NEGATIVE INFORMATION

Federal law requires us to provide the following notice to members before any "negative information" may be furnished to a nationwide consumer reporting agency.

“Negative information” includes information concerning delinquencies, overdrafts or any form of default. This notice does not mean that we will be reporting such information about you, only that we may report such information about members that have not done what they are required to do under our agreement.

After providing this notice, additional negative information may be submitted without providing another notice.

We may report information about your account to credit bureaus. Late payments, missed payments or other defaults on your account may be reflected in your credit report.

ELECTRONIC FUND TRANSFERS YOUR RIGHTS AND RESPONSIBILITIES

Indicated below are types of Electronic Fund Transfers we are capable of handling, some of which may not apply to your account. Please read this disclosure carefully because it tells you your rights and obligations for the transactions listed.

Electronic Fund Transfers Initiated By Third Parties. You may authorize a third party to initiate electronic fund transfers between your account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearing House (ACH) or other payments network. Your authorization to the third party to make these transfers can occur in a number of ways. For example, your authorization to convert a check or draft to an electronic fund transfer or to
electronically pay a returned check or draft charge can occur when a merchant provides you with notice and you go forward with the transaction (typically, at the point of purchase, a merchant will post a sign and print the notice on a receipt). In all cases, these third party transfers will require you to provide the third party with your account number and credit union information. This information can be found on your check or draft as well as on a deposit or withdrawal slip. Thus, you should only provide your credit union and account information (whether over the phone, the Internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic fund transfers. Examples of these transfers include, but are not limited to:

- **Preauthorized credits.** You may make arrangements for certain direct deposits to be accepted into your share draft (checking) or share (savings) account(s).
- **Preauthorized payments.** You may make arrangements to pay certain recurring bills from your share draft (checking) or share (savings) account(s).
- **Electronic check or draft conversion.** You may authorize a merchant or other payee to make a one-time electronic payment from your checking or share draft account using information from your check or draft to pay for purchases or pay bills. The merchant or service provider will then use this information to convert the transaction into an electronic funds transfer. This may occur at the point of purchase, or when you provide your check or draft by other means such as by mail or drop box.
- **Electronic returned check or draft charge.** You may authorize a merchant or other payee to initiate an electronic funds transfer to collect a charge in the event a check or draft is returned for insufficient funds.

**Tel-R-Line Telephone Transfers - types of transfers** - You may access your account by telephone 24 hours a day at (361) 986-4555 or 1-800-622-3641 using your personal identification number, a touch tone phone, and your account numbers to:

- transfer funds from share draft (checking) to share draft (checking)
- transfer funds from share draft (checking) to share (savings)
- transfer funds from share (savings) to share (savings)
- transfer funds from line of credit to share draft (checking) or share (savings)
- transfer funds from your account to another member's account on which you are a co-owner
- cut checks from share (savings) and/or share draft (checking)
- make payments from share draft (checking) or share (savings) to loan accounts with us (excluding mortgage accounts)
- get information about:
  - the account balance of share draft (checking) accounts
  - the last three deposits to share draft (checking) accounts
  - the last three withdrawals from share draft (checking) accounts
  - the account balance of share (savings) accounts
  - the last three deposits to share (savings) accounts
  - the last three withdrawals from share (savings) accounts

Please see Truth In Savings disclosure for additional information on transaction limitations for Share and Money Market accounts.

**ATM Transfers - types of transfers, dollar limitations, and charges** - You may access your account(s) by ATM using your NavyArmy Check/Debit Card and personal identification number, to:

- make deposits to share draft (checking) account(s)
- make deposits to share (savings) account(s)
- get cash withdrawals from share draft (checking) account(s)
- get cash withdrawals from share (savings) account(s)
- transfer funds from share (savings) to share draft (checking) account(s)
- transfer funds from share draft (checking) to share draft (checking) account(s)
- transfer funds from share draft (checking) to share (savings) account(s)
- transfer funds from share (savings) to share (savings) account(s)
- transfer funds from line of credit to share draft (checking) or share (savings)
- transfer funds from line of credit to share draft (checking)

A daily limit in transactions will be established for your account. For further information please contact a Member Service Representative.

**A daily limit in transactions will be established for your account. For further information please contact a Member Service Representative.**

**Currency Conversion and Cross-Border Transaction Fees.** If you effect a transaction with your NavyArmy Check/Debit card in a currency other than US Dollars, Mastercard will convert the charge into a US Dollar amount. The Mastercard currency conversion procedure includes use of either a government-mandated exchange rate, or a wholesale exchange rate selected by Mastercard. The exchange rate Mastercard uses will be a rate in effect on the day the transaction is processed. This rate may differ from the rate in effect on the date of purchase or the date the transaction was posted to your account.

Mastercard charges us a Currency Conversion Assessment of 20 basis points (.2%) of the transaction for performing the currency conversion. In addition, Mastercard charges us an Issuer Cross-Border Assessment of 110 basis points (1.10%) of the transaction on all cross-border transactions regardless of whether there is a currency conversion. As a result, we charge you a Currency Conversion fee of .2% and a Cross-Border Transaction fee of .9%. The Cross-Border Transaction fee is charged on all cross-border transactions regardless of whether there is a currency conversion. A cross-border transaction is a transaction processed through the Global Clearing Management System or the Mastercard Debit Switch in which the country of the merchant is different than the country of the cardholder.

**Advisory Against Illegal Use.** You agree not to use your card(s) for illegal gambling or other illegal purpose. Display of a payment card logo by, for example, an online merchant does not necessarily mean that transactions are lawful in all jurisdictions in which the cardholder may be located.

Please see your cardholder agreement for additional information relating to the use of your NavyArmy Check/Debit card.

**Online Banking & Bill Pay** - You may access your account(s) by computer 24 hours a day by logging on to our website at www.navyarmyccu.com and using your personal login ID and password, to:

A. **Online Banking Computer Transfer** - types of transfers

- transfer funds from share draft (checking) to share draft (checking)
- transfer funds from share draft (checking) to share (savings)
- transfer funds from share (savings) to share (savings)
- transfer funds from share (savings) to share (savings)
- transfer funds from line of credit to share draft (checking) or share (savings)
- transfer funds from share draft (checking) to share (savings)
- transfer funds from share (savings) to share draft (checking)
- transfer funds from line of credit to share draft (checking)
- cut checks from share (savings) and/or share draft (checking)
- make payments from share draft (checking) or share (savings) to loan accounts with us
- get information about:
  - the account balance of share draft (checking) or share (savings) accounts
  - the last 90 days deposits to share draft (checking) or share (savings) accounts
  - the last 90 days withdrawals from share draft (checking) or share (savings) accounts

**B. Online Banking Account opening** - Disclosures are provided at time of opening and are also referred to later in this brochure. You will have the opportunity to accept the terms, rates, and applicable fees before opening the account. Types of accounts available may include:

- **Share Draft.**
- **Term Shares.** Term Shares opened using Online Banking will be opened in the Primary member name only. Please contact the Credit Union if you wish to add a joint owner or beneficiary.
- **Home Savings.**

**C. Bill Pay** - Bill payments may be transmitted from your share draft (checking) account only to third parties using the Bill Pay feature. Refer to fee schedule for applicable charges.

**Send Money** - You can send money or request money online, using the recipient’s email address or mobile phone number.

- Separate Terms & Conditions apply.

**External Account** - Allows you to transfer money to your account at another financial institution. You can make a single transfer or set up a recurring transfer schedule for the amount, date, and frequency you want.

- Separate Terms and Conditions apply.

**Mobile Banking** - You may access your account(s) by mobile device using your online identification and your password, to:

- transfer funds from share draft (checking) to share draft (checking)
- transfer funds from share draft (checking) to share (savings)
- transfer funds from share (savings) to share draft (checking)
- transfer funds from share (savings) to share (savings)
- transfer funds from line of credit to share draft (checking) or share (savings)
- transfer funds from share draft (checking) to share (savings) account(s)
- transfer funds from share (savings) to share (savings) account(s)
- transfer funds from line of credit to share draft (checking) or share (savings) account(s)
- transfer funds from line of credit to share draft (checking)
- cut checks from share (savings) and/or share draft (checking)
- make payments from share draft (checking) or share (savings) to loan accounts with us
- get information about:
  - the account balance of share draft (checking) or share (savings) accounts
  - the last 90 days deposits to share draft (checking) or share (savings) accounts
  - the last 90 days withdrawals from share draft (checking) or share (savings) accounts

- Other terms limitations may apply during ATM off-line status.

**Types of NavyArmy Check/Debit Card Point-of-Sale Transactions** - You may access your share draft (checking) account(s) to purchase goods (in person, online, or by phone), pay for services (in person, online, or by phone), get cash from a merchant, if the merchant permits, or from a participating financial institution, and do anything that a participating merchant will accept.
• make payments from share draft (checking) or share (savings) to loan account(s) with us
• get information about:
  - the account balance of share draft (checking) or share (savings) accounts
  - the last 30 days deposits to share draft (checking) or share (savings) accounts
  - the last 30 days withdrawals from share draft (checking) or share (savings) accounts
• make deposits to your share draft (checking) or share (savings) account
  - separate Terms & Conditions apply
  - pay bills from your share draft (checking) account

Notice of Mobile Banking USER Safety Precautions

As you would using your own personal computer, including not opening attachments or clicking on links contained in email received from unfamiliar sources, the following suggestions may be helpful.

1. Password protect the mobile device.
2. Download signed applications only from trusted sources.
3. For mobile devices using the Android™ operating system, do not enable “install from unknown sources” feature.
4. Never store usernames and passwords on the device.
5. Keep the mobile device with you or secure the device when not in use.
6. Frequently delete text messages received from the credit union.
7. Notify the credit union and carrier immediately if the mobile device is lost or stolen so that it can be deactivated.
8. Do not modify the mobile device as it may disable important security features.
9. Install antivirus software.
10. Check your credit union account frequently and notify the credit union of any unauthorized transactions.
11. Do not respond to text messages requesting personal information, such as Social Security numbers, credit/debit/ATM card numbers, and account numbers.
12. Adopt safe practices as you would using your personal computers, including not opening attachments or clicking on links contained in email received from unfamiliar sources.

FEES

• We do not charge for direct deposits to any type of account.
• Except as indicated elsewhere, we do not charge for these electronic fund transfers.

ATM Operator/Network Fees. When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer).

Loan Payment Center - Allows you to quickly and securely make a payment on your NavyArmy loan, excluding mortgage loans, from your credit card or another financial institution from our website by:
- Checking or ACH/Electronic Debit
- Debit/Credit Card (fee applies)
- Separate Terms and Conditions apply

DOCUMENTATION

• Terminal transfers. You can get a receipt at the time you make a transfer to or from your account using an automated teller machine or point-of-sale terminal. However, you may not get a receipt if the amount of the transfer is $15 or less.
• Preauthorized credits. If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at (361) 986-4500 or Tel-R-Line (361) 986-4555 to find out whether or not the deposit has been made.
• Periodic statements.
  You will get a monthly account statement from us for your share draft and money market accounts.

  You will get a monthly account statement from us for your share savings accounts, unless there are no transfers in a particular month. In any case, you will get a statement at least quarterly.

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 is how:
  Call or write us at the telephone number or address listed in this disclosure in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.

• Notice of varying amounts. If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)
• Liability for failure to stop payment of preauthorized transfer. If you order us to stop one of these payments 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.

FINANCIAL INSTITUTION’S LIABILITY

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:

1. If, through no fault of ours, you do not have enough money in your account to make the transfer.
2. If you have an overdraft line and the transfer would go over the credit limit.
3. If the automated teller machine where you are making the transfer does not have enough cash.
4. If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
5. If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
6. There may be other exceptions stated in our agreement with you.

CONFIDENTIALITY

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

1. where it is necessary for completing transfers; or
2. in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or
3. in order to comply with government agency or court orders; or
4. as explained in the separate Privacy Policy.

UNAUTHORIZED TRANSFERS

(a) Consumer liability.

• Generally. Tell us AT ONCE if you believe your card and/or code has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check or draft. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within two (2) business days, after you learn of the loss or theft of your card and/or code, you can lose no more than $50 if someone used your card and/or code without your permission. If you do NOT tell us within two business days after you learn of the loss or theft of your card and/or code, you could lose as much as $500.

Also, 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 mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

• Additional Limits on Liability for Mastercard® Check/Debit card. You will not be liable for any unauthorized transactions using your Mastercard® Check/Debit card if:
  (i) you can demonstrate that you have exercised reasonable care in safeguarding your card from the risk of loss or theft, and (ii) upon becoming aware of a loss or theft, you promptly report the loss or theft to us. Mastercard is a registered trademark, and the circles design is a trademark of Mastercard International Incorporated.

(b) Contact in event of unauthorized transfer. If you believe your card and/or code has been lost or stolen, call or write us at the telephone number or address listed in this disclosure. You should also call the number or write to the address listed in this disclosure if you believe a transfer has been made using the information from your check or draft without your permission.

Under certain circumstances, your liability for unauthorized use may be zero. You are protected against fraudulent use of your card under Mastercard® Zero Liability policy. We won’t hold you responsible for unauthorized purchases made in-store, over the telephone or online. The Zero Liability policy does not cover transactions not reported to us within sixty (60) days of the statement date in which the transactions appear.

ERROR RESOLUTION NOTICE

In Case of Errors or Questions About Your Electronic Transfers, Call or Write us at the telephone number or address listed in this disclosure, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

1. Tell us your name and account number (if any).
(2) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.

(3) Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days (20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (20 business days if the transfer involved a new account) 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 10 business days, we may not credit your account. Your account is considered a new account for the first 30 days after the first deposit is made, unless each of you already has an established account with us before this account is opened.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation.

You may ask for copies of the documents that we used in our investigation.

NAVY ARMY COMMUNITY CREDIT UNION
P.O. BOX 81349
CORPUS CHRISTI, TEXAS 78468-1349

Business Days: Monday through Friday
Excluding Federal Holidays

Phone: 1-800-622-3631 or (361) 986-4500

MORE DETAILED INFORMATION IS AVAILABLE ON REQUEST

NOTICE OF BASIC SAFETY PRECAUTIONS FOR ATM CARD AND NIGHT DEPOSIT FACILITY USERS

As with all financial transactions, please exercise discretion when using an automated teller machine (ATM), night deposit facility or using your ATM card to make purchases on the Internet. For your own safety, be careful. The following suggestions may be helpful.

1. Prepare for your transactions at home (for instance, by filling out a deposit slip) to minimize your time at the ATM or night deposit facility.

2. Mark each transaction in your account record, but not while at the ATM or night deposit facility. Always keep your ATM receipts secure. Don't leave them at the ATM or night deposit facility because they may contain important account information. Shred your ATM receipts once they are no longer needed.

3. Don't lend your card to anyone.

4. Remember, do not leave your card at the ATM. Do not leave any financial documents at a night deposit facility or lying out unsecured.

5. Protect the secrecy of your Personal Identification Number (PIN). Protect your card as though it were cash. If your card has an embedded chip, consider keeping the card in a safety envelope to avoid undetected and unauthorized scanning. Don't tell anyone your PIN. Don't give anyone information regarding your card or PIN over the telephone or Internet. If your card can be used to make purchases, only consider providing card information over the telephone or the Internet if it is to a trusted merchant and for a call or transaction initiated by you – and never provide the merchant with the PIN to your card.

6. Protect against ATM and Internet fraud. Promptly compare your monthly account statements or the account histories that you receive against your ATM and other receipts. If you make a purchase on the Internet, and the transaction by logging out of the website instead of just closing the web browser.

7. Inspect an ATM before you use it. Look for possible tampering, or for the presence of an unauthorized attachment that could capture your PIN or other information from your card. Never enter your PIN in any ATM that does not look genuine, has been modified, has a suspicious device attached, or is operating in a suspicious manner. Don't write your PIN where it can be discovered. For example, don't keep a note of your PIN in your wallet or purse.

8. Protect the security of your PIN. Ensure no one can observe you entering your PIN into the ATM. An example of preventing others from seeing you enter your PIN is by using your body or hand to shield their view.

9. If you lose your card or if it is stolen, promptly notify us. You should consult the other disclosures you have received about electronic fund transfers for additional information about what to do if your card is lost or stolen.

10. When you make a transaction, remain aware of your surroundings and exercise caution when withdrawing funds. Look out for suspicious activity near the ATM or night deposit facility, particularly if it is after sunset. At night, be sure that the facility (including the parking area and walkways) is well lighted. Consider having someone accompany you when you use the facility, especially after sunset. If you observe any problem, go to another ATM or night deposit facility.

11. Don’t accept assistance from anyone you don’t know when using an ATM or night deposit facility.

12. If you notice anything suspicious or if any other problem arises after you have begun an ATM transaction, you may want to cancel the transaction, put your card away and leave. You might consider using another ATM or coming back later.

13. Don’t display your cash; put it away as soon as the ATM transaction is completed and wait to count the cash until you are in the safety of a locked enclosure such as your car, home, or in another secure area.

14. At a drive-up facility, make sure all the car doors are locked and all of the windows are rolled up, except the driver’s window. Keep the engine running and remain alert to your surroundings.

15. We want the ATM and night deposit facility to be safe and convenient for you. Therefore, please tell us if you know of any problem with a facility. For instance, let us know if a light is not working or there is any damage to a facility. Please report any suspicious activity or crimes to both the operator of the facility and the local law enforcement officials immediately.

YOUR ABILITY TO WITHDRAW FUNDS

This policy statement applies to “transaction” accounts. Transaction accounts, in general, are accounts which permit an unlimited number of payments to third persons and an unlimited number of telephone and preauthorized transfers to other accounts of yours with us. Share draft accounts are the most common transaction accounts. Feel free to ask us whether any of your other accounts might also be under this policy.

Our policy is to make funds from your cash, check, and electronic direct deposits available to you immediately. At that time, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

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

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before 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 we are not open, we will consider that the deposit was made on the next business day we are open.

LONGER DELAYS MAY APPLY

Case-by-case delays. In some cases, we will not make all of the funds that you deposit by check available to you immediately. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first $200 of your deposits, however, will be available immediately.

If we are not going to make all of the funds from your deposit available immediately, 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 made 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 the day after you receive your deposit.

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

Safeguard exceptions. In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

We believe a check deposited is not paid.

You deposit checks totaling more than $5,000 on any one day.

You redeposit a check that has been returned unpaid.

You have overdrawn your account repeatedly in the last six months.

There is an emergency, such as failure of computer or communications equipment.

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

SPECIAL RULES FOR NEW ACCOUNTS

If you are a new member, the following special rules will apply during the first 30 days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first $5,000 of a day’s total deposits of cashier’s, certified, teller’s, traveler’s, and federal, state and local government checks will be available immediately if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over $5,000 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first $5,000 will not be available until the second business day after the day of your deposit.
Funds from all other check deposits will be available on the seventh business day after the day of your deposit.

## SUBSTITUTE CHECKS AND YOUR RIGHTS

As our member we think it's important for you to know about substitute checks. The following Substitute Check Disclosure provides information about substitute checks and your rights.

### What is a substitute check?

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

### What are my rights regarding substitute checks?

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

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account.

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

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

### How do I make a claim for a refund?

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at:

Navy Army Community Credit Union  
P.O. Box 81349  
Corpus Christi, Texas 78468-1349  
1-800-622-3631 or (361) 986-4500

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; and
- A copy of the substitute check or the following information to help us identify the substitute check: the check number, the amount of the check, the date of the check, and the name of the person to whom you wrote the check.

### TRUTH-IN-SAVINGS DISCLOSURE

#### SHARE ACCOUNT

**Rate Information:**

The dividend rate and annual percentage yield may change at any time during the dividend period. We may change the dividend rate for your account as determined by the credit union board of directors.

**Compounding and crediting:** Dividends will be compounded every quarter. Dividends will be credited to your account every quarter, by the credit union board of directors. Dividends will be compounded every quarter. Dividends will be credited to your account every quarter.

**Dividend period:** For this account type, the dividend period is quarterly; for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the example above is April 1.

If you close your share account before dividends are paid, you will not receive the accrued dividends.

**Minimum balance requirements:**

The minimum balance required to open this account is $25.00.

You must maintain a minimum average daily balance of $50.00 in your account to obtain the disclosed annual percentage yield.

**Average daily balance computation method:** Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the calendar quarter.

Interest is paid on the amount of money on deposit in each tier, creating a blended interest rate for the entire balance. See rate and fee schedule.

**Accrual of dividends on noncash deposits:** Dividends will begin to accrue on the business day you place noncash items (for example, checks) to your account.

**Transaction limitations:**

During any statement period, you may not make more than six withdrawals or transfers from your credit union account of yours or to a third party by means of a preauthorized, automatic, or computer transfer, telephonic order or instruction, or by check, draft, check card (if applicable), or similar order to a third party. If you exceed the transfer limitations set forth above, your account will be subject to closure by the credit union. Alternatively, any withdrawals or transfers exceeding the transfer limitations set forth above may not be processed.

**Par value of a share:**

The par value of a share in this account is $25.00.

**Fees and charges:**

An excess withdrawal fee of $1.00 will be charged for each debit transaction (withdrawal, draft paid, automatic transfer or payment out of this account) in excess of three during a month. See rate and fee schedule.

### HOME SAVINGS / SHARE ACCOUNT

**Rate Information:**

The dividend rate and annual percentage yield may change at any time during the dividend period. We may change the dividend rate for your account as determined by the credit union board of directors.

**Compounding and crediting:** Dividends will be compounded every quarter. Dividends will be credited to your account every quarter.

**Dividend period:** For this account type, the dividend period is quarterly; for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the example above is April 1.

If you close your share account before dividends are paid, you will not receive the accrued dividends.

**Minimum balance requirements:**

The minimum balance required to open this account is $25.00.

You must maintain a minimum average daily balance of $50.00 in your account to obtain the disclosed annual percentage yield.

**Average daily balance computation method:** Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the calendar quarter.

Interest is paid on the amount of money on deposit in each tier, creating a blended interest rate for the entire balance. See rate and fee schedule.

**Accrual of dividends on noncash deposits:** Dividends will begin to accrue on the business day you place noncash items (for example, checks) to your account.

**Transaction limitations:**

During any statement period, you may not make more than six withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized, automatic, or computer transfer, telephonic order or instruction, or by check, draft, check card (if applicable), or similar order to a third party. If you exceed the transfer limitations set forth above, your account will be subject to closure by the credit union. Alternatively, any withdrawals or transfers exceeding the transfer limitations set forth above may not be processed.

**Par value of a share:**

The par value of a share in this account is $25.00.

**Fees and charges:**

An excess withdrawal fee of $1.00 will be charged for each debit transaction (withdrawal, draft paid, automatic transfer or payment out of this account) in excess of three during a month. See rate and fee schedule.
**MONEY MARKET ACCOUNT**

**Rate Information:**
The dividend rate and annual percentage yield may change every dividend period. We may change the dividend rate for your account as determined by the credit union board of directors.

**Compounding and crediting:** Dividends will be compounded every month. Dividends will be credited to your account every month.

**Dividend period:** For this account type, the dividend period is monthly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow the same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the example above is February 1.

If you close your share account before dividends are paid, you will not receive the accrued dividends.

**Minimum balance requirements:**
The minimum balance required to open this account is $2,000.00. You must maintain a minimum average daily balance of $2,000.00 in your account to obtain the disclosed annual percentage yield.

**Average daily balance computation method:** Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the calendar month. Interest is paid on the amount of money on deposit in each tier, creating a blended interest rate for the entire balance. See rate and fee schedule.

**Accrual of dividends on noncash deposits:** Dividends will begin to accrue on the business day you place noncash items (for example, checks) to your account.

**Transaction limitations:**
The minimum amount you may withdraw is $500.00 per withdrawal. During any statement period, you may not make more than six withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized, automatic, or computer transfer, telephonic order or instruction, or by check, draft, check card (if applicable), or similar order to a third party. If you exceed the transfer limitations set forth above, your account will be subject to closure by the credit union. Alternatively, any withdrawals or transfers exceeding the transfer limitations set forth above may not be processed.

**Fees and charges:**
If checks are not ordered through our authorized vendor, there will be a $1.00 check rejection fee per rejected item.

**SHARE DRAFT (CHECKING) ACCOUNT / FLAG CHECKING ACCOUNT**

**Rate Information:**
The dividend rate and annual percentage yield may change every dividend period. We may change the dividend rate for your account as determined by the credit union board of directors.

**Compounding and crediting:** Dividends will be compounded every month. Dividends will be credited to your account every month.

**Dividend period:** For this account type, the dividend period is monthly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow the same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the example above is February 1.

If you close your share account before dividends are paid, you will not receive the accrued dividends.

**Minimum balance requirements:**
The minimum balance required to open this account is $20.00. You must maintain a minimum average daily balance of $20.01 in your account to obtain the disclosed annual percentage yield.

**Average daily balance computation method:** Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the calendar month. Interest is paid on the amount of money on deposit in each tier, creating a blended interest rate for the entire balance. See rate and fee schedule.

**Accrual of dividends on noncash deposits:** Dividends will begin to accrue on the business day you place noncash items (for example, checks) to your account.

**Minimum Qualification Cycle (Monthly) Activity Qualifications**
- Have 10 or more check card purchases post and clear
- Receive and review monthly statement electronically
- Have at least 1 automatic payment or direct deposit post and clear

**Transaction Limitations:**
Minimum Qualification Cycle Activity Qualifications will be considered from items posted to your account on the last day of your statement period. The Share Draft Liberty Checking Account Dividend rate will not be paid on the account if the Minimum Qualification Cycle Activities are not performed.

Check card transactions processed by merchants and received by the credit union as ATMs do not count towards qualifying check card transactions. Only check card transactions processed by merchants and received by the credit union as POS transactions count towards qualifying check card transactions.

**Foreign ATM Fee Refunds**
If you have met your qualifications for the specified qualification cycle, we will reimburse you for domestic ATM fees for that qualification cycle. ATM fee reimbursements will be credited to your account on the first day of the next statement cycle. ATM fees of $4.99 or less will be reimbursed up to a maximum of $4.99 per individual transaction. ATM fees of $5.00 or higher will be reimbursed if the appropriate ATM receipt is presented to a representative at one of our branches. If you believe that you have not been reimbursed the correct amount, please contact us. We must hear from you no later than 30 days after the statement cycle when the reimbursement was applicable. Note: ATM withdrawals do not count as qualifying debit card transaction for purposes of earning rewards within this account.

**Fees and charges:**
If checks are not ordered through our authorized vendor, there will be a $1.00 check rejection fee per rejected item.

**Courtesy Pay Overdraft Service**
This service covers overdrawn accounts up to a specified limit so that you will not incur additional overdrawn fees from the payee (store, individual) when you exceed your checking available balance. The member is given the opportunity to opt in to authorize and pay overdrafts on ATM and everyday debit/check card transactions. A fee is charged once activated. See rate and fee schedule.

**IRA SHARE ACCOUNT**

**Rate Information:**
The dividend rate and annual percentage yield may change every dividend period. We may change the dividend rate for your account as determined by the credit union board of directors.

**Compounding and crediting:** Dividends will be compounded every quarter. Dividends will be credited to your account every quarter.

**Dividend period**
For this account type, the dividend period is quarterly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is March 31. All other dividend periods follow the same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the example above is April 1.
If you close your share account before dividends are paid, you will not receive the accrued dividends.

Minimum balance requirements:
The minimum balance required to open this account is $50.00.
You must maintain a minimum average daily balance of $50.00 in your account to obtain the disclosed annual percentage yield.

Average daily balance computation method - Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the calendar quarter.

Accrual of dividends on noncash deposits - Dividends will begin to accrue on the business day you place noncash items (for example, checks) to your account.

Transaction limitations:
You may not make any withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized or automatic transfer, telephonic order or instruction, or similar order to a third party.

1-YEAR IRA TERM SHARE ACCOUNT
2-YEAR IRA TERM SHARE ACCOUNT
Rate Information - See your separate rate and fee schedule for rates on your account. You will be paid this rate until first maturity.
Compounding frequency - Interest will be compounded monthly
Crediting frequency - Interest will be credited to your account monthly.

Minimum balance requirements:
The minimum balance required to open this account is $1,000.00.
You must maintain a minimum daily balance of $1,000.00 in your account each day to obtain the disclosed annual percentage yield.

Daily balance computation method - Interest is calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

Accrual of interest on noncash deposits - Interest will begin to accrue on the business day you deposit noncash items (for example, checks) to your account.

Transaction limitations:
After the account is opened, you may not make deposits into the account until the maturity date stated on the account.
You may make withdrawals of principal from your account before maturity only if we agree at the time you request the withdrawal principal withdrawn before maturity is included in the amount subject to early withdrawal penalty.

Time requirements - Your account will mature
Early withdrawal penalties (a penalty may be imposed for withdrawals before maturity):
The penalty we may impose will equal 180 days interest whether earned or not.
In certain circumstances such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. Other exceptions may also apply, for example, if this is part of an IRA or other tax-deferred savings plan.

Automatically renewable account - This account will automatically renew at maturity. You may prevent renewal if you call the credit union before maturity, you withdraw the funds in the account at maturity (or within the grace period mentioned below, if any) or you receive written notice from you within the grace period mentioned below, if any. We can prevent renewal if we mail notice to you at least 30 calendar days before maturity. If either you or we prevent renewal, your funds will be placed in a dividend-bearing account, unless otherwise specified.
Each renewal term will be the same as the original term, beginning on the maturity date. The interest rate will be the same we offer on new time accounts on the maturity date which have the same term, minimum balance (if any) and other features as the original time account.
You will have a grace period of seven calendar days after maturity to withdraw the funds without being charged an early withdrawal penalty.

3-MONTH TERM SHARE ACCOUNT
Rate Information - See your separate rate and fee schedule for rates on your account. You will be paid this rate until first maturity.
Compounding frequency - Interest will not be compounded.
Crediting frequency - Interest will be credited to your account at maturity.

Minimum balance requirements:
The minimum balance required to open this account is $1,000.00.
You must maintain a minimum daily balance of $1,000.00 in your account each day to obtain the disclosed annual percentage yield.

Daily balance computation method - Interest is calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

Accrual of interest on noncash deposits - Interest will begin to accrue on the business day you deposit noncash items (for example, checks) to your account.

Transaction limitations:
After the account is opened, you may make additional deposits into the account until the maturity date stated on the account. The minimum amount you may deposit is $1,000.00.
You may make withdrawals in the minimum amount of $1,000.00 of principal from your account before maturity only if we agree at the time you request the withdrawal on all term shares except IRAs.
Principal withdrawn before maturity is included in the amount subject to early withdrawal penalty.
You cannot withdraw interest from your account before maturity.

Time requirements - Your account will mature
Early withdrawal penalties (a penalty may be imposed for withdrawals before maturity):
The penalty we may impose will equal 90 days interest whether earned or not.
In certain circumstances such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. Other exceptions may also apply, for example, if this is part of an IRA or other tax-deferred savings plan.

Automatically renewable account - This account will automatically renew at maturity. You may prevent renewal if you call the credit union before maturity, you withdraw the funds in the account at maturity (or within the grace period mentioned below, if any) or you receive written notice from you within the grace period mentioned below, if any. We can prevent renewal if we mail notice to you at least 30 calendar days before maturity. If either you or we prevent renewal, your funds will be placed in a dividend-bearing account, unless otherwise specified.
Each renewal term will be the same as the original term, beginning on the maturity date. The interest rate will be the same we offer on new time accounts on the maturity date which have the same term, minimum balance (if any) and other features as the original time account.
You will have a grace period of seven calendar days after maturity to withdraw the funds without being charged an early withdrawal penalty.

6-MONTH TERM SHARE (CD) ACCOUNT
Rate Information - See your separate rate and fee schedule for rates on your account. You will be paid this rate until first maturity.
Compounding frequency - Interest will be compounded monthly.
The annual percentage yield (APY) calculation assumes all principal and dividends remain on deposit for the entire term.
Crediting frequency - Interest will be credited to your account monthly.

Minimum balance requirements:
The minimum balance required to open this account is $1,000.00.
You must maintain a minimum daily balance of $1,000.00 in your account to obtain the disclosed annual percentage yield.

Daily balance computation method - Interest is calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

Accrual of interest on noncash deposits - Interest will begin to accrue on the business day you deposit noncash items (for example, checks) to your account.

Transaction limitations:
After the account is opened, you may make deposits into the account until the maturity date stated on the account. The minimum amount you may deposit is $1,000.00.
You may make withdrawals in the minimum amount of $1,000.00 of principal from your account before maturity only if we agree at the time you request the withdrawal.
Principal withdrawn before maturity is included in the amount subject to early withdrawal penalty.
You can only withdraw interest before maturity if you make arrangements with us for periodic payments of interest in lieu of crediting.

Time requirements - Your account will mature
Early withdrawal penalties (a penalty may be imposed for withdrawals before maturity):
The penalty we may impose will equal 180 days interest whether earned or not.
In certain circumstances such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. See your plan disclosure if this account is part of an IRA or other tax qualified plan.

Automatically renewable account - This account will automatically renew at maturity. You may prevent renewal if you call the credit union before maturity, you withdraw the funds in the account at maturity or we receive written notice from you within the grace period mentioned below. We can prevent renewal if we mail notice to you at least 30 calendar days before maturity. If either you or we prevent renewal, your funds will be placed in a dividend-bearing account, unless otherwise specified.
Each renewal term will be the same as the original term, beginning on the maturity date. The interest rate will be the same we offer on new time accounts on the maturity date which have the same term, minimum balance (if any) and other features as the original time account.
You will have a grace period of seven calendar days after maturity to withdraw the funds without being charged an early withdrawal penalty.

Withdrawal of interest prior to maturity - The annual percentage yield is based on an assumption that interest will remain in the account until maturity. A withdrawal will reduce earnings. You can only withdraw interest from your account before maturity if you make arrangements with us for periodic payments of interest in lieu of crediting. You can prevent renewal if we mail notice to you at least 30 calendar days before maturity. If either you or we prevent renewal, your funds will be placed in a dividend-bearing account. The interest rate will be the same we offer on new time accounts on the maturity date which have the same term, minimum balance (if any) and other features as the original time account unless otherwise stated above.

You will have a grace period of seven calendar days after maturity to withdraw the funds without being charged an early withdrawal penalty.

3-YEAR TERM SHARE (CD) ACCOUNT
Rate Information - See your separate rate and fee schedule for rates on your account. You may make withdrawals in the minimum amount of $1,000.00 in your account each day to obtain the disclosed annual percentage yield.

Crediting frequency - Interest will be credited to your account monthly.

Minimum balance requirements: The minimum balance required to open this account is $1,000.00. You must maintain a minimum daily balance of $1,000.00 in your account each day to obtain the disclosed annual percentage yield.

Daily balance computation method - Interest is calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

Accrual of interest on noncash deposits - Interest will begin to accrue on the business day you deposit noncash items (for example, checks) to your account.

Transaction limitations: After the account is opened, you may not make deposits into the account until the maturity date stated on the account.

You may make withdrawals in the minimum amount of $1,000.00 of principal from your account before maturity only if we agree at the time you request the withdrawal on all term shares except IRAs.

Principal withdrawn before maturity is included in the amount subject to early withdrawal penalty. See your plan disclosure if this account is part of an IRA or other tax qualified plan.

Automatically renewable account - This account will automatically renew at maturity. You may prevent renewal if you call the credit union before maturity, you withdraw the funds in the account at maturity or we receive written notice from you within the grace period mentioned below. We can prevent renewal if we mail notice to you at least 30 calendar days before maturity. If either you or we prevent renewal, your funds will be placed in a dividend-bearing account, unless otherwise specified.

Each renewal term will be the same as the original term, beginning on the maturity date. The interest rate will be the same we offer on new time accounts on the maturity date which have the same term, minimum balance (if any) and other features as the original time account.

You will have a grace period of seven calendar days after maturity to withdraw the funds without being charged an early withdrawal penalty.

Early withdrawal penalties (a penalty may be imposed for withdrawals before maturity) - The penalty we may impose will equal 365 days interest whether earned or not. In certain circumstances such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. Other exceptions may also apply, for example, if this is part of an IRA or other tax-deferred savings plan.

Withdrawal of interest prior to maturity - The annual percentage yield is based on an assumption that interest will remain in the account until maturity. A withdrawal will reduce earnings. You can only withdraw interest from your account before maturity if you make arrangements with us for periodic payments of interest in lieu of crediting. You can prevent renewal if we mail notice to you at least 30 calendar days before maturity. If either you or we prevent renewal, your funds will be placed in a dividend-bearing account. The interest rate will be the same we offer on new time accounts on the maturity date which have the same term, minimum balance (if any) and other features as the original time account unless otherwise stated above.

You will have a grace period of seven calendar days after maturity to withdraw the funds without being charged an early withdrawal penalty.

30-MONTH TERM SHARE (CD) ACCOUNT
Rate Information - See your separate rate and fee schedule for rates on your account. You will be paid interest until first maturity.

Compounding frequency - Unless otherwise paid, interest will be compounded monthly.

Crediting frequency - Interest will be credited to your account monthly.

Minimum balance requirements: The minimum balance required to open this account is $1,000.00. You must maintain a minimum daily balance of $1,000.00 in your account each day to obtain the disclosed annual percentage yield. Maximum allowable amount - $1,000,000.00 per household.

Daily balance computation method - Interest is calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

Accrual of interest on noncash deposits - Interest will begin to accrue on the business day you deposit noncash items (for example, checks) to your account.

Transaction limitations: After the account is opened, you may not make deposits into the account until the maturity date stated on the account.

You may make withdrawals in the minimum amount of $1,000.00 of principal from your account before maturity only if we agree at the time you request the withdrawal on all term shares except IRAs.

Principal withdrawn before maturity is included in the amount subject to early withdrawal penalty.

Time requirements - Your account will mature 

Early withdrawal penalties (a penalty may be imposed for withdrawals before maturity) - The penalty we may impose will equal 180 days interest whether earned or not. In certain circumstances such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. Other exceptions may also apply, for example, if this is part of an IRA or other tax-deferred savings plan.

Withdrawal of interest prior to maturity - The annual percentage yield is based on an assumption that interest will remain in the account until maturity. A withdrawal will reduce earnings. You can only withdraw interest from your account before maturity if you make arrangements with us for periodic payments of interest in lieu of crediting. You can prevent renewal if we mail notice to you at least 30 calendar days before maturity. If either you or we prevent renewal, your funds will be placed in a dividend-bearing account. The interest rate will be the same we offer on new time accounts on the maturity date which have the same term, minimum balance (if any) and other features as the original time account unless otherwise stated above.

You will have a grace period of seven calendar days after maturity to withdraw the funds without being charged an early withdrawal penalty.

Time requirements - Your account will mature 

Early withdrawal penalties (a penalty may be imposed for withdrawals before maturity) - The penalty we may impose will equal 365 days interest whether earned or not. In certain circumstances such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. Other exceptions may also apply, for example, if this is part of an IRA or other tax-deferred savings plan.

Withdrawal of interest prior to maturity - The annual percentage yield is based on an assumption that interest will remain in the account until maturity. A withdrawal will reduce earnings. You can only withdraw interest from your account before maturity if you make arrangements with us for periodic payments of interest in lieu of crediting. You can prevent renewal if we mail notice to you at least 30 calendar days before maturity. If either you or we prevent renewal, your funds will be placed in a dividend-bearing account. The interest rate will be the same we offer on new time accounts on the maturity date which have the same term, minimum balance (if any) and other features as the original time account unless otherwise stated above.

You will have a grace period of seven calendar days after maturity to withdraw the funds without being charged an early withdrawal penalty.

30-MONTH TERM SHARE (CD) ACCOUNT
Rate Information - See your separate rate and fee schedule for rates on your account. You will be paid interest until first maturity.

Compounding frequency - Unless otherwise paid, interest will be compounded monthly.

Crediting frequency - Interest will be credited to your account monthly.
Minimum balance requirements:
The minimum balance required to open this account is $1,000.00.
You must maintain a minimum daily balance of $1,000.00 in your account each day
to obtain the disclosed annual percentage yield.

Maximum allowable amount - $1,000,000.00 per household.

Daily balance computation method - Interest is calculated by the daily balance
method which applies a daily periodic rate to the balance in the account each day.

Accrual of interest on noncash deposits - Interest will begin to accrue on the
business day you deposit noncash items (for example, checks) to your account.

Transaction limitations:
After the account is opened, you may not make deposits into the account until the
maturity date stated on the account.
You may make withdrawals in the minimum amount of $1,000.00 of principal from
your account before maturity only if we agree at the time you request the withdrawal
on all term shares except IRAs.
Principal withdrawn before maturity is included in the amount subject to early
withdrawal penalty.

Time requirements - Your account will mature ____________________________.

Early withdrawal penalties (a penalty may be imposed for withdrawals before
maturity): The penalty we may impose will equal 180 days interest whether earned
or not.
In certain circumstances such as the death or incompetence of an owner of this
account, the law permits, or in some cases requires, the waiver of the early
withdrawal penalty. Other exceptions may also apply, for example, if this is part of
an IRA or other tax-deferred savings plan.

Withdrawal of interest prior to maturity - The annual percentage yield is based on
an assumption that interest will remain in the account until maturity. A withdrawal will
reduce earnings. You can only withdraw interest from your account before maturity if
you make arrangements with us for periodic payments of interest in lieu of crediting.

Automatically renewable account - This account will automatically renew at
maturity to a term of TWO YEAR at the then TWO YEAR TERM SHARE
CERTIFICATE rate. You may prevent renewal if you call the credit union before
maturity. We can prevent renewal if we mail notice to you at least 30 calendar days
before maturity. If either you or we prevent renewal, your funds will be placed in a
dividend-bearing account.

Each renewal term will renew at a TWO YEAR term, beginning on the maturity date.
The interest rate will be the same we offer on new time accounts on the maturity
date which have the same term, minimum balance (if any) and other features as the
original time account unless otherwise stated above.
You will have a grace period of seven calendar days after maturity to withdraw the
funds without being charged an early withdrawal penalty.

COMMON FEATURES

Bylaw requirements:
You must complete payment of one share in your Share account as a condition of
admission to membership.

Transaction limitation - We reserve the right to at any time require not less than
seven days notice in writing before each withdrawal from an interest-bearing
account other than a time deposit or demand deposit, or from any other savings
account as defined by Regulation D.

Member conduct - In the event any member of the credit union shall cause a loss
to the credit union or shall engage in any type of abusive conduct, the president or
his/her designee is authorized to impose any or all of the following sanctions on the
member:
1. Denial of all services other than the right to maintain a share account and the
   right to vote at annual/special meetings. The share account may be a non-
dividend-bearing account.
2. Denial of services which involve personal contact with credit union employees.
3. Denial of access to credit union premises.
4. Any other action deemed necessary under the circumstances that is not
   expressly precluded by regulatory authority.

Nature of dividends - Dividends are paid from current income and available
earnings, after required transfers to reserves at the end of a dividend period.

National Credit Union Share Insurance Fund - Member accounts in this credit
union are federally insured by the National Credit Union Share Insurance Fund.

Overdraft Fee Transaction Categories - The categories of transactions for which
an overdraft fee may be imposed are those by any of the following means: share
draft, in-person withdrawal, ATM withdrawal, or other electronic means.

Fees - Please refer to our separate rate and fee schedule for additional information
about the disclosed accounts.

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Federally insured by NCUA
Important Notice Regarding Interest-Bearing Accounts:

Effective October 1, 2018, the method for calculating interest on Savings, Money Market and Liberty Checking accounts will change. Currently, interest is calculated based on the “Average Daily Balance;” beginning October 1, 2018, interest will be calculated based on the “Daily Balance.” Furthermore, the deposit date* will change for Savings and Money Market accounts from the beginning of the month to the end of the month. So, instead of seeing the interest posted on November 1st, it will now be posted to account on October 31st.

*Deposit date of interest for Liberty Checking will not change.

What is the “Daily Balance?”
Daily Balance means that a daily periodic rate is applied to the balance in the account each day, provided the account meets the minimum balance requirement each day. If the minimum daily balance requirement is not met, a dividend is not earned for that day. The formula is the dividend rate divided by 365 days. (Rate%/365)

What is the “Average Daily Balance?”
Average Daily Balance is calculated by adding each day-end balance in the dividend period together and dividing by the number of days in the dividend period. If the account does not meet the average daily balance requirement for the dividend period, dividends are not earned for that period. With the formula, the Average Daily Balance means that a periodic rate = the dividend rate multiplied by the average daily balance multiplied by 365 (the number of days in the dividend period). Visit the website- navyarmyccu.com/dailybalance for more information and to view calculation formulas and examples.