

# AGREEMENTS AND DISCLOSURES

**THESE AGREEMENTS AND DISCLOSURES CONTAIN IMPORTANT MEMBERSHIP INFORMATION, NECESSARY TRUTH-IN-SAVINGS ACCOUNT DISCLOSURES, ELECTRONIC SERVICES AGREEMENT AND DISCLOSURES, FUNDS AVAILABILITY POLICY AND SUBSTITUTE CHECKS AND YOUR RIGHTS. PLEASE BE CERTAIN TO READ THESE AGREEMENTS AND DISCLOSURES CAREFULLY AND NOTIFY US AT ONCE IF ANY PARTS ARE UNCLEAR.**

Throughout these Agreements and Disclosures, the references to "We," "Us," "Our" and "Credit Union" mean VELOCITY CREDIT UNION. The words "You" and "Your" mean each person applying for and/or using any of the services described herein. "Account" means any account or accounts established for You as set forth in these Agreements and Disclosures. The word "Card" means any MasterCard Debit or Rewards Debit Card issued to You by Us and any duplicates or renewals We may issue. Our Audio Response System is hereinafter referred to as "Voice Banking" whereas Our Personal Computer Account Access System is hereinafter referred to as "Online Banking." "E-Check" refers to any check which You authorize the payee to process electronically. For joint accounts, read singular pronouns in the plural.

## VELOCITY CREDIT UNION MEMBERSHIP

To apply for membership with Velocity Credit Union, You must complete, sign and return an application for membership.

Your signature on Your application for membership informs the Credit Union that You would like to join the Credit Union and that You agree to conform to the Credit Union's Bylaws and Amendments.

Credit Union membership is granted to applicants within Velocity Credit Union's common bond as outlined in the Credit Union's Charter.

Eligibility also includes spouses of persons who died while within the field of membership and Credit Union employees. By signing Your application for membership,

You acknowledge receipt of these Agreements and Disclosures, including the terms and conditions which apply to Your Accounts.

## FAMILY MEMBERSHIP

Credit Union members in good standing and whose status is currently within the Credit Union's common bond (as outlined herein) may sponsor immediate family members. Eligible family members may include for instance: father, mother, brother, sister, son, daughter, grandmother, grandfather and spouse.

## ACCOUNT AGREEMENT

**YOU AGREE AND ACKNOWLEDGE THAT THIS AGREEMENT CONTROLS YOUR ACCOUNT(S) WITH VELOCITY CREDIT UNION, TOGETHER WITH ANY OTHER RELATED DOCUMENT SUCH AS OUR FUNDS AVAILABILITY POLICY AND ELECTRONIC FUND TRANSFER AGREEMENT AND/OR AGREEMENTS AND DISCLOSURES, ALL OF WHICH, TO THE EXTENT APPLICABLE, ARE INCORPORATED INTO THIS AGREEMENT BY REFERENCE.**

**JOINT ACCOUNTS.** If Your Account is owned jointly, then all funds on deposit are owned by any of the joint Owners with right of survivorship. The joint Owners of the Accounts hereby agree with each other and with Us that all sums, whenever paid into the Accounts by any or all of the joint Owners to the credit of the joint Owners with all accumulations thereon, are and shall be owned by them jointly, with right of survivorship and be subject to the withdrawal or receipt of any of them, and payment to any of them or the survivor or survivors shall be valid and discharge Us from any liability for such payment. You authorize Us to recognize any of the signatures subscribed in Your application for membership for the payment of funds or the transaction of any business for the Accounts. We can release or pay any amount on deposit in Your Account to any Owner. We can honor checks, withdrawals, orders or requests from any Owner. All Owners are liable to Us for any overdrafts that may occur on Your Account, regardless of whether or not a benefit occurred and checks cashed against any Account are subject to collectability from such Account if returned unpaid. Any or all of the joint owners may pledge all or any part of the shares in the Accounts as collateral security to a loan or loans and any funds on deposit may be utilized to satisfy any debt or garnishment of any Owner of the Account. The right or authority of the Credit Union under these Agreements and Disclosures shall not be changed or terminated by said owners or any of them. It is the responsibility of joint account Owners to determine any legal effects of opening and maintaining a joint account.

**TRUST ACCOUNTS.** Trust Accounts will only be opened by the Credit Union if the Trust documentation presented by You to the Credit Union is in a manner acceptable to Our underwriting policies. It is Your responsibility to determine and understand any legal effects related to this type of Account. We require all Trust Accounts to name a beneficiary. You agree that all sums whenever paid to the Trust Account shall be held by the Trustee(s) in trust for the beneficiary(ies) named, subject to the right of the Trustee(s) to revoke the same in whole or in part by, and to the extent of, the withdrawal of sums from the Account. Upon the death of the Trustee, (or if more than one, upon the death of the last surviving Trustee), the balance remaining in the Account shall be distributed by the Credit Union to the beneficiary or, if there is more than one beneficiary, then to the beneficiaries then living in equal shares unless otherwise designated in the Trust documentation. Where more than one Trustee appears on the Account, withdrawals and the pledge of shares against loans may be made by any Trustee acting alone (unless two signatures are required). Shares paid in by the Trustees shall be owned equally. Upon the death of one Trustee, all rights in and to the Account shall belong to any surviving Trustee. In the event of conflicting demands for funds under the Account,

the Credit Union may require the signatures of each of the Trustees. For Revocable and Living Trust Accounts, the individual establishing the Trust (the "Settlor") must be a member of the Credit Union and any withdrawal of Trust Account funds will be deemed a revocation of the Trust to the extent of any such withdrawal unless otherwise provided for in the Trust documentation. If the Account Designation shows a payable-on-death status, any Beneficiary has rights to the Account only if alive and only if the Settlor is deceased. If the Beneficiary dies before the Settlor, the Trust is terminated. The Settlor may change the Beneficiary at any time by providing Us adequate proof of such change in a manner acceptable to the Credit Union. If at any time, the Trustee is deemed incompetent by a court of legal jurisdiction or is unable or unwilling to serve, the Trust documentation shall determine the successor Trustee.

**BUSINESS, ORGANIZATIONAL, PARTNERSHIP OR CORPORATION ACCOUNTS.** If Your Account is a business, organizational, partnership or corporate account, You will supply Us with a separate authorization informing Us of the authorized signers for the Account and provide any other related documents if We request You to do so. We require that all partners, owners or organizational members be individually eligible for membership.

To the extent that the information has been provided to Us by You, We may disclose to a payee whom the Credit Union has returned a dishonored check or draft issued on a business checking account the: (1) names of the business owner(s); (2) physical address of the business; (3) home address of the business owner(s); and (4) driver's license numbers of the business owner(s), or in the alternative, the personal identification number issued to the business owner(s) by the Department of Public Safety. All requests for such information must be in writing and a legible copy of the dishonored check or draft must accompany the request. We will not be liable to You or any other person for the disclosure of information pursuant to Title 3, Chapter 277 of the Texas Financial Code.

**PAYABLE-ON-DEATH STATUS.** If the Account Designation shows a payable-on-death status, any Beneficiary has rights to the Account only if alive and only if You and any joint Owners are deceased. Upon Your death and the death of any joint Owners, the funds on deposit will be paid to the beneficiary(ies) of record in equal shares. If however, none of the payable-on-death beneficiaries You named is alive at Your death, the funds will be paid to the party or parties as required by applicable law. It is the responsibility of all Account Owners to determine any legal effects of opening and maintaining an Account with payable-on-death status.

## ACCOUNT AGREEMENT (continued)

**UNIFORM SINGLE-PARTY OR MULTIPLE PARTY ACCOUNT SELECTION FORM NOTICE.** The ownership type You select for the Account You open may determine how property passes on Your death. You will may not control the disposition of funds held in some types of Accounts. It is the responsibility of all Account Owners to determine any legal effects of the ownership type You select. Please read the definitions below and consult legal counsel if any parts are unclear.

### 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 owns the Account. On the death of the party, ownership of the Account passes to the P.O.D. beneficiaries of the Account. The Account is not a part of the party's estate.

### 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 Credit Union may pay any sum in the Account to a party at any time. On the death of a party, the party's ownership of the Account passes to the surviving parties.

### 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 Credit Union 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.

**POWER OF ATTORNEY.** If You name a person to act as Your attorney-in-fact or agent in any way with Your Account, We are only obligated to deal with such person if We, in Our sole judgment, approve of the form of appointment and the supporting documentation.

**DEPOSIT OF ITEMS.** You may make deposits to Your Account using any method available from Us, including deposits in person, by mail or electronic means. We have the right to refuse to accept any check or instrument for deposit at Our sole discretion. If You deposit an item and it is returned unpaid, We will debit Your Account for the amount of the item and charge You a fee. You will be liable to Us for the amount of any item You deposit which is returned unpaid, and in addition, will be responsible for any of Our costs and expenses incurred in the collection of such returned item from You, including reasonable attorney fees. Subject to Our Funds Availability Policy, You may not be able to withdraw funds from Your Account until We have received final settlement for any items deposited. If You make a deposit on a Saturday, Sunday, or a holiday, or after Our predetermined cut-off hour on business days, the deposit will be credited to Your Account as of the next business day.

**COLLECTION AND PROCESSING OF ITEMS.** In processing items You have deposited for collection, We are only Your agent and assume no responsibility beyond the exercise of ordinary care. Any item deposited is subject to final settlement in cash or credit. Deposits payable and/or made in foreign countries and foreign currencies will be credited to Your Account in U.S. Dollars. The conversion rate to dollars will be at the prevailing exchange rate in effect on the processing settlement date. We may use any method We feel is appropriate to collect items, which may include use of a Federal Reserve Bank. We are not responsible for the acts of any third party We use for the collection of items including responsibility for lost items. If We use a local clearing house in the collection of items, You authorize Us to do so and to act in accordance with any applicable rules and regulations. We may permit You to withdraw funds from Your Account before final settlement has been made, however, if final settlement is not made, We have the right to charge Your Account or otherwise require You to repay such funds. In processing items presented for payment on Your Account, We will pay such items each business day in an order of Our choosing, all of which means that the transactions may not be processed in the order in which they occurred and that You could incur multiple fees in a single day should there be insufficient funds to pay all items presented that day.

**OVERDRAFT PROTECTION.** To the extent permitted by law, You authorize Us to transfer funds from other accounts You may have with Us, or from overdraft protection services for which You may become eligible, in necessary multiples (or

in such increments as We may from time to time determine) to Your Account to cover any overdraft. We will generally observe the following sequence in determining which of Your account(s) and/or overdraft programs to access in order to provide overdraft protection for Your Account: (1) Your non-HELOC line-of-credit loan, if You have been approved by Us for this service; (2) Your Regular Share (savings) Account identified as account type S1; and (3) the Privilege Pay overdraft program that may be approved by Us for Your use, provided that We have notified You of Your eligibility for this program. We will transfer funds from one or more of these sources, after examining each in sequence. If You have a line-of-credit loan with Us with an active credit limit, transfers will be made from Your line-of-credit up to Your available credit limit or from Your Regular Share Account, provided You have enough available funds in that Account. Any overdraft transfers may be subject to a transfer fee or an overdraft program (Privilege Pay) fee, depending on the source of the overdraft funds. You hold Us harmless from any and all liability which might otherwise exist if a transfer does not occur. For terms and conditions of the Privilege Pay overdraft program, consult the program disclosure. You may alter or cancel the overdraft protection services or amend the overdraft sequence (within limits set by Us) disclosed herein by indicating so in writing, on a form provided by Us.

**EXPENSES.** If We incur any costs or expenses as a result of any attachment, garnishment or levy against Your Account, You will reimburse Us for such costs or expenses or We may charge them to Your Account.

**INACTIVE OR DORMANT ACCOUNTS.** Inactive Accounts are Accounts with no withdrawals or deposits within a one-year period. If no activity occurs in Your Account within the time period specified by applicable state law, the property in Your Account may be subject to transfer to the appropriate state authority ("escheatment"). We have no liability if Your Account becomes dormant and is therefore subject to escheatment in accordance with applicable state law.

**LIEN IMPRESSMENT AND SET-OFF.** You agree that We may impress and enforce a statutory lien (which is a lien arising solely by statute and not by an agreement between the parties) upon Your Accounts with Us to the extent You owe Us any money and We may enforce Our right to do so without further notice to You. We have the right to set-off any of Your money or property in Our possession against any amount You owe Us. The right of set-off and Our impressed lien does not extend to any Keogh, IRA or similar tax deferred deposit You may have with Us. If Your Account is owned jointly, Our right of set-off and Our impressed lien extends to any amount owed to Us by any of the joint Owners.

**CREDIT REPORTING NOTICE.** We may report information about Your loan, line of credit or other such credit account to credit bureaus. Late payments, missed payments, or other defaults on Your Account may be reflected in Your credit report.

**MINIMUM BALANCE REQUIREMENTS, FEES AND SERVICE CHARGES.** You agree to pay Us any applicable fees or charges, and are responsible for any minimum balance requirements and deposit requirements called for in Our Agreements and Disclosures provided to You when You opened Your Account. In any case and with proper notice to You, fees, charges, balance requirements and deposit requirements may be changed by Us from time to time.

**SUSPENSION AND/OR TERMINATION.** We have the right to suspend the benefit of any Credit Union service at any time for reasonable cause. At Our discretion, We also have the right to pay any check presented for payment from Your Account after Your Account is closed or suspended and to recover such amount paid from You.

Account services are only available to those members in good standing with the Credit Union. We reserve the right to cancel or suspend services to, or in the alternative, expel any member who is not in good standing, which includes members that have: (a) a delinquent loan; (b) a Regular Savings Account balance below the minimum balance required to open such Account; (c) an unresolved deposited returned check; (d) any unpaid and uncollected fees; (e) a negative balance on an Account; (f) caused a financial loss to the Credit Union; or (g) failed to abide by the Credit Union's Bylaws And Amendments.

**TERMINATION OF MEMBERSHIP.** You may also voluntarily terminate Your membership by giving Us written notice of same, or by withdrawing funds from Your Regular Savings Account such that the balance is below the required minimum balance to open such Account.

**ASSIGNABILITY.** You may not assign or transfer any interest in Your Account.

**AGREEMENTS AND DISCLOSURES.** The Agreements and Disclosures provided to You at the time You opened Your Account and referred to throughout this Agreement, contain: (a) a list of fees and charges applicable to Your Account; (b) the dividends and applicable Annual Percentage Yield (APY); (c) how dividends are credited or compounded; and (d) other pertinent information related to Your Account. Your Agreements and Disclosures may be amended by Us from time to time in a manner as prescribed by law.

## ACCOUNT AGREEMENT (continued)

**STOP PAYMENTS.** You may ask Us to stop payment on a check by supplying Us with a written request. Stop payment requests are subject to the terms and conditions of the Order For Stop Payment form related to any such request. Your request must be given to Us in a timely manner so that We have a reasonable opportunity to act on Your request. A written stop payment request is effective for six months. If at the end of 6 months You request Us to continue the stop payment order, that request will be treated as a new request. We are not liable if We pay a check which You have requested Us to stop payment on as long as We act in good faith and exercise ordinary care.

In any event, any damages that We might otherwise be liable for shall not exceed the amount of the involved check. If We do pay a check for which You have requested stop payment and as a result any other item is returned unpaid by Us due to nonsufficient funds, We are not liable for any consequences resulting from such action. If Your Account is a joint Account, any Owner of the Account may request a stop payment. Any release of a stop payment order must be made by the person who made the request and be in a written format that is acceptable to Us. If You ask Us to stop payment on a pre-authorized transfer, Your request will be processed under the provisions of Our Electronic Fund Transfer Agreement with You. Stop payment requests are also subject to the terms and conditions of the Order For Stop Payment form related to any such request.

You may also ask Us to stop payment on a lost or stolen cashier's, teller or certified check and if You do, You agree to execute a Declaration of Loss and Claim for Reimbursement form together with any other documentation We may require, such as an affidavit. Regardless of the type of documentation presented to Us, the request must be in a form acceptable to the Credit Union and given to Us in a timely manner so that We have a reasonable opportunity to act on such request. Such Declaration of Loss and Claim for Reimbursement will not become effective until the later of: (a) the issuance date of the check; or (b) the date We receive the Declaration of Loss and Claim for Reimbursement together with any other required documentation.

**CHECKS AND OTHER ACCOUNT ACCESS DEVICES.** Any check or other Account access device which does not meet Our standards for acceptance may be rejected by Us, whether such standards are established by law, regulation or Our own policy.

**POSTDATED, STALE OR OVERDRAFT CHECKS.** You understand that postdating a check will have no effect on whether or not it is honored prior to or after the date of any such check. A stale check is any check received by Us that is dated six months or more prior to the date of receipt. We may pay or refuse to pay any postdated, stale or overdraft check, or other item presented for payment on Your Account without any liability.

**CHECK SAFEKEEPING.** Check Safekeeping is automatic on Your Account and Your cancelled checks will not be returned to You. You understand that cancelled checks retained by Us are later destroyed after a reasonable period of time. If You subsequently request a copy of a check and We are unable to supply it, then We shall not be liable for any damage You may sustain.

**PERIODIC STATEMENTS.** You will be provided with a periodic statement showing activity on Your Account. If You believe any statement reflects discrepancies, You must notify Us of such discrepancies within 60 days from the date We mailed the statement to You. If the discrepancy noted is the result of an electronic funds transfer, then the provisions of Our Electronic Fund Transfer Agreement with You will control resolution of the matter.

**AMENDMENTS.** This Agreement may be amended by Us at any time, in which case We will provide You with a notice of amendment as required by law or regulation.

**RESTRICTIVE LEGENDS.** We are not liable for any consequences resulting from the payment of a check that contains a restrictive legend or other such limitation (e.g. "Void after 90 days," "Not valid over \$500.00" or "Two signatures required") unless We have previously agreed, in writing, to the restrictions and/or limitations.

**NOTICE OF RECEIPT OF ACH ITEMS.** Under the operating rules of the National Automated Clearing House Association which are applicable to ACH transactions involving Your Account and as permitted by law, We are not required to give You next day notice of receipt of an ACH item, and We will not do so. We will continue to notify You of the receipt of payments in the periodic statements We provide to You.

**PROVISIONAL PAYMENT.** 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.

**CHOICE OF LAW.** We may accept payments on Your behalf for Your Account which have been transmitted through one or more Automated Clearing Houses ("ACH") and which are not subject to the Electronic Fund Transfer Act. Your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the state of New York as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving Your Account.

**IDENTIFICATION.** In order to safeguard Your Accounts and personal information, We oftentimes require that You provide certain identification at the time of a transaction. Such identification can take many forms and may not be limited to a state or government issued picture identification, password or other such personally identifiable information.

**ARBITRATION AND WAIVER OF CLASS ACTION RELIEF.** In the event of any controversy or claim arising out of or relating to these Agreements and Disclosures, or the breach thereof, and any other agreement, account, product, or service You have with the Credit Union, whether now or in the past (except for any credit subject to the Military Lending Act, or a consumer credit transaction secured by Your dwelling, including a home equity line of credit secured by Your principal dwelling), We may, at Our option, pursue Our remedies by filing a legal action to recover any amounts owed under these Agreements and Disclosures, or We may initiate arbitration proceedings.

In the event of any controversy or claim arising out of or relating to these Agreements and Disclosures, or the breach thereof, and any other agreement, account, product, or service You have with the Credit Union, whether now or in the past, You shall, at Your option, pursue Your remedies by filing a small claims court action to recover any amounts owed under these Agreements and Disclosures, or You may initiate binding arbitration proceedings.

If any party elects arbitration as a means to resolve any such controversy or claim, such arbitration shall be administered by the American Arbitration Association in accordance with its Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Claims shall be heard by a single arbitrator. The arbitration shall be governed by the laws of the state in which Our principal office is located, and arbitration shall take place in the area in which Our principal office is located. Time is of the essence for any arbitration described above. Arbitration hearings shall take place within 90 days of the request for arbitration, and awards shall be rendered within 60 days of the conclusion of the arbitration proceedings. Arbitrator(s) shall agree to these limits prior to accepting appointment. The arbitrators will have no authority to award punitive or other damages not measured by the prevailing party's actual damages, except as may be required by statute. The arbitrator(s) shall award to the prevailing party, if any, as determined by the arbitrators, all of their costs and fees. "Costs and fees" mean all reasonable pre-award expenses of the arbitration, including the arbitrators' fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, witness fees, and attorneys' fees. Except as may be required by law, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties.

If You would like to opt-out, that is, if You would prefer not to participate in the Arbitration portion of this Arbitration And Waiver of Class Action Relief provision, You may opt-out by writing to Velocity Credit Union, P.O. Box 1089, Austin, TX 78767 and informing Us of Your intention to opt-out. Any such opt-out must be received by Us no later than the 30th day following the date in which these Agreements and Disclosures were provided to You, and contain Your true and accurate name, address, Account number, and live signature.

**YOU HEREBY WAIVE YOUR RIGHT TO ASSERT ANY CLAIMS AS PART OF A CLASS ACTION AND ACKNOWLEDGE THAT NO CLASS ACTION, CLASS-WIDE ARBITRATION, PRIVATE ATTORNEY GENERAL ACTION, OR OTHER PROCEEDING WHERE SOMEONE ACTS IN A REPRESENTATIVE CAPACITY, MAY BE PURSUED IN ANY ARBITRATION OR IN ANY COURT PROCEEDING, REGARDLESS OF WHEN THE CLAIM OR CAUSE OF ACTION AROSE OR ACCRUED, OR WHEN THE ALLEGATIONS OR FACTS UNDERLYING THE CLAIM OR CAUSE OF ACTION OCCURRED. YOU HEREBY WAIVE YOUR RIGHT TO A JURY TRIAL FOR THE RESOLUTION OF ANY AND ALL DISPUTES.**

## ACCOUNT AGREEMENT (continued)

**INDEMNITY.** You agree to indemnify and hold harmless the Credit Union and their successors and assigns, from any claim, action, liability, loss, damage or suit, arising out of any action or inaction on Our part in connection with these Agreements and Disclosures and/or Your failure to abide by its terms. In the event of any claim, We shall provide You with reasonable and timely notice of such claim, and thereafter You shall at Your own expense defend, protect and hold harmless the Credit Union against said claim or any loss or liability thereunder. In the event You fail to defend and/or indemnify and hold Us harmless, then in such instance We shall have full rights to defend, pay or settle said claim on Your behalf without notice to You and with full right of recourse against You for all fees, costs, expenses and payments made or agreed to be paid to discharge said claim. You further agree to pay all reasonable attorneys' fees necessary to enforce such provision. Such indemnity shall be unlimited in amount and duration and be binding upon and pass to the benefit of all parties, their successors, assigns and personal representatives.

**NOTIFICATION OF ADDRESS CHANGE.** You will notify Us promptly in writing with Your signature if You move or otherwise have a change of address. In the event We are unable to locate You, You agree to pay all fees associated with maintaining an invalid address in Our records and any costs and locator fees incurred in Our locating efforts.

**WAIVERS.** You agree and understand that Our failure or delay to exercise any right, remedy, power or privilege available to Us pursuant to this Agreement shall not affect or disallow Our future exercise of that right, remedy, power or privilege.

**ELECTRONIC COMMUNICATIONS.** By applying for membership in the Credit Union, You authorize Us to send You, from time to time, and to the extent permitted by applicable law, electronic communications regarding the status of any share, share draft, and/or term Account(s) You maintain with Us. You also

authorize Us to send You electronic communications regarding any other accounts You may maintain with Us from time to time including, but not limited to, loan accounts, credit line accounts, and credit card accounts. These electronic communications are sometimes referred to as "transactional or relationship messages."

You authorize Us to contact You using any wireless, cellular, mobile or other telephone number You have provided to Us on Your membership application, and at any wireless, cellular, mobile or other telephone number You may furnish to Us or We may obtain for You in the future. We may contact You using any electronic means We choose, which may include but is not limited to, voice messages, text messages and other similar electronic methods of communication. If You have furnished Us with any e-mail address(es), You understand and agree that We may send You e-mail messages regarding Your Account(s) with Us from time to time. If You have or subsequently enter into any separate consent to receive electronic documentation form, any communications covered by such disclosure and consent shall be subject to the terms and conditions set forth in that disclosure and consent.

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

**GOVERNING LAW.** This Agreement shall be governed by the laws of the State of Texas, except to the extent that federal law controls.

## ACCOUNT DISCLOSURES

**THE FOLLOWING DISCLOSURES CONTAIN IMPORTANT INFORMATION AND THE TERMS AND CONDITIONS OF ANY ACCOUNT OR ACCOUNTS THAT YOU MAY HAVE WITH US AND ARE PROVIDED AS REQUIRED BY THE TRUTH-IN-SAVINGS ACT. WHEREVER USED, "APY" MEANS ANNUAL PERCENTAGE YIELD.**

### SPECIFIC TERMS APPLICABLE TO YOUR MEMBERSHIP AND REGULAR SAVINGS ACCOUNT **SV01** **SV02**

**Tiered Variable Rate Information.** This Account is subject to a Tiered Variable Rate. The dividend rate and APY may change every dividend period based on the determination of the Credit Union Board of Directors. For the current dividend rate and corresponding APY, refer to the separate page titled "Account Disclosure Rate Supplement" which We have included with and made a part of this Disclosure.

**Minimum Balance Requirements.** The minimum balance to open this Account requires a deposit of \$5.00. In order to earn the annual percentage yield, you must: (i) maintain one (1) share, \$5.00 in Your Account at all times; and (ii) maintain a daily balance of \$100.00 each day.

**Transaction Limitations.** During any statement period, You may not make more than six withdrawals from or transfers to another Credit Union Account of Yours or to a third party by means of a pre-authorized or automatic transfer or telephonic order or instruction, or by check, draft or electronic means, if applicable, or similar order to a third party. If You exceed these limitations, Your Account may be subject to closure by the Credit Union.

**Additional Information.** For Membership Savings Accounts, You must maintain at least one share (\$5.00) in Your Account at all times. If Your Account falls below one share (\$5.00), We will transfer funds from Your checking account to Your Membership Account, so that it contains one share (\$5.00). If there are not enough funds in Your checking Account or You do not have a checking Account with Us, then We will transfer funds from another savings Account You have on deposit with Us.

**Compounding and Crediting.** Dividends will be earned daily for each day on which Your balance exceeds the minimum daily balance requirement for Your Account. The dividend period is quarterly and dividends will be compounded and credited quarterly. You will not be paid any dividends that have accrued but have not been credited at the time You close Your Account.

**Balance Computation Method.** Dividends are calculated by the daily balance method which applies a daily periodic rate to the entire principal balance in Your Account for each day.

**Accrual on Noncash Deposits.** Dividends will begin to accrue on the business day that You place noncash items (e.g. checks) into Your Account.

### SPECIFIC TERMS APPLICABLE TO YOUR NON-INTEREST SAVINGS ACCOUNT **SV03**

**Dividends.** No dividends are paid on this Account.

**Minimum Balance Requirements.** The minimum balance to open this Account requires a deposit of is \$5.00.

**Transaction Limitations.** During any statement period, You may not make more than six withdrawals from or transfers to another Credit Union Account of Yours or to a third party by means of a pre-authorized or automatic transfer or telephonic order or instruction, or by check, draft or electronic means, if applicable, or similar order to a third party. If You exceed these limitations, Your Account may be subject to closure by the Credit Union.

### SPECIFIC TERMS APPLICABLE TO YOUR REGULAR CHECKING ACCOUNT **CK03**

**Tiered Variable Rate Information.** This Account is subject to a Tiered Variable Rate. The dividend rate and APY may change every dividend period based on the determination of the Credit Union Board of Directors. For the current dividend rate and corresponding APY, refer to the separate page titled "Account Disclosure Rate Supplement" which We have included with and made a part of this Disclosure.

**Minimum Balance Requirements.** The minimum balance to open this Account requires a deposit of \$50.00. You must maintain a balance of \$500.00 in Your Account each day to obtain the disclosed annual percentage yield and an average daily balance of \$500.00 each month to avoid a fee.

**Transaction Limitations.** No transaction limitations apply to this Account.

**Compounding and Crediting.** Dividends will be earned daily for each day on which Your balance meets the minimum daily balance requirement for Your Account. The dividend period is quarterly and dividends will be compounded monthly and credited quarterly. You will not be paid any dividends that have accrued but have not been credited at the time You close Your Account.

**Balance Computation Method.** Dividends are calculated by the daily balance method which applies a daily periodic rate to the entire principal balance in Your Account for each day.

## ACCOUNT DISCLOSURES (continued)

**Accrual on Noncash Deposits.** Dividends will begin to accrue on the business day that You place noncash items (e.g. checks) into Your Account.

### SPECIFIC TERMS APPLICABLE TO YOUR ACCESS CHECKING ACCOUNT **CK04**

**Dividends.** No dividends are paid on this Account.

**Minimum Balance Requirements.** The minimum balance to open this Account requires a deposit of \$50.00.

**Transaction Limitations.** No transaction limitations apply to this Account.

### SPECIFIC TERMS APPLICABLE TO YOUR CHECK PLUS CHECKING ACCOUNT **CK01**

**Tiered Variable Rate Information.** This Account is subject to a Tiered Variable Rate. The dividend rate and APY may change every dividend period based on the determination of the Credit Union Board of Directors. For the current dividend rate and corresponding APY, refer to the separate page titled "Account Disclosure Rate Supplement" which We have included with and made a part of this Disclosure.

**Minimum Balance Requirements.** The minimum balance to open this Account requires a deposit of \$50.00. You must maintain a balance of \$750.00 in Your Account each day to obtain the disclosed annual percentage yield and an average daily balance of \$750.00 each month to avoid a fee.

**Transaction Limitations.** No transaction limitations apply to this Account.

**Compounding and Crediting.** Dividends will be earned daily for each day on which Your balance meets the minimum daily balance requirement for Your Account. The dividend period is monthly and dividends will be compounded and credited monthly. You will not be paid any dividends that have accrued but have not been credited at the time You close Your Account.

**Balance Computation Method.** Dividends are calculated by the daily balance method which applies a daily periodic rate to the entire principal balance in Your Account for each day.

**Accrual on Noncash Deposits.** Dividends will begin to accrue on the business day that You place noncash items (e.g. checks) into Your Account.

### SPECIFIC TERMS APPLICABLE TO YOUR TOTALLY FREE CHECKING ACCOUNT **CK02**

**Dividends.** No dividends are paid on this Account.

**Minimum Balance Requirements.** The minimum balance to open this Account requires a deposit of \$50.00.

**Transaction Limitations.** No transaction limitations apply to this Account.

### SPECIFIC TERMS APPLICABLE TO YOUR MONEY MARKET ACCOUNT **SVMM**

**Tiered Variable Rate Information.** This Account is subject to a Tiered Variable Rate. The dividend rate and APY may change every dividend period based on the determination of the Credit Union Board of Directors. For the current dividend rate and corresponding APY, refer to the separate page titled "Account Disclosure Rate Supplement" which We have included with and made a part of this Disclosure.

**Minimum Balance Requirements.** The minimum balance to open this Account requires a deposit of \$1,000.00. You must maintain a balance of \$2,000.00 in Your Account each day to obtain the disclosed annual percentage yield.

**Transaction Limitations.** During any calendar month period, You may not make more than six withdrawals from or transfers to another Credit Union Account of Yours or to a third party by means of a pre-authorized or automatic transfer or telephonic order or instruction, or by check, draft or electronic means, if applicable, or similar order to a third party. If You exceed these limitations, Your Account may be subject to closure by the Credit Union.

**Compounding and Crediting.** Dividends will be earned daily for each day on which Your balance meets the minimum daily balance requirement for Your Account. The dividend period is monthly and dividends will be compounded daily and credited monthly. You will be paid any dividends that have accrued but have not been credited at the time You close Your Account.

**Balance Computation Method.** Dividends are calculated by the daily balance method which applies a daily periodic rate to the entire principal balance in Your Account for each day.

**Accrual on Noncash Deposits.** Dividends will begin to accrue on the business day that You place noncash items (e.g. checks) into Your Account.

### SPECIFIC TERMS APPLICABLE TO YOUR SEP-IRA, TRADITIONAL AND ROTH IRA ACCOUNT **SVRT SVRS SVRR SVRC**

**Tiered Variable Rate Information.** This Account is subject to a Tiered Variable Rate. The dividend rate and APY may change every dividend period based on the determination of the Credit Union Board of Directors. For the current dividend rate and corresponding APY, refer to the separate page titled "Account Disclosure Rate Supplement" which We have included with and made a part of this Disclosure.

**Minimum Balance Requirements.** The minimum balance to open this Account requires a deposit of \$10.00.

**Transaction Limitations.** Individual Retirement Accounts are subject to limitations and/or penalties imposed by the Internal Revenue Service. Please see Your IRA Agreement or Your tax advisor for additional information.

**Compounding and Crediting.** Dividends will be earned daily for each day on which Your balance meets the minimum daily balance requirement for Your Account. The dividend period is quarterly and dividends will be compounded daily and credited quarterly. You will be paid any dividends that have accrued but have not been credited at the time You close Your Account.

**Balance Computation Method.** Dividends are calculated by the daily balance method which applies a daily periodic rate to the entire principal balance in Your Account for each day.

**Accrual on Noncash Deposits.** Dividends will begin to accrue on the business day that You place noncash items (e.g. checks) into Your Account.

### GENERAL TERMS APPLICABLE TO ALL ACCOUNTS

**Suspension and/or Termination.** The Account services described in these Agreements and Disclosures are only available to those members in good standing with the Credit Union. We reserve the right to suspend services to, or in the alternative, expel any member who is not in good standing, which includes members with:

- a delinquent loan.
- a Regular Savings balance below the minimum balance required to open.
- an unresolved deposited returned check.
- unpaid and uncollected credit union fees.
- a negative balance on an account.
- caused a financial loss to the Credit Union.
- failed to abide by the Credit Union's Bylaws And Amendments.

**Nonsufficient Funds Returns.** Any check, pre-authorized transfer, or transaction made through the use of Your debit Card, or other electronic means, as is applicable (including any in-person transaction), that is presented to Us for payment on Your Account when Your Account lacks sufficient collected funds to pay any such item may, at Our option, be returned for nonsufficient funds or We may repost the item an additional two times before returning it for nonsufficient funds. We will then charge a fee for each reposted item, for a total of three nonsufficient funds/repost charges.

**Overdraft Balance Calculation.** When processing transactions that debit or credit Your Account, We start each Business Day with Your final Account balance from the preceding Business Day. The final balance takes into account all of the debit and credit transactions that were settled that Business Day pursuant to Our Funds Availability Policy, as well as any other debits or credits to Your Account that were finally settled that day, as described above in the "Deposit of Items" and "Collection and Processing of Items" sections of the Account Agreement. This starting balance at the beginning of a Business Day (the preceding Business Day's final balance) is sometimes referred to as Your "actual balance."

As credits and debits to Your Account are received by Us, We add them to and subtract them from Your actual balance. Examples of credits include, but are not limited to, electronic direct deposits, check deposits that have been fully and finally collected, ACH credits that have settled that day, and cash deposits made to one of Our tellers. Examples of debits include, but are not limited to, checks drawn on

## ACCOUNT DISCLOSURES (continued)

Your Account that are presented to Us for payment together with such checks that are returned unpaid and subsequently represented for payment, electronic fund transfer (EFT) debit transactions (such as preauthorized payments and settled EFT debits) and all reinstituted electronic fund transfer (EFT) debit transactions (such as preauthorized payments), memo-posted EFT debits (EFT debits that We have authorized but which have not been settled), and all Credit Union fees and charges. As noted above, these examples are not an exhaustive list and should not be construed as such. The result of this calculation at any given point in time is called Your "available balance."

For the purpose of determining whether an overdraft has occurred, We use Your available balance. First, We add all of the settled credit transactions to the beginning actual balance. Then, We subtract all of the debit transactions that settled that day. We also subtract all of the pending debit transactions. This determines the available balance for overdraft purposes. Each debit transaction that We process when Your Account has, or will have, a negative available balance is an overdraft, subject to an overdraft charge.

Subject to applicable law, You are responsible for paying any overdraft fees and charges assessed in connection with Our payment of an overdraft, as well as any

NSF fees charged to Your Account when We dishonor and return an item for non-sufficient funds. It is Your responsibility to know Your Account balance, and if You have any questions You should contact a Credit Union representative.

**Minimum Balance Requirements.** A member must complete payment of a member share in order to maintain account with the Credit Union. The par value of a regular share is \$5.00. The Credit Union may, at its discretion, transfer funds from an account owned by the member if the par value is below the one share (\$5.00).

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

**Additional Transaction Limitations.** Except for checking Accounts, the Credit Union reserves the right to require a member intending to make a withdrawal to give written notice of such intent not less than seven days and up to 60 days before any such withdrawal.

**Fees and Charges.** Any fees and charges applicable to Your Account are disclosed separately in the "Schedule of Fees and Charges" provided in conjunction with these Agreements and Disclosures.

## ELECTRONIC SERVICES AGREEMENT AND DISCLOSURE

**THIS IS YOUR ELECTRONIC SERVICES AGREEMENT AND DISCLOSURE. IT INCLUDES NECESSARY FEDERAL STATEMENTS AS REQUIRED BY THE ELECTRONIC FUND TRANSFER ACT (15 U.S.C. SECTION 1693 ET SEQ) AND REGULATION E AND ANY SPECIAL INSTRUCTIONS REGARDING THE USE OF YOUR MASTERCARD DEBIT CARD, OUR AUDIO RESPONSE SYSTEM ("VOICE BANKING"), OUR PERSONAL COMPUTER ACCOUNT ACCESS SYSTEM ("ONLINE BANKING") EACH WITH THEIR CORRESPONDING PERSONAL IDENTIFICATION NUMBER (PIN) OR ACCESS CODE AND ANY CHECKS YOU AUTHORIZE TO BE PROCESSED ELECTRONICALLY ("E-CHECK").**

**MASTERCARD DEBIT CARD, VOICE BANKING, ONLINE BANKING AND E-CHECK AGREEMENT.** This Agreement applies to any electronic fund transfer made to or from Your Account(s) by You or by any user who has access to Your Account with actual, apparent or implied authority for use of Your Account. Electronic fund transfers to and from Your Account can be made through the use of, but may not be limited to the following: (a) Your Card in Automated Teller Machines (ATMs) or at any place that it is honored including those transactions made through the use of the appropriate PIN in conjunction with Your Card; (b) Our Voice Banking Audio Response system; (c) Our Online Banking Personal Computer Account Access System; and (d) any check in which You authorize the payee to process electronically. An electronic funds transfer is any transfer of funds which is performed through the use of Your Card, Our Voice Banking Audio Response System, Our Online Banking Personal Computer Account Access System, E-Check or other electronic device. You understand that Your Card and any Personal Identification Numbers (PINs) are issued by Us and are not transferable. The use of Your Card, PIN and/or any other Account access device is subject to the following terms. You agree: (a) to abide by Our rules and regulations as amended related to the use of Your Card, PIN and/or any other Account access device; (b) that We may follow all instructions given to Machines; (c) not to use Your Card for illegal transactions including, but not limited to, advances made for the purpose of gambling and/or wagering where such practices are in violation of applicable state and/or federal law; and (d) that each withdrawal by You or by any authorized user of Your Card or PIN may be charged to Your Savings or Checking Account, as appropriate, and will be treated as though it were a share withdrawal except that: (1) We may charge withdrawals to Your Checking Account in any order We determine; and (2) We cannot honor stop payment requests on ATM and POS withdrawals.

We may, but are under no obligation to do so, process an Electronic Fund Transfer that exceeds the balance in Your Savings and/or Checking Account. In the event that any such transfer occurs, You agree to immediately pay Us the overdrawn amount and to the extent permitted by law, any associated fees and charges.

**JOINT ACCOUNTS.** If this is a joint Account, You agree to be jointly and severally liable, under the terms of this Agreement. You understand that any Account access device that is requested and approved will be mailed only to the primary accountholder at the address that We have for You on file. We may refuse to follow any instructions which run counter to this provision.

**DELAYED FUNDS AVAILABILITY NOTICE.** Subject to Our Delayed Funds Availability Policy, deposits made at Velocity Credit Union locations may not be posted to Your Account until they are received and verified by Us. We are not responsible for delays in deposit posting due to improper identification on the deposit envelope. See Our Funds Availability Policy Disclosure for Our policy regarding the availability of Your deposits.

**ISSUANCE OF PERSONAL IDENTIFICATION NUMBERS AND ACCESS CODES.** You will be issued separate Personal Identification Numbers (PINs) to be used in conjunction with MasterCard Debit Card, Voice Banking and Online Banking transactions. Your use of Your PIN is Your authorization to Us to withdraw funds from Your Savings Account or Your Checking Account to cover such transactions.

## TYPES AND LIMITATIONS OF SERVICES

**MASTERCARD DEBIT CARD TRANSACTIONS.** You may use Your Card in conjunction with Your PIN in ATMs and/or such other machines or facilities as We may designate to: (a) withdraw cash from Your Savings or Checking Account(s); (b) transfer funds between Your Savings and Checking Accounts; (c) learn the balances in Your deposit Accounts that You have with Us; and (d) make deposits to Your Savings and Checking Account(s). You may also use Your Card to make Point of Sale (POS) withdrawals from Your Checking Account and to purchase goods and services at any location where the Card is accepted. If You do use Your Card for such transactions, You authorize Us to withdraw funds up to the available balance of Your Account(s) to cover any such transactions, provided You have available funds. You agree that ATM & POS withdrawals from Your Checking Account, Savings Account and/or Your Line of Credit that You may have with Us are subject to a combined maximum daily amount (savings, line of credit and checking combined) of \$3,500.00 for MasterCard Debit Cards, provided You have enough money in Your Accounts. For security reasons, there are limits on the number of transfers You can make using Our MasterCard Debit Card services.

**VOICE BANKING TRANSACTIONS.** You may use Voice Banking in conjunction with Your PIN to make the following types of transactions on designated accounts: (a) telephone transfers of funds between Your Savings, Checking and Line of Credit Accounts that You may have with Us; (b) make payments on Your loan Accounts that You may have with Us from Your Savings and/or Checking Accounts; (c) inquiries on designated Account balances and loan data; (d) make inquiries on designated withdrawal/deposit transactions; and (e) miscellaneous inquiries on Credit Union services that affect Your Account. Voice Banking operates 24 hours every day and can be accessed by calling (512) 472-3387 or (888) 978-7827. If You attempt to use the system and are told that "the system is not available," please call back later when service is restored.

**ONLINE BANKING TRANSACTIONS.** You may use Online Banking in conjunction with Your Voice Banking PIN and a personal computer for the following services: (a) transfer funds between Your Savings, Checking and Line of Credit Accounts that You may have with Us; (b) make payments on Your loan Accounts; (c) inquiries on Account balances, Account transactions and loan data; (d) miscellaneous inquiries on Credit Union services that affect Your Account; and (e) make advances from Your Line of Credit that You may have with Us.

You may also use Our bill payment service in conjunction with Our Online Banking system to issue payments in amounts up to \$15,000.00 on Your behalf, except to the extent that such payments are for governmental agencies, state and local taxing authorities, court-ordered payment and/or addresses outside the United States of America. You authorize Us to post any such payments requested by You to Your Account(s). Payments requested by You through the use of Our Online Banking system will be made either by check or electronic transfer and may take as long as five business days to be sent to the payee. The Credit Union cannot guarantee the time any payment will reach any of Your creditors and accepts no liability for any service fees or late charges incurred by You. You may cancel a transaction scheduled for a future date only if We receive Your request for cancellation in time to stop the identified transaction. If You request such a cancellation and We are unable to process Your request, We will (but are under

## ELECTRONIC SERVICES AGREEMENT AND DISCLOSURE (continued)

no obligation to do so) attempt to notify You prior to the posting of that transaction. You agree that once You have initiated a transaction, the Credit Union will have no liability for failure to fulfill Your request for stop payment.

**E-CHECK TRANSACTIONS.** You may authorize a merchant or other payee to make a one-time electronic payment from Your checking Account using information from Your check ("E-Check") to: (a) pay for purchases; or (b) pay bills.

**OWNERSHIP OF ACCESS DEVICES.** Your Card and/or any other Account access device will remain Our property and any such Card or other Account access device We may issue may be cancelled or its use restricted by Us at any time without notice, except as may be required by applicable law. You agree to surrender any such Card and/or access device and to discontinue its use immediately upon Our request. You will be required to return any Account access device(s) to Us immediately upon the closing of Your Account.

**NOTIFICATION OF PRE-AUTHORIZED DEPOSITS.** If You have arranged to have direct deposits made to Your Account at least once every 60 days (from Your employer, the Federal Government or other payor), You can call Us at (512) 469-7000 or (800) 933-2029 to find out whether or not the deposit has been made.

**RIGHT TO STOP PRE-AUTHORIZED PAYMENTS.** If You want to stop any pre-authorized payments, call Us at (512) 469-7000 or (800) 933-2029 or write Us at the address shown in this Agreement in time for Us to receive Your stop payment request three business days or more before the payment is scheduled to be made. If You call, We will also require You to put Your request in writing and get it to Us within 14 days after You call. Any oral stop payment request ceases to be binding after 14 days if You fail to provide the required written confirmation. To be sure that a third party does not bill You again for the "stopped" payment or to cancel the entire pre-authorized payment arrangement, contact the third party.

To ensure that recurring preauthorized charges established and authorized by You are not interrupted in the event that Your Card or other Access Device is reissued, We may, but are under no obligation to do so, enroll Your Account in automatic account information update services that communicate new Card/Access Device information to the service providers with whom You have established preauthorized recurring charges, the purpose of which is to ensure charges You authorize continue without interruption.

**OUR LIABILITY FOR FAILURE TO STOP PAYMENT.** If You order Us to place a stop payment on one of Your pre-authorized payments three business days or more before the transfer is scheduled, and We do not do so, We will be liable for losses or damages, to the extent provided by law.

**TRANSACTION SLIPS.** You can get a receipt at the time You make any transaction to or from Your Account (except Online Banking, Telephonic and mail-in transactions, and certain small-value transactions). When an electronic transfer has been made during any given month, You will receive a monthly statement to reflect all electronic fund transfers to or from Your Account during that statement period. In any case, You will receive a statement at least quarterly.

**FEES.** We may assess reasonable charges against Your Account for transactions performed at electronic terminals. If so, We will specify any charges for these or other types of electronic transactions, including automatic transfers, on an accompanying pricing document. We will explain the charges to You when You open Your Account. You will be provided with a fee schedule, Online Banking and Voice Banking information after Your Account is established. Additional fee schedules are available at any of Our office locations. 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.

**LIABILITY FOR FAILURE TO COMPLETE TRANSACTIONS.** If We do not properly complete a transaction to or from Your Account according to this Agreement, We will be liable for Your losses or damages. However, We will not be liable if: (a) Your Account does not contain enough money to make the transaction through no fault of Ours; (b) the ATM where You are making the transaction does not have enough cash; (c) the terminal was not working properly and You knew about the breakdown when You started the transaction; (d) circumstances beyond Our control prevent the transaction; (e) Your Card is retrieved or retained by an ATM; or (f) Your Card or PIN has been reported lost or stolen and We have blocked the Account.

**LIABILITY FOR UNAUTHORIZED USE.** Telephone Us at once at (512) 469-7000 or (800) 933-2029 or write Us at the address shown in this Agreement if You believe Your Card or PIN have been lost or stolen, or if You believe that an electronic fund transfer has been made without Your permission using information from Your check. Telephoning is the best way of keeping Your possible losses down. You could lose all of the money in Your Account (plus Your maximum overdraft line of credit, if applicable).

If You tell Us within two business days after You learn of the loss or theft of Your Card or PIN, You can lose no more than \$50.00 if someone uses Your Card or PIN without Your permission. If You fail to tell Us within two business days after You learn of the

loss or theft of Your Card or PIN and We can prove that We could have stopped someone from using Your Card or PIN without Your permission if You had told Us, then You could lose as much as \$500.00. Additionally, if Your periodic statement shows transfers that You did not make, including those made by Card, PIN or other means, You will tell Us at once. If You fail to tell Us within 60 days after We mail You the first periodic statement on which the transfer appears, You could lose the entire Account balance if We can prove We could have stopped someone from taking Your money if You had given Us notice in time. If a valid reason (such as a long trip or hospital stay) keeps You from giving Us notice, We will extend the time periods.

**Exception:** You will have no liability for the unauthorized use of Your MasterCard Debit Card as long as You used reasonable care in safeguarding Your Card from loss or theft and, upon becoming aware of such loss or theft, promptly report that loss or theft to the Credit Union. **This exception does not apply to a transaction conducted with a Card that is: (a) issued to an entity other than a natural person; (b) issued for a commercial purpose, except to the extent that such exception shall apply to transactions conducted for a small-business program; and (c) issued to a person until such time as that person's identity is registered by or on behalf of the Credit Union in connection with such issuance, which registration may include customer identification program requirements.**

**IN CASE OF ERRORS OR IF YOU HAVE QUESTIONS ABOUT ELECTRONIC TRANSFERS.** Call Us at (512) 469-7000 or (800) 933-2029 or write Us at the address shown in this Agreement as soon as You can, if You think Your statement or receipt is wrong or if You need more information about a transaction listed on the statement or receipt. We must hear from You no later than 60 days after We send You the first statement on which the problem or error appeared.

- (1) Tell Us Your name and Account number.
- (2) Describe the error or the transfer You are unsure about, and explain as clearly as You can why You believe it is an error or why You need more information.
- (3) Tell Us the dollar amount of the suspected error.

If You tell Us orally, We may require that You send Us Your complaint or question in writing within 10 business days. We will determine whether an error occurred within 10 business days after We hear from You and will correct any error promptly. If We need more time, however, We may take up to 45 days to investigate Your complaint or question. If We decide to do this, We will credit Your Account within 10 business days for the amount You think is in error, so that You will have 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. 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. If We have credited Your Account with funds while investigating an error, We will charge Your Account for those funds if We conclude no error has occurred. In this provision, all references to 10 business days will be 20 business days if Your notice of error involves an electronic fund transfer that occurred within 30 days after the first deposit to Your Account was made and all references to 45 business days will be 90 business days if Your notice of error involves an electronic fund transfer that: (a) was not initiated within a state; (b) resulted from a point-of-sale debit card transaction; or (c) if Your notice of error involves an electronic fund transfer that occurred within 30 days after the first deposit to Your Account was made.

**UNAUTHORIZED TRANSFERS.** To report a lost or stolen Card, PIN, Access Code or any combination thereof, You will call Us at (512) 469-7000 or (800) 933-2029. You may also report the loss of a Card, PIN, Access Code or any combination thereof, by writing to Us at the address shown in this Agreement. You should also call the number or write to the address if You believe a transfer has been made using the information from Your check without Your permission.

**DISCLOSURE OF ACCOUNT INFORMATION.** We may disclose information to third parties about Your Account or transfers You make: (1) when it is necessary to complete an electronic transaction; or (2) in order to verify the existence and conditions of Your Account for a third party such as a credit bureau or merchant; or (3) in order to comply with a government agency or court order, or any legal process; or (4) if You give Us written permission.

**TERMINATION.** As permitted by law, We may terminate Your right to use Your Card, PIN or Access Code or cancel this Agreement at any time. You may request termination of these services in writing.

**CHANGE IN TERMS.** We may change the terms and charges for the services shown in this Agreement and may amend this Agreement from time to time.

**BUSINESS DAYS.** Every day is a business day except Saturdays, Sundays and holidays.

**GOVERNING LAW.** This Agreement is controlled and governed by the laws of the State of Texas except to the extent that such laws are inconsistent with controlling federal law.

## FUNDS AVAILABILITY POLICY DISCLOSURE

**EXCEPT FOR CHECKS DRAWN ON FOREIGN BANKS IN FOREIGN COUNTRIES, THIS DISCLOSURE DESCRIBES YOUR ABILITY TO WITHDRAW FUNDS FROM TRANSACTION ACCOUNTS AT VELOCITY CREDIT UNION. YOU SHOULD ALSO REFER TO THE SECTION OF THESE AGREEMENTS AND DISCLOSURES THAT DESCRIBES THE DETAILS OF YOUR SPECIFIC ACCOUNT TYPE FOR ADDITIONAL INFORMATION.**

**Your Ability To Withdraw Funds.** Our policy is to make funds from Your cash and check deposits available to You on the 1st business day after the day We receive Your deposit. Electronic direct deposits will be available on the day We receive the deposit. Once they are available, You can withdraw the funds in cash and We will use the funds to pay checks that You have written.

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.** In some cases, We will not make all of the funds that You deposit by check available to You on the 1st business day after the day of Your deposit. Depending on the type of check that You deposit, funds may not be available until the 2nd business day after the day of Your deposit. The first \$225.00 of Your deposits, however, may be available on the 1st business day after the day of Your deposit.

If We are not going to make all of the funds from Your deposit available on the 1st business day after the day of Your deposit, 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 by the day after We receive Your deposit.

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

In addition, funds You deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check You deposit will not be paid.
- You deposit checks totaling more than \$5,525.00 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.

## SUBSTITUTE CHECKS AND YOUR RIGHTS

**THIS IS YOUR SUBSTITUTE CHECK POLICY DISCLOSURE AND INSTRUCTIONS. IT CONTAINS IMPORTANT INFORMATION CONCERNING OUR SUBSTITUTE CHECK POLICY AND NECESSARY DISCLOSURES AS REQUIRED BY THE CHECK CLEARING FOR THE 21st CENTURY ACT (12 CFR 229 ET SEQ) AND SPECIAL INSTRUCTIONS REGARDING YOUR RIGHT TO FILE FOR AN EXPEDITED REFUND. PLEASE BE CERTAIN TO READ THESE AGREEMENTS AND DISCLOSURES CAREFULLY AND NOTIFY US AT ONCE IF ANY PARTS ARE UNCLEAR.**

### 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 dividends on the amount of Your refund if Your Account is a dividend-bearing Account. If Your loss exceeds the amount of the substitute check, You may be able to recover additional amounts under other law.

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 8th business day after the day of Your deposit.

In any case, We reserve the right to refuse an item for deposit or encashment.

### **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 \$5,525.00 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the 1st business day after the day of Your deposit if the deposit meets certain conditions. For example, the checks must be payable to You. The excess over \$5,525.00 will be available on the 9th business day after the day of Your deposit. If Your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of Our employees, the first \$5,525.00 will not be available until the 2nd business day after the day of Your deposit.

Funds from all other check deposits will be available on the 10th business day after the day of Your deposit.

**ATM Deposits.** If You make a deposit prior to 12:01 p.m. 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 12:00 p.m. or on a day that We are not open, We will consider the deposit made on the next business day We are open. For deposits made at Automated Teller Machines (ATMs) owned and operated by Velocity Credit Union, deposits subject to delayed availability will become available for withdrawal on the 2nd business day after the day of Your deposit. For deposits made at Automated Teller Machines (ATMs) not owned and operated by Velocity Credit Union, deposits subject to delayed availability will become available for withdrawal on the 5th business day after the day of Your deposit. All ATMs that We own or operate are identified as Our machines.

**Dividend Payment Policy.** See the Account Disclosures section in this brochure for Our policy on the payment of dividends.

If You use this procedure, You may receive up to \$2,500.00 of Your refund (plus dividends if Your Account earns dividends) within 10 business days after We received Your claim and the remainder of Your refund (plus dividends if Your Account earns dividends) not later than 45 calendar days after We received Your claim.

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

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

If You believe that You have suffered a loss relating to a substitute check that You received and that was posted to Your Account, please contact Us by telephone at the number shown herein, or write to Us at the address shown herein, or e-mail Us at the e-mail address shown herein. You must contact Us within 40 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 and/or the following information to help Us identify the substitute check: for example the check number, the name of the person to whom You wrote the check, the amount of the check.