



# ACCOUNT AGREEMENT

**DATCU**  
CREDIT UNION

**IDENTITY VERIFICATION  
TRUTH-IN-SAVINGS DISCLOSURES  
COMPLAINT NOTICE**

**ACCOUNT OWNERSHIP**

1. Single Party Account
2. Joint or Multiple Party Account with Right of Survivorship
3. Payable on Death (POD) Account
4. Accounts for Trusts
5. Uniform Transfer to Minors Accounts
6. Accounts for Minors
7. Accounts for Guardianships and Estates
8. Representative Payee Accounts
9. Business Accounts

**CHECKS AND WITHDRAWALS**

1. Payment Authorization
2. Stale Items
3. Overdraft and Overdraft Protection
4. Transaction/Transfer Limitations
5. Signatures and Records
6. Postdated, Incomplete and Conditional Items
7. Wire Transfer(s), Automated Clearing House (ACH), and Other Payment Order Transactions
8. Stop Payment
9. DATCU Credit Union Liability
10. Cash Withdrawals

**DEPOSIT OF ITEMS**

1. Handling of Items
2. Endorsement Standards
3. Right to Refuse Deposit
4. Deposit Verification

**GENERAL PROVISIONS**

1. Account Security
2. Taxpayer Identification Number and Backup Withholding
3. Inactive Accounts
4. Account Statements
5. Illegal Transactions
6. Legal Process
7. Contractual Lien
8. Dispute Resolution
9. Notices
10. Power of Attorney (POA)
11. Withdrawal of Services
12. Closing the Account
13. Death or Incompetence of Account Owner
14. Attorney's Fees
15. Amendment
16. Severability
17. Reopened Accounts
18. Record Retention
19. Governing Law
20. Credit Reports
21. Direct Disputes of Information Appearing in Credit Reports
22. Assignment
23. Headings
24. No Waiver of Rights
25. Cooperation Investigation of Claims of Unauthorized Activity
26. Communications
27. Active Military Members and Dependents

**YOUR ABILITY TO WITHDRAW FUNDS**

**General Policy**

1. Longer Delays May Apply
2. Special Rules for New Accounts
3. Holds on Other Funds
4. Foreign Checks

**ELECTRONIC FUNDS TRANSFERS (EFT) AGREEMENT AND DISCLOSURES**

1. Issuance of Card and/or Personal Identification Number (PIN)
2. Overdrafts
3. Card and PIN Security
4. Surrender, Cancellation, and Amendment
5. Debit Card Preauthorization Holds
6. Confidentiality
7. Additional Terms for Business, Organization and Association Accounts
8. Online Statements
9. Payment Order of Your Transactions

**DISCLOSURES**

1. Member Liability
2. Contact in Event of Unauthorized Transfer
3. Definition of a Business Day
4. Available Transactions and Limitations
5. Charges to Members for Use
6. Right to Receive Documentation
7. Preauthorized Payments
8. Confidentiality
9. DATCU Liability
10. In Case of Errors or Questions
11. MasterCard ATM/Debit Card International Transactions
12. Illegal Transactions

**DATCU TRUTH IN SAVINGS ACCOUNT DISCLOSURES AND NRP POLICY**

1. Truth-In-Savings Account Disclosures
2. Non-Return Privilege Policy

## **DATCU MEMBERSHIP AND ACCOUNT AGREEMENT**

In this Agreement, the words "you", "your", and "party" mean any and all persons or entities who sign a Membership Application or any other application or Card in connection with the opening of any Account with DATCU Credit Union, including any applicant for membership, any Joint Owner, or any other person or entity authorized to use or having access to any such Account. "Owner" means an owner of the Account. "Primary Member" means the member Owner under whose Taxpayer Identification Number the Account is established. These terms may also be used to mean any person to whom a DATCU MasterCard Debit Card (the Card) is issued, any person to whom a personal identification number (PIN) is issued in connection with any such Card or any other electronic fund transfer service, any person authorized to use or given access to any such Card or PIN and any owner on any Credit Union Account which may be accessed by the Card or the PIN. The words "we", "us", "our" and "Credit Union" mean DATCU Credit Union. The person authorized to use the Card must sign each Card that we issue to you.

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

### **IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT**

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an Account.

What this means to you: When you open an Account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

### **TRUTH-IN-SAVINGS DISCLOSURES**

Truth-in-Savings Disclosures, which apply to each of your Accounts, including the dividend rate, interest rate if applicable, and the annual percentage yield on your Accounts, are set out on the Truth-In-Savings Account Disclosures. The Truth-In-Savings Fee and Rate Schedules will accompany your Account Agreement.

### **COMPLAINT NOTICE**

If you have a problem with the services provided by this credit union, please contact us at:

**By Mail:**

DATCU Credit Union  
Attn: Complaint Department  
PO Box 827  
Denton, TX 76202-0827

**By Phone:**

(866)387-8585 or (940)387-8585

**In Person:**

In person at any of our twelve locations

**By Email:**

Info@datcu.org

The credit union is incorporated under the laws of the State of Texas and under state law is subject to regulatory oversight by the Texas Credit Union Department. If any dispute is not resolved to your satisfaction, you may also file a complaint against the credit union by contacting the Texas Credit Union Department at 914 East Anderson Lane, Austin, Texas 78752-1699. Telephone Number: (512)837-9236, Website: www.cud.texas.gov.

### **ACCOUNT OWNERSHIP**

**1. Single Party Account.** Under this type of Account Ownership, the sole party to the Account owns the Account. If you open a Single Party Account, upon your death ownership of the Account passes as part of your estate under your Will or by intestacy, subject to any Payable on Death designation you may make pursuant to Section 3 below.

**2. Joint or Multiple Party Account with Right of Survivorship.** If an Account is opened by two or more parties, or if one or more parties are added to a Single Party Account after the Account is opened, the Account will be a Joint or Multiple Party Account with Right of Survivorship. All funds deposited into any such Account, including any earnings thereon, shall be owned by the parties jointly with all others who have signed the Application or other Account authorization, with right of survivorship. A survivorship designation may be ineffective unless signed by all parties to the Account. On the death of a party, all sums in the Account on the date of the death vest in and belong to the surviving party or parties as their separate property and estate, subject to any lien we have for the deceased party's obligations to us, regardless of whether any of the surviving parties have consented to our lien.

The parties to a Joint or Multiple Party Account with Right of Survivorship owns the Account in proportion to the parties' net contributions to the Account. Payment of any sums to any party shall be valid and discharge the Credit Union from any and all liability for such payment. The Credit Union may accept instructions from any party or act at the request of any party with regard to any such Account without the consent of any other party to the Account. Each party authorizes all other parties to the Account to act on his or her behalf with respect to the Account and to endorse any instrument payable to him or her for deposit to any such Account. Without the consent or joinder of any other party and without regard to the interest in the Account of any other party, any party to the Account may (i) make deposits to or withdraw funds from the Account, (ii) place stop payment orders with respect to any items drawn on the Account by any party to the Account, (iii) pledge all of the shares and deposits in eligible Accounts to secure any indebtedness owing to us, or (iv) designate an Account to provide overdraft protection for any other Account. In the event that any Account may be accessed by means of an electronic fund transfer, including the use of an ATM or debit card issued in connection with the Account or the use of any telephone or computer home banking or mobile access

program, each party grants to every other party actual authority to initiate any such transfer, to use any such ATM or debit card issued, or to use any Personal Identification Number ("PIN") issued in connection with any such card, telephone, or computer home banking or mobile access program.

A member in whose name a Joint or Multiple Party Account with Right of Survivorship is opened who designates other parties to own the Account jointly may, without notice to any other party of such Account and upon written notice to the Credit Union in such form as the Credit Union may require, change the form of the Account, add parties to the Account, or remove any parties from the Account. Any such action by that member will terminate any interest that the removed party may have in such Account. At its option, the Credit Union may require that an Account be closed and a new Account opened in lieu of permitting a member to remove any other party from the Account, or the Credit Union may require the consent of any or all parties prior to acting upon any written notification or instruction by a member to remove that party from an Account. No other party to a multiple party Account may make any such change, addition, or deletion. The parties agree that, subject to applicable law, the Credit Union may pay funds in any Joint or Multiple Party Account with Right of Survivorship to or on the order of any party, regardless of whether any other parties are incapacitated or deceased. The Credit Union makes no representation concerning the legal consequences or effectiveness of the survivorship rights described above, including any consequences arising out of the community property laws of any state and you agree to hold us harmless from any loss or liability in connection with any survivorship designation. You understand that you should consult with your attorney if you have any question regarding the validity, effectiveness, or fitness of any such survivorship designation for any purpose.

**3. Payable on Death (POD) Account.** A POD Account is an Account payable on request to one or more persons during their lifetimes and upon the death of the last of those persons, payable to one or more POD beneficiaries named in the Account Application. You agree that the persons named as POD beneficiaries in the Application, whether one or more are designated as POD beneficiaries. During your lifetime, all funds paid into or deposited into the Account designated, including any earnings thereon, shall be owned by you, and payment may be made upon your request, or the request of any Joint Owner. If there is more than one Owner, then during your lifetimes the provisions set forth above with regard to Joint or Multiple Party Accounts with Right of Survivorship shall control. Upon your death (the death of the last of you to survive), the ownership of the Account passes to the POD beneficiaries surviving, with right of survivorship. At our option, payment may be made at the request of any named POD beneficiary then living, and any payment made upon the request of any surviving POD beneficiary discharges us from any and all liability to that POD beneficiary and any remaining POD beneficiaries or their heirs, executors and personal representatives. You, your heirs, executors and personal representatives, agree to defend, indemnify and hold the Credit Union harmless from any claim asserted by any person or estate as a result of the payment of funds deposited in the Account designated. You understand and agree that a POD designation shall be ineffective with respect to any Account held in an Individual Retirement Account. You understand and agree, further, that a POD designation may be ineffective unless signed by all original parties to the Account. An agent acting under a power of attorney may not make a POD beneficiary designation on behalf of the principal. We make no representation concerning the legal consequences or effect of any POD designation, and you understand that you should consult with your attorney if you have any question regarding the validity, effectiveness, or fitness of any such POD designation for any purpose.

**4. Accounts for Trusts.** At our option, we may issue shares or receive deposits in a revocable trust subject to such membership requirements as we may impose from time to time in keeping with applicable law. If you request that we open an Account in the name of a trust, you agree that we are authorized to release the funds in any such Account upon the signature of any Trustee. You agree that if we make payment to any Trustee or Successor Trustee, or at the direction of any one of the Trustees or Successor Trustees named, that payment shall be valid and shall discharge us from any liability for the sums paid. Any Trustee authorized to sign on any such Account shall be subject to the terms and conditions set forth in this Account Agreement and any other Agreement governing any such Account. You agree that we shall have no fiduciary responsibility or obligation in connection with any such Account beyond our obligations set forth in this Agreement, and that we shall serve solely as a depository for the trust funds. You and any Trustee agree to save, indemnify, defend and hold us harmless from any claim, demand, suit or other charge by any person arising out of or resulting from the establishment, maintenance, and transaction of any business related to the trust and any Account established for the trust.

**5. Uniform Transfers to Minors Accounts.** At our option, we may issue shares and accept deposits in Accounts established by a custodian under the Texas Uniform Transfers to Minors Act (TUTMA). A TUTMA Account is owned by the minor, and amounts deposited into the Account constitute an irrevocable gift to that minor. The custodian named is the sole party entitled to access the Account for the minor's benefit. We have no duty to (i) determine if the person designated or acting as custodian has been duly designated, (ii) determine if an act of the custodian is in accordance with or authorized by the Texas Uniform Transfers to Minors Act, (iii) question the validity or propriety of any instrument or any instructions executed or given by a person acting as a donor or custodian or (iv) oversee the application by a custodian of money or other property paid or delivered to the custodian.

**6. Minor Accounts.** We may open a Savings, Checking, or other Account for a minor, receive payment or pay withdrawals on the Account by or for a minor, and act in any other matter on the order of the minor without regard to the minor's capacity, and we are discharged from liability to the extent of any such actions. We may require that certain minor Accounts be jointly owned with an adult 18 years of age or older. Unless a parent or guardian is a Joint Owner on a minor Account, the parent or guardian shall have no rights to access or obtain information about the Account. Even if a parent, guardian, or another adult is a Joint Owner on a minor Account, the minor as an Account Owner has the right at any time to withdraw the Account funds and close the Account.

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

Letters that we know to have expired without renewal pursuant to the provisions of the Texas Probate Code or other applicable law. If we receive notice of expiration without renewal, we will have no obligation to honor any check that is presented for payment or to honor any requests for withdrawal of funds from the Account of a ward or an estate until we receive renewed Letters or another order issuing out of a court of competent jurisdiction.

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

**9. Business Accounts**

In this Agreement, the term "Business Account" means any Account maintained or opened by or in the name of any corporation, partnership, sole proprietorship, unincorporated association or club, limited liability company, or other organization. The words "you" and "your" mean the Account Owner named on the Business Account Application or any other document executed in connection with the opening, maintenance, or modification of any Business Account with us. By opening or maintaining a Business Account with us, you agree that the following terms and conditions apply to and govern any such Business Account in addition to the other terms of this Agreement. In the event of a conflict between the terms in this section and the terms in other parts of the Membership and Account Agreement, the terms and conditions herein shall control.

1. You expressly represent that (i) the Account Owner named on any Application is duly organized, validly existing, and in good standing under the laws of the state where organized and has filed Articles of Incorporation, Certificates of Limited Partnership, Assumed Named Certificates, or similar document, in a manner sufficient to ensure that no other person or entity shall conduct business under the same name or any name deceptively similar to that of the Account Owner, (ii) each officer, partner, agent, representative, or other party who signs on any Application as an authorized signer is qualified and authorized to sign in the capacity represented and is empowered to so act on behalf of the Account Owner named, and (iii) the Account Owner named on any Application is either presently a member of the Credit Union or is eligible to apply for membership in keeping with the membership requirements set forth below, or otherwise qualified to maintain Credit Union Accounts.
2. Subject to any limitations set forth on the Applications, any of the authorized signers on any Application shall be authorized to transact business on behalf of the Account Owner with respect to the Business Account(s) designated on the Application and are authorized to (i) close any such Business Account(s), (ii) deposit and withdraw any of the funds of the Account Owner in such Business Account(s), whether represented by cash, checks, notes, or other evidences of debt, (iii) sign for and receive the statements and records of the Account Owner with respect to any such Business Account(s), (iv) stop payment against checks or other payment orders, (v) make withdrawals or transfers from any such Business Account for the purpose of purchasing Certificates of Deposit in the name of the Account Owner and to redeem any such Certificate of Deposit in the name of the Account Owner, and (vi) make any other agreements and stipulations with us with respect to such Business Account(s) and to bind the Account Owner thereto.
3. The endorsement of the Account Owner of items for deposit may be written or stamped without designation of the party making the endorsement.
4. We are authorized to honor any and all withdrawals of the Account Owner's funds by any one of the authorized signers, and we need make no inquiry concerning any such action. You acknowledge that you may not stipulate that withdrawals and other actions be performed and signed by two or more authorized signers. You agree that any designation by you requiring the signatures of two or more persons is for your internal business purposes only and is not binding on us.
5. We will not be liable for any loss occasioned by the fraud, negligence, or misapplication of funds by any of the authorized signers. The Account Owner and all of the authorized signers, jointly and individually, agree to indemnify and hold us harmless from any claims, demands, expenses, losses or damages, resulting from or directly or indirectly related to any activity of such parties with regard to any Business Account maintained with us.
6. The Account Owner and the authorized signers agree to execute or provide such additional documentation as we may require or deem appropriate in connection with the opening and maintaining of any Business Account.
7. The Account Owner and all authorized signers authorize us to recognize the facsimile signature(s) appearing on any Application and to charge the Account Owner for all checks, withdrawals, or similar orders drawn on Business Accounts maintained by the Account Owner. We will be so authorized so long as any facsimile signature reasonably resembles the facsimile signature appearing on any Application. The Account Owner is responsible for maintaining the security of all facsimile signatures, check writing equipment, and supplies. The Account Owner must promptly notify us in writing of any checks that have been lost or stolen or the unauthorized use of facsimile signature equipment and the circumstances surrounding the loss, theft or unauthorized use. We are not liable for any unauthorized use of any such facsimile signature.
8. We may adopt policies from time to time under which we may issue Debit Cards, or other electronic access devices and personal identification numbers (PINs) to persons designated by the Account Owner, at the Account Owner's request. You acknowledge and agree that the issuance of an access device or PIN in connection with a Business Account affords ready access to the Business Account by the person or persons authorized by the Account Owner, as well as other persons who are provided access to the access device or PIN, or who otherwise obtain the access device or PIN whether by way of negligence, theft, collusion, or otherwise. As a result, you acknowledge and agree that the Account Owner and the

persons authorized by the Account Owner to receive an access device or PIN are solely responsible for their use and that we will not be liable for any loss resulting from the unauthorized use of the access device or PIN. You agree that, except as otherwise provided in any other agreement we have with you, the provisions of our consumer Electronic Fund Transfers Regulation "E" Disclosures addressing error resolution and any limitation upon a consumer's liability for unauthorized electronic fund transfers shall not apply to electronic fund transfers when made to or from a Business Account. Except for the foregoing, electronic fund transfers to and from a Business Account are generally subject to the Electronic Funds Transfer Regulation "E" Disclosures and are fully subject to any additional terms and conditions provided to you at the time your request for the electronic fund transfer service is approved.

9. If you contract for an Electronic Fund Transfer service, we may communicate with you and others authorized to use your PIN from time to time. Those communications may include your PIN. We will send those communications to your address as reflected in our records, and you agree that we have no liability to you or to any other person if our communication to you is stolen or otherwise intercepted by any person at any time. You agree that the terms set out herein and in the remainder of the Account Agreement and the Electronic Fund Transfers Agreement and Disclosures regarding the security and safekeeping of your PIN and the security of electronic fund transfers transactions in general are commercially reasonable and you agree to be bound by and to comply with these terms. Authorizations given to other persons are considered unlimited in amount and manner until you notify us and we have had a reasonable opportunity to act on your notification.
10. In order to add or delete authorized signers from any Business Account, (i) the Account Owner may close the Business Account and open a new Business Account through the execution of a new Application or, (ii) the Account Owner may modify the Business Account to provide for any such addition or deletion by completing a new Application or such other form as we may require, bearing the signatures of all persons who thereafter are authorized to sign on behalf of the Account Owner. We reserve the right to require that a new Business Account be opened when adding or deleting authorized signers. In order to add or delete authorized signers on any Business Account, whether by way of Account closure or modification, we may require the presentation of a new certificate of corporate resolution or a new certification and authorization in the case of a sole proprietorship, partnership, association, or other business entity, specifying the action to be taken and setting forth those individuals who thereafter will be authorized to transact business on behalf of the Account Owner. You acknowledge and agree that, if the Account Owner elects to add or delete authorized signers by way of Account modification rather than by closing the Business Account(s), we may not be able to verify effectively whether an authorized signer signs any check presented, and you agree that we are not required to examine instruments presented. In the event of a Business Account modification, you agree that the Account Owner is solely responsible for denying any deleted signer access to the Business Account and that we will not be liable for the payment of checks or orders signed or made by any deleted signer.
11. A Business Account may not be established at the Credit Union unless there is an Account Owner who is a member of the Credit Union for a minimum of six (6) months. A business may be eligible for Credit Union membership if it is listed in our field of membership or physically located within our community field of membership. Otherwise, for sole proprietorships, the individual owner(s) must be a member of the Credit Union for a minimum of six (6) months. For corporations, all of the corporate shareholders must be within our field of membership. For partnerships, all of the partners must be within our field of membership. For unincorporated associations, limited liability companies, and other businesses and organizations, all of the members of any such association, organization, or company must be within our field of membership. Different requirements may apply for other types of business entities.
12. Business Accounts are subject to the fees set forth in the Truth in Savings Fee Schedule, which is incorporated into this Agreement by reference. You acknowledge and agree that any additional Truth-in-Savings Account Disclosures provided to you in connection with a Business Account are made for the benefit of natural-person members of the Credit Union who hold an Account primarily for personal, family, or household purposes. To the extent that those disclosures are also accurate with respect to Business Accounts, they are provided for informational purposes only and without any corresponding intent to extend coverage of the Truth-in-Savings Act and implementing regulations to Business Accounts.
13. Overdraft protection from Savings Accounts and line-of-credit Accounts is available for Business Accounts. Our courtesy pay product is not available for Business Accounts.

## **CHECKS AND WITHDRAWALS**

**1. Payment Authorization.** You authorize us to pay checks signed by you and charge the payments against the applicable Account. Only checks ordered through us, or other methods approved by us may be used to withdraw funds from your Account. You agree that it will be your responsibility to verify the accuracy of information appearing on any checks, deposit slips, or other forms, and you agree that we will not be liable for any printing errors on any such forms. All checks, withdrawal forms, deposit slips, and transfer instructions used in connection with any Account must be on forms that we provide or otherwise expressly approve in writing. You agree to complete checks using a non-gel, black or dark blue ink that will readily transfer during any imaging of the check. We will not be liable for any resulting losses, and you agree to hold us harmless, if you fail to follow the requirements in this paragraph. If a non-member requests to cash a check drawn on your Account, we may require the non-member to present acceptable identification and, at our option, place a fingerprint on the check. If the non-member refuses to comply with our requirements, we may refuse to accept the check, and in such a case, you agree that we will not be liable for wrongful dishonor. In the event that the applicable Account has sufficient funds on deposit to cover one or more, but not all of the checks or other withdrawal orders presented during any given business day, we may honor those items and allow those withdrawals in any order that we may choose in our sole discretion, including, first, processing withdrawal orders or checks payable to the Credit Union, and dishonoring or refusing any item or withdrawal order for which there are insufficient funds available thereafter. We may process all checks and other transactions in any order we choose, and we may change the order in which we process checks and other transactions at any time without notice to you. To avoid fees, you should ensure that your Account contains sufficient available funds at all times to pay each of your transactions.

In making distributions upon the death or disability of any party, you agree that we may rely upon the form of the Account at the time of any such death or disability.

**2. Stale Items.** We may pay a check of yours without regard to its date, and you agree that we will have no liability for doing so. We are under no obligation to pay a check, however, which is presented for payment more than six (6) months from its date. In the event that a check drawn on your Account is payable, by its terms, within a stated period of time, we are under no obligation to pay that check if it is presented after the expiration of that time period.

**3. Overdrafts and Overdraft Protection.**

**a. What is an Overdraft?** An overdraft occurs when a check, electronic Automated Clearing House (ACH), ATM or debit card, or other payment or transaction you have made is presented to the Credit Union for payment but sufficient funds are not available in your Checking Account or Money Market Account (collectively, Checking Account) to pay the transaction. In such a case, the payment would normally be returned to the payee or denied for insufficient funds, and you may be charged an Insufficient Funds (NSF) fee. If you have

ected our Automatic Overdraft Protection service, however, the transaction can be paid using available funds from another deposit or loan account of yours. In addition, if you have qualified, our discretionary Non-Return Privilege service may also provide an additional layer of overdraft protection. You may incur fees as set forth in our Fee Schedule for using our overdraft protection services, so you should always take care to avoid creating any overdraft. The following terms explain how our overdraft protection services work.

**b. Overdraft Protection Services.** We offer three levels of overdraft protection. The first level is called Overdraft Savings Transfer. This service transfers available funds from your designated savings account, or line of credit, to pay a transaction when your Checking Account does not have sufficient available funds. We determine whether sufficient funds are available when the transaction is presented to us for settlement. We will charge an Overdraft Protection Transfer fee for this service as set forth in the Fee Schedule. This fee is less than the fee for the Non-Return Privilege service described below. To use this service, you must enroll and designate the priority of your Automatic Overdraft Protection sources on the Application or other form we have designated. The second level of overdraft protection is called Non-Return Privilege (NRP). This service is extended to all eligible members. NRP is provided pursuant to our discretionary Non-Return Privilege Policy as a non-contractual courtesy. It is not a line of credit and it is not guaranteed. However, in the event you write a check or initiate an ACH, online bill payment, or recurring debit card transaction and sufficient funds are not available in your Checking Account to pay the transaction, and if there are no other sources of overdraft protection available, we will strive to pay your reasonable overdrafts if your Account is in good standing and you continue to meet eligibility requirements. The third level of overdraft protection extends the NRP service to your ATM and everyday (one-time) debit card transactions. To use this service, you must affirmatively opt-in to NRP for ATM and everyday debit card transactions by contacting us. Both levels of the NRP service will charge a Non-Return Privilege fee as set forth in the Fee Schedule when a transaction is paid using the service. The amount of NRP approved for your Checking Account may vary and is subject to change at any time based on certain membership factors such as age of Account, deposit activity and history, and overdraft activity and history, including repayment history. If you no longer want an overdraft protection service in which you are enrolled, you may opt-out of any level at any time by calling or writing to us. Please refer to our Non-Return Privilege Policy for eligibility requirements and additional information about the NRP service.

**c. Actual and Available Balances.** In order to properly manage your Checking Account to avoid overdrafts and resulting fees, it is important to understand that your Checking Account has two kinds of balances: the "actual balance" and the "available balance." Funds used to pay your transactions may be limited based on the available balance. We use the available balance to determine if your Account will be overdrawn. You can check the amount of your actual balance and your available balance when you review your Account online, using our Automated Telephone Service system (audio response), at most ATMs, and by calling us or visiting a branch office. You must be enrolled in a respective electronic fund transfer service in order to check your balance with that service.

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

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

**d. Payment Order of Transactions.** The order in which we process checks and other withdrawal orders (collectively, "Items") may also affect the total amount of overdraft and other fees that may be charged to your Account. Items may not be processed in the order made. Our policy is to pay Items as we receive them. We typically receive Items to be processed against your Accounts multiple times per day in what are referred to as presentment files. Each presentment file contains a large amount of a specific type of Item (for example, checks, ACH, or ATM/Point-of-Sale (POS)). These presentment files may contain multiple Items to be processed against your Account. In those cases where multiple Items are received at the same time, the Items will be paid as presented in the file received. Checks are paid in order of presentment from file. We will post credits from ACH files first, then ACH debits are paid in the order they are presented. ATM/POS Items are paid in the order they are presented. Transactions performed in person, such as withdrawals or checks cashed at our branch offices, are generally paid when they are performed. Please refer to the Payment Authorization section for additional terms regarding payment order of Items.

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

**4. Transaction/Transfer Limitations.** On Share Savings Accounts, during any month, you may make no more than six (6) withdrawals or transfers to another Credit Union Account of yours or to a third party by means of a pre-authorized, automatic, or computer transfer, or telephonic order or instruction. There is no limit on the number of transactions you make in the following manner: (1) transfers to any loan account

of yours with us, (2) transfers to another Account of yours with us or withdrawals when such transfer or withdrawal is initiated in person, by mail, or at an ATM. If you exceed the transfer limitations set forth above, your Account may be subject to closure by the Credit Union. For Money Market Accounts, you may make no more than six (6) withdrawals/transfers monthly (including, but not limited to, withdrawals made by Automated Clearing House (ACH), telephone, Internet or wire, check, draft, debit card, or similar order). Overdraft protection will not be offered or allowed on your Money Market Account. If transfer request would exceed the transfer limitations set forth above in any statement period, we may refuse or reverse the transfer, and suspend or close your Account, and we may impose a charge. If you continue to exceed any transfer limits on your Account after the Credit Union has notified you of such transfer violation, your Account will be subject to closure. Funds on deposit will be transferred to your regular Share Savings Account.

**5. Signatures and Records.** You authorize us to recognize any of the signatures set forth on the Application in the payment of funds or the transaction of any business for your Accounts. You authorize us to pay a check presented for payment even though the signature or signatures thereon do not correspond exactly with the signatures on the Application. We are not obligated to honor a check unless the signature or signatures do correspond exactly with the signatures on the Application. For all Credit Union business, we may recognize electronic signatures, facsimile signatures, signatures imprinted by mechanical devices, or any other authentication method acceptable to us, including orders to pay that are received electronically or telephonically. You agree to indemnify and hold us harmless from any losses resulting from our honoring an item which bears or purports to bear a facsimile signature resembling a facsimile signature on file with us, regardless by whom or by what means the actual or purported signature was affixed to the item. You agree that we may act upon and rely upon documentation, correspondence, or other instructions with respect to your Accounts that we receive by way of electronic or facsimile transmission, including Account Agreements, requests to modify Accounts, loan agreements, and any other order with respect to your Accounts, and you agree to such verification procedures as we may implement from time to time. By using a computer, mobile device, signature pad, or other electronic device in connection with authorizing and completing deposit, share, loan, and other transactions with us, you agree to the use of electronic signatures and any such signature of yours will be deemed your handwritten signature for all purposes. You agree that we may maintain copies of Account records, including copies maintained electronically, in lieu of any original and that any such copy will be considered an original record for any purpose, including admissibility in evidence as an original record before any court or administrative agency.

**6. Postdated, Incomplete and Conditional Items.** You agree to hold us harmless from any and all loss and liability which you may incur due to our inadvertent payment of incomplete or postdated items, items endorsed "without recourse", or conditional items. You agree that we will not have any duty to discover, or comply with postdated, incomplete or conditional items, nor will we have any duty to comply with any notice of postdating we receive. You agree that we may disregard any information on any check or draft other than the amount of the item, the identity of the drawee bank, any magnetically encoded information, and the signature of the drawer, regardless of whether that information is consistent with any other information on the item. You agree that we may decline to accept, process, or pay any item or order that, in our estimation, is ambiguous or otherwise unclear in its terms. You also agree that, at our option, we may use our best efforts to resolve any such ambiguity and you agree to release and hold us harmless from any and all loss and liability that we may incur or that may arise in connection with our attempts to resolve any such ambiguity.

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

- (a) **Governing Regulations.** If you send or receive a wire transfer, Fedwire may be used. Federal Reserve Board Regulation J is the law that covers transactions made over Fedwire. If you are a party to an Automated Clearing House (ACH) entry, you acknowledge and agree that any such entry will be governed by the National Automated Clearing House Association (NACHA) Operating Rules, the Rules of any local ACH, and the Rules of any other system through which the entry is made. Other payment orders you make may be governed by Article 4A of the Texas Business & Commerce Code.
- (b) **Notification.** Under NACHA Rules, we are not required to give you next day notice of the receipt of an ACH entry and we will not do so, nor will we give you next-day notice of the receipt of a wire transfer. However, we will notify you of these transfers in your Account Statement.
- (c) **Provisional and Final Payment.** If we credit your Account for an ACH entry or a wire transfer, the credit is provisional until we receive final settlement for the payment order. If we do not receive final settlement, or if we credit your Account by mistake, we are entitled to a refund of the amount credited and you agree that, at our option, we may reverse the credit or require that you reimburse us by way of direct payment.
- (d) **Identifying Account Numbers.** You agree that we can rely upon any identifying Account number given to us in connection with any ACH, wire transfer, or other payment order, even if the number identifies a person different from the named beneficiary or a financial institution different from the named financial institution. You agree that neither we nor any other institution involved in the transaction has a duty to determine whether the number given matches the intended beneficiary or the named financial institution. If we receive a payment order for you that does not specify an Account suffix, you agree that we may deposit the payment into any Account of yours with the same member Account number as that appearing on the payment order, including a Multiple Party Account.
- (e) **Liability: Interest Payable.** We may be responsible for your direct expenses if we fail to exercise ordinary care in carrying out your instructions in connection with a wire transfer transaction. In no event, however, will we be liable for any special, indirect, exemplary, or consequential damages (including lost profits) of any kind. We are not required to pay interest on any amount we may owe to you due to an unauthorized wire transfer arising out of our error unless you exercise ordinary care to discover the unauthorized transfer and promptly advise us of the relevant facts within the time period set forth below in the Account Statements paragraph. Any rate of interest that we might be obligated to pay to you as a matter of law for a delay or incorrect transfer arising out of our error will be the lower of the federal funds rate at the time of the correction or the dividend or interest rate that we pay on the Account to or from which the funds transfer should have occurred.
- (f) **Security Procedures.** You agree that we may verify the authenticity of payment orders using our security procedures in place at the time of any such order, which may include a combination of signature verification, call back procedures, the use of identifying words or numbers, and identification via employee ID badge, valid driver's license, or other photo identification document. If you do not agree to our security procedures, you must notify us in writing. In such event, we shall have no obligation to accept any payment order from you or other authorized parties on the Account until you and the Credit Union agree, in writing, on an alternate security procedure.
- (g) **Cutoff Times.** Payment orders and communications canceling or amending payment orders received after (i) 4:15 p.m. CST for domestic wire transfers on each weekday we are open that is not a holiday may be treated as having been received on the next banking day and processed accordingly. We may post additional cutoff times for other types of funds transfers in our offices.
- (h) **Force Majeure.** We are not liable for a failure to execute a payment order according to your instructions if an interruption in communication facilities or some other circumstance beyond our control such as fire or flood prevents the transfer, despite reasonable precautions we have taken.

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

**8. Stop Payment.** You may stop payment of items drawn on your Accounts. You agree to hold us harmless from any claim, loss, damage or expense incurred, including attorney's fees, by virtue of our refusing payment of any item on which you have stopped payment, as well as for payment of any item after your stop payment order has expired. A stop payment order will be effective for six months and may be renewed upon a request made in writing to us. We are not obligated to notify you that a stop payment order has expired. A stop payment order, a renewal of any such order, or a revocation of any such order shall not be effective unless it is delivered to us in writing during regular business hours and we have had a reasonable opportunity to act on any such order, renewal or revocation. In addition, we will not be liable for the payment of an item over a stop payment order if the order is received after 10:00 a.m. on the next banking day after the banking day on which we received the item. Due to computer systems limitations, we can intercept an item subject to a stop payment order only if the precise amount, date, check number, name of payee and any other information that we may reasonably require is provided. If that information is not provided exactly as it appears on the item, we will not be responsible if we are unable to stop payment. If the order is made orally, we have no obligation to honor it. If we do honor an oral stop payment order, it will only be binding for twenty-four (24) hours after which it must be renewed in writing. Any stop payment order, renewal or revocation will incur a charge, which is set forth on the Fee Schedule. You agree that we may honor a stop payment order, revocation or renewal if made by the person who signed the check to be stopped or any other person who has signed the Application or is otherwise authorized to transact business relating to the Account. You agree that we will not be liable for any inadvertent payment of any item, notwithstanding a stop payment order, if we have used ordinary care and followed our usual practices in handling such an order. You may not stop payment of cashier's checks, or Credit Union checks issued by us at your request. In the event that you request that we stop payment of any cashier's check or Credit Union check, we shall be under no obligation to do so. However, in the event that, at our option, we agree to stop payment pursuant to your request, we may require that you provide us with an indemnity agreement and bond supported by such surety or sureties as we may deem sufficient, to indemnify us against any possible loss in connection with the presentation or payment of the original item. You will also be required to pay a fee in connection with any request for a stop payment order, which fee is set out on the Fee Schedule, which accompanies this Agreement. If an item is inadvertently paid over a valid stop payment order, due to our failure to exercise ordinary care, we will be liable to you for any loss you suffer as a result. You agree that it will be your responsibility to establish any such loss. You agree that we will never be liable for more than your actual loss and that we will not be liable for any consequential damages. If we do re-credit your Account after paying an item over a valid stop payment order, you will take whatever action we deem necessary to transfer to us all of your rights against the payee or holder of the item and to assist us if we take legal action against the payee or any other person.

In the event that you instruct us to stop payment of certain pre-authorized debits you acknowledge and agree that, at our option, we may stop payment of all pre-authorized debits from your Account if we deem that action necessary to ensure that your stop payment order will be effective. You also acknowledge and agree that we will not be liable for our failure to stop payment of future pre-authorized debits, notwithstanding your stop payment order, if our failure is caused in whole or in part by the actions of the payee. You may not stop payment of transactions initiated through the use of a Debit Card or ATM Card used at an ATM or point of sale. For additional information concerning your right to stop payment of pre-authorized electronic fund transfers, please refer to your Electronic Fund Transfers Disclosures.

**9. DATCU Credit Union Liability.** Except for losses caused by our failure to exercise ordinary care or our failure to act in good faith, you agree that we will not be liable for any action or inaction regarding the payment or nonpayment of items, collection of items, other withdrawals, or transfer of funds, or advances of credit in satisfaction of overdrafts. The term "ordinary care" shall be construed in keeping with the definition of that term in Article 3-103 (a) (7) of the Uniform Commercial Code as amended in 1990. We will be deemed to have exercised ordinary care if we have observed reasonable commercial standards prevailing for financial institutions in the area where we are located. Subject to applicable law, you agree that we will never be liable for any indirect, special, or consequential damages arising out of or related to any of our obligations under this Agreement, even if we have been advised of the possibility of such damages. If we pay an item over a forged drawer's signature, we will not be liable for more than the face amount of the item, subject to applicable law. Except for our acts and omissions caused by our (a) failure to exercise ordinary care, (b) willful misconduct, or (c) breach of this Agreement, you agree to indemnify, defend, and hold us and our officers, employees, and agents harmless from and against any losses, claims, or expenses, including attorney's fees and costs of litigation, arising out of or related to the services provided under this Agreement, subject to applicable law. You also agree to indemnify, defend, and hold us and our officers, employees, and agents harmless from any and all claims, expenses, losses, and damages arising out of our good faith reliance on any instructions provided by you. We will not be liable for the acts or omissions of a third party not within our control, and we will not be liable for any failure or delay in performance under this Agreement that is related to or caused by circumstances beyond our control.

**10. Cash withdrawals or payments at any DATCU branch may be restricted due to the limited amount of currency on hand.** If we do not have sufficient cash for a large cash withdrawal or payment, we may make arrangements for a later cash payment or offer to make payment with an Official Check. We assume no responsibility to provide personal protection for customers who elect to carry large sums of money off our premises.

#### DEPOSIT OF ITEMS

**1. Handling of Items.** We act only as a collecting agent for any items deposited. Any deposit that we accept shall be provisional and will be subject to subsequent payment verification. Just because we have made funds from a deposited check or other item for withdrawal does not mean that the item is "good," has "cleared," or has been paid by the paying bank. It is possible that a deposited item will be returned unpaid months after we have made the funds available to you and you have withdrawn the funds. You are responsible for all items returned on your Account, and you acknowledge that no one, including our employees, can guarantee that a check or other item you deposit will not be returned. We are not responsible for any deposit or other transaction initiated by mail until the item is actually received. We will not be responsible for any deposit or other transaction made through the use of our night depository or any other unattended facility until the item or items are actually removed from the depository or facility by our personnel. We will not be responsible for any deposit or other transaction during the course of delivery to us by any courier or other third party until the item or items are actually received by our personnel. We have the right to endorse all checks payable to you for deposit into your Account. We will not be liable for the negligence of any correspondent bank or institution nor for any loss incurred in transit when items are forwarded to correspondents. We will not be liable for any delay as a result of any interruption of communication facilities or any other circumstances beyond our control. You agree to bear the risk of any change in the exchange rate with respect to any items which may be payable in foreign currency. You agree that we may charge back any item before payment without notice, whether the item has been returned or not. You agree that, if a check that has been deposited to your Account or cashed by you at the Credit Union is subsequently returned based upon a breach or alleged breach of any

transfer warranty, presentment warranty, or otherwise, we may charge back the amount of any such item to your Account at any time without notice. You agree that we may resubmit an item that has been returned to us for payment, and you waive notice that an item has been dishonored or charged back against your Account. We may charge a Return Payment Fee each time a resubmitted item is returned to us. You also agree that, if we are charged a fee by any other institution in connection with any of your Accounts, that fee expense may be charged to your Account.

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

**2. Endorsement Standards.** The area from the trailing edge of a check to 1.5 inches from the trailing edge of a check is reserved for the payee's endorsement. The trailing edge of a check is defined as the left side of the check looking at it from the front. You and all other endorsers must make your endorsement within this prescribed area. If any endorsement or other writing that you or any other endorser makes causes any error or delay in the processing of the item, you agree that you will be liable for any loss that we incur as a result of that delay or error, and you agree to hold us harmless from any such loss. We are not required to recognize endorsement restrictions limiting payment to a particular person or prohibiting further transfer or negotiation of the instrument and we will not do so.

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

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

## GENERAL PROVISIONS

**1. Account Security.** You agree to exercise precautions to safeguard your identity, your Accounts, and your Account information. You agree never to give your personal information or Account information to anyone you do not know or whose identity you cannot verify. If you give your personal information to someone and that person uses your information to access your Account, you agree that such use will be deemed an authorized use for which you will be responsible. We will never contact you and ask you to give us your Account information, including user names, personal identification numbers, and Account numbers, over the telephone, by e-mail, or by text messaging. You agree not to disclose your personal information and Account information to unknown persons through these mediums for any reason. You agree to remain vigilant for phishing and other fraudulent scams and notify us promptly if you become aware of or suspect fraudulent activity involving your identity, your Accounts, or the Credit Union. If you fail to exercise reasonable care to protect your identity and safeguard your Accounts, we will not be liable unless required by law. You also understand that you may elect from time to time to use Credit Union or other parties' social media tools and sources, that there is no claim of privacy or privilege regarding information shared or discernible from such use or sharing; and the use of such information by us does not violate your privacy or other rights.

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

**3. Inactive Accounts.** We are required by law to preserve an Account that is inactive. An Account is inactive if for more than one year there has not been a debit or credit to the Account because of an act by you or your agent (other than the Credit Union) and you have not communicated with us. An Account is presumed abandoned if (a) the Account has been inactive for at least five years from the date of your last transaction on the Account or your last correspondence with us, (three years for checking, savings, and matured share certificate Accounts) and (b) we are unable to locate you. If an Account is presumed abandoned, we are required to report the abandonment and to pay the funds in the Account to the State of Texas.

**4. Account Statements.** You are responsible for promptly examining each Account statement. Except as may be provided in any other agreement we have with you, any objection that you may have respecting any unauthorized withdrawal, any payment order (including a wire transfer), or any other item or deposit shown on or missing from a statement will be waived unless made in writing to us, and received on or before the 60<sup>th</sup> day following the date the statement is mailed or otherwise made available, subject to applicable law. If you have an issue relating to a substitute check, you must notify us in writing within 60 days of the date we mailed or delivered the substitute check in question or the Account statement reflecting the posting of the substitute check, whichever is later. If you are unable to make a timely claim relating to a substitute check due to extraordinary circumstances, we will extend the time period. You agree that we will not be liable for any unauthorized withdrawal, any payment order, any forged, unauthorized, or altered item drawn on or deposited to your Account, any item with missing signatures or endorsements, any missing or diverted deposit, or any other error or discrepancy if you fail to notify us within the 60-day period, nor will we be liable for any forged, unauthorized, or altered item if the forgery or alteration is not readily ascertainable upon inspection. We also will not be liable for subsequent unauthorized withdrawals by the same wrongdoer if you fail to notify us of the first unauthorized withdrawal within the 60-day period, even if the subsequent unauthorized withdrawals are reported promptly. You agree that no legal action may or will be instituted by you against us seeking the recovery of any alleged loss as a result of the payment of a forged, unauthorized, or altered item or as a result of any missing or diverted deposit, or due to any other error or discrepancy, unless you have provided us with notice within the period prescribed above and any such legal action shall have been instituted within two years after the date that the statement containing any such error was mailed or otherwise made available to you. For consumer and business, organization, and association Accounts, please refer to your Electronic Fund Transfers Agreement and Disclosures to determine your notification obligations in the event of unauthorized electronic fund transfers or other errors in connection with such transfers.

Unless we adopt alternative procedures from time to time, checks drawn on your Account will not be returned to you and copies of checks will be made available to you upon your request, subject to any fee

disclosed on the Fee Schedule. That notwithstanding, you agree that your duty to examine statements promptly and your obligation to notify us in the event of any error is not waived or diminished in any respect by our retention of checks drawn on your Account.

You will receive an Account statement monthly for your Checking Accounts. You will receive an Account statement at least quarterly for your Savings Accounts. We will only mail or deliver an Account statement to the primary member. The primary member is responsible for providing the Account statement information to any other parties to the Account. You acknowledge that any person to whom the Account statement is provided will have access to all Account and loan information appearing on the Account statement. Unless we have agreed otherwise, we will mail your Account statement to the most recent address we have on file in our records for the primary member. You agree to notify us promptly if your name, address, or any other contact information such as your telephone or email address changes. You agree that we may change your address of record if we receive an address change notice from the U.S. Postal Service or if a third party in the business of providing correct address information notifies us that your address of record is inconsistent with the address the third party has for you. It is your responsibility to ensure that your statements are received, and you agree that we will not be responsible for the loss or theft of your statements. You agree to notify us immediately if you fail to receive a statement for your Checking Accounts monthly, or a statement for your Savings Accounts at least quarterly. It is important that you make note of the time that you regularly receive your statement. You agree to notify us immediately and in any event within 14 days of that time, if you fail to receive your statement.

You may choose to receive your statements online through our Online Banking. If you elect to receive electronic statements, we will notify you by email when your electronic statement is available and no paper statement will be issued. Electronic statements can be downloaded, saved, and printed for your records.

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

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

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

**7. Contractual Lien.** In addition to any lien we have as a matter of law, you grant us a contractual lien on any and all funds deposited or maintained in any Account in which you have an interest to the extent of any loans made to you and any other obligation of yours which you owe to us, which lien secures repayment of any such loan or obligation to the extent not prohibited under the Federal Truth-in-Lending Act. You are not giving a security interest in any shares or deposits in an IRA or any other Account, which if pledged, would result in the loss of special tax treatment under the Internal Revenue Code. You agree that, if any such Account is a Joint or Multiple Party Account, the entire amount in such Account shall be subject to our lien and shall secure the indebtedness of each Joint Owner owing to us. You agree that we may exercise our lien and apply the entire amount in any such Account against the indebtedness of any Owner owing to us notwithstanding the interest of any other Owner in the Account, and without notice. You agree to pay us for expenses and costs, including attorney's fees, which we may incur in enforcing our right to exercise our lien against the indebtedness of any one or more Owners, and you agree that we will not be liable for dishonoring checks or other items where the exercise of our lien or any right of offset which may exist results in there being insufficient funds in the Account to honor such items. If we cash a check for you and any such check is subsequently returned unpaid for any reason, you agree that we may charge the amount of the item against your Account. If we elect not to enforce our lien at any time, we do not waive our right to enforce that lien on subsequent occasions. The lien secures all direct and indirect indebtedness which you may owe to us whether as a borrower, co-maker, guarantor or otherwise. You agree that, with regard to any indebtedness owing to us secured by your principal residence, our lien shall not be construed so as to diminish or forfeit any security interest in or indebtedness secured by such residence, nor shall our lien be construed so as to permit the modification of any claim we may have under 11 U.S.C. §1322(b)(2), and to the extent that this lien is so construed, it is hereby waived and shall be void.

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

**9. Notices.** If you provide us with your email address, you agree to accept notices from us electronically. In some cases, we may choose to provide notices in paper form even if you have provided us with your email address. Unless otherwise provided in any of our agreements or disclosures we have provided to you, any

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

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

**11. Withdrawal of Services.** In the event that any Credit Union member becomes delinquent on an obligation to the Credit Union, causes a loss to the Credit Union, or makes known his or her intention to cause a loss to the Credit Union, whether by way of loan default, Account overdraft, discharge in bankruptcy or otherwise, or in the event that any Credit Union member has been abusive in the conduct of his or her affairs with the Credit Union, it is the policy of the Credit Union to withdraw member services otherwise extended to that member including, but not limited to, the right to maintain accounts at the Credit Union and the availability of electronic fund transfer services such as preauthorized transfers, telephone, computer, and mobile access services, and Debit Card services, and you agree that we may do so. Any electronic access restrictions we may impose under these circumstances may apply to all of your Accounts. The Credit Union may also withdraw additional member services when it has a rational basis for doing so. Under certain circumstances, services may be reinstated if any delinquency or loss caused to the Credit Union is subsequently cured. To the extent allowed by applicable law, regulations, and the Credit Union's Bylaws, your Credit Union membership may be terminated if you cause a loss to the Credit Union or for other good cause. Your membership may also be terminated if you do not maintain the minimum qualifying account balance required for Credit Union membership.

**12. Closing the Account.** Any Owner of a Single Party, Joint or Multiple Party with Right of Survivorship, Payable on Death, or Minor Account may close the Account at any time. The Trustee, Custodian, or other authorized signer for a Trust, TUTMA, Guardianship or Estate, Representative Payee, or Business Account may close the Account at any time. Your right to close an Account is subject to any statutory or contractual lien existing in the Credit Union's favor and any legal process levied against any such Account. The Credit Union may close an Account at any time and disburse funds on deposit in any such Account to the Owners of the Account or in satisfaction of any obligation owing to us, in any manner it deems appropriate, if (i) any of the events set forth in the preceding paragraphs 8 or 11 should arise, (ii) the Credit Union believes that it may suffer a loss if the Account is not closed or we believe that the volume of Account activity exceeds that which we can reasonably and safely process, (iii) we determine that any member or Joint Owner of the Account or any party claiming an interest in the Account has been abusive in the use of the Account or in the conduct of his or her affairs with the Credit Union, or (iv) our attempts to verify your identity have failed, (v) you do not cooperate with our reasonable requests in connection with the maintenance of your Account, or (vi) there has been a change in Account Ownership or a change with regard to the persons authorized to sign on the Account.

**13. Death or Incompetence of Account Owner.** You agree to notify us promptly if any Account Owner or authorized signer on your Account dies or is declared incompetent by a court. We may continue to accept deposits to an Account, to pay items drawn against an Account, to pay other payment orders against an Account, and allow any other transactions with respect to an Account until we are notified of an Account Owner's death or of an adjudication of incompetence and we have a reasonable opportunity to act upon any such notice. Subject to our policies and procedures, and subject to any separate agreement we may enter into with any surviving Account party, once we are notified of a member's death or adjudicated incompetence, we may pay items drawn against the Account or other payment orders authorized by the deceased Account Owner for a period of 10 days after the Account Owner's death unless we are ordered to stop payment by a person claiming an interest in the Account. We may require any person claiming an interest in the Account to indemnify us against any losses arising out of the payment of any such claim, and this Agreement will be binding upon the heirs or legal representatives of any deceased Account Owner or any Account Owner who is adjudicated incompetent. We may continue to pay interest or dividends on an Account following the death of an Account Owner. If any surviving Joint Owner is a member of the Credit Union, we may require that the Account be closed and the funds transferred to the surviving Joint Owner's Account. If any deposit such as salary, pension income, or Social Security benefits is posted to an Account after an Account Owner has died, you agree that we may reclaim the deposit and return it to the sender.

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

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

**16. Severability.** If any provision of this Agreement shall be declared invalid, unenforceable, illegal, or void as against public policy, that part will not affect the validity, enforceability or legality of any other provision.

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

**18. Record Retention.** You understand and agree that the Credit Union intends to scan any or all document(s) relating to your Account(s) and that scanned document(s) may be stored electronically. You also understand and agree that we may not retain the original document(s), and that an electronically stored image of the document(s) will have the same effect as and will serve as an original.

**19. Governing Law.** Texas law and federal law shall govern this Agreement, including without limitation, the Texas Credit Union Act and the Rules and Regulations of the Texas Credit Union Department. This Agreement is also governed by our Bylaws, policies and procedures, as amended from time to time. To the extent that federal law applicable to this Agreement does not preempt Texas law, the laws of the State of Texas shall apply to this Agreement without regard to any Texas choice of law provisions. You agree and submit to personal jurisdiction in the State of Texas, and venue is proper in Denton County, Texas.

**20. Credit Reports.** You authorize us to check your credit and employment history for the purpose of approving accounts including credit products and services. The credit union is authorized to request and use your credit reports and to answer questions about its credit experience with you. **We may report information about your share and loan accounts to credit bureaus. Late payments, missed payments, or other defaults on your Accounts may be reflected in your credit report.**

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

**DATCU Credit Union  
Attn: Loan Servicing  
P.O. Box 827  
Denton, TX 76202-0827**

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

**21. Direct Disputes of Information Appearing in Credit Reports.** You may dispute directly to us any information contained in a credit report that pertains to an Account or other relationship we have or have had with you. We will investigate such disputes if you notify us in writing at any address for us that appears in the credit report or at the following address:

**DATCU Credit Union  
Attn: Loan Servicing  
P.O. Box 827  
Denton, TX 76202-0827**

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

**22. Assignment.** You may not assign your Account or this Agreement, or any of your rights under this Agreement, without our express written consent, which we may withhold in our sole and absolute discretion.

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

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

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

**26. Communications.** In order to ensure we carry out your instructions accurately and to provide quality member service, you consent to the monitoring and recording of telephone conversations and other communications between you and us. You also agree that we may contact you at any address or telephone number you have provided to us, including any cell phone number. You also agree that we may contact you regarding any of your Share Accounts or Loan Accounts with us using any standard mail, electronic address, or telephone number you have provided to us, including any cell phone number and by way of text messaging. **STANDARD WIRELESS VOICE AND MESSAGING FEES MAY APPLY.**

**27. Active Military Members and Dependents:** Any terms or conditions herein contrary to the Military Lending Act ("MLA") are void for the period(s) during which you are entitled to the protections of the MLA.

## YOUR ABILITY TO WITHDRAW FUNDS

This policy applies to the availability of funds in transaction accounts. DATCU reserves the right to delay the availability of funds deposited to accounts that are not transaction accounts for periods longer than those disclosed in this policy.

### GENERAL POLICY

Our policy is to make funds from your deposits available to you on the business day we receive your deposit. At that time, 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, federal holidays, and such other holidays we may observe, as may be published on our website or posted in our lobby from time to time. DATCU observes all federal holidays in addition to Good Friday and Christmas Eve. If you make a deposit before 6:00 p.m. on a business day that we are open, we will consider that to be the day of your deposit. However, if a deposit is made after 6:00 p.m. on a business day or on a day we are not open, the deposit will be considered made on the next business day we are open.

### NEXT DAY AVAILABILITY

Please remember that even after we have made the 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.

### IMMEDIATE CREDIT MAY BE GIVEN ON THE FOLLOWING:

*CASHIER'S CHECKS	CASH
*CERTIFIED CHECKS	STATE AND LOCAL GOVERNMENT CHECKS
*TELLER'S CHECKS	CHECKS DRAWN ON DATCU
*TRAVELER'S CHECKS	US TREASURY CHECKS
*U.S. POSTAL MONEY ORDERS	WIRE TRANSFERS/ AUTOMATED CLEARING HOUSE (ACH)
FEDERAL RESERVE AND FEDERAL HOME LOAN CHECKS	

\*To receive immediate credit for a check type listed above, the check must be payable to you and deposited into a transaction account of yours. Suspect Cashier's Checks, Teller's Checks, Certified Checks, Traveler's Checks and U.S. Postal Money Orders may be subject to holds. Other types of Money Orders are considered "Payable Through" the issuer and do not fall under immediate or next-day availability. Please refer to the Longer Delays May Apply section below for the availability rules governing these deposits.

### 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 same business 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. However, the first \$225 of your deposit will 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 date 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 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 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of communications or computer equipment.

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

### 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 cash, electronic direct deposits, wire transfers, and the first \$5,525 of a day's total deposits of cashier's\*, certified\*, teller's\*, traveler's\*, federal, state and local government checks, and US Postal Money Orders\* will be available on the same day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. \*See other exceptions above. The excess over \$5,525 will be available on the 9th business day after the day of your deposit.

If you do not make the deposit in person (other than a U.S. Treasury check) to one of our employees, the first \$5,525 will not be available until the 2nd business day after the day of your deposit.

Funds from all other check deposits will be available no later than the 9th business day after the day of your deposit.

### HOLDS ON OTHER FUNDS

If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately, but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited. We will advise you of the date the funds will be available.

### FOREIGN CHECKS

Checks drawn on financial institutions located outside the United States (foreign checks) cannot be processed the same as checks drawn on U.S. financial institutions. Foreign checks are exempt from the policies outlined in this disclosure. Generally, the availability of funds for deposit of foreign checks will be delayed for the time it takes us to collect the funds from the financial institution upon which it is drawn.

### DEPOSIT OF ITEMS - RIGHT TO REFUSE DEPOSIT

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

## ELECTRONIC FUND TRANSFERS (EFT) AGREEMENT AND DISCLOSURES

**1. Issuance of Card and/or Personal Identification Number.** In this Agreement and Disclosures ("Agreement"), the words "you," "your," and "party" refer to (i) any person to whom a DATCU Credit Union MasterCard® Debit Card ("Card" or "Debit Card") is issued, (ii) any person to whom a Personal Identification Number or password (collectively, "PIN") is issued in connection with any such Card or any other electronic fund transfer service such as the Automated Telephone Service and the DATCU Online Banking Services, (iii) any person authorized to use or given access to use to any such Card or PIN(s), and (iv) any Owner or other party on any Credit Union Account which may be accessed by the Card or a PIN. The words "we," "us," "our," and "Credit Union" mean DATCU Credit Union. Capitalized terms used in this Agreement but not defined herein shall have the same meaning as in the Membership and Account Agreement. You agree that any use of the Card or a PIN by you shall be governed by the terms and conditions set forth in this Agreement, as well as the terms of the DATCU Membership and Account Agreement, our policies and procedures, and any other agreements, instructions, or FAQs (collectively, "Other Agreements") provided to you in connection with the Electronic Fund Transfer Services ("Services"), all of which are incorporated into this Agreement by reference. If you arrange for direct deposit or any other type of preauthorized electronic payments or credits to your Account, except wire transfers, those Services also are governed by this Agreement. If the terms of this Agreement or any Other Agreements conflict with the terms of the DATCU Membership and Account Agreement, the terms of this Agreement and the Other Agreements will control.

**2. Overdrafts.** You agree that you will not use your Card, a PIN, or the Services to withdraw or transfer funds from your Account in amounts exceeding the available balance in your Account at the time of any such transfer. Unless we have agreed otherwise in the Application or in any other agreement, you agree that we will be under no obligation to make a withdrawal or transfer if there are insufficient funds in your Account. If your Account has sufficient funds to cover one or more but not all checks, withdrawal orders, or electronic fund transfers during any given business day, we may honor those items, allow those withdrawals, or make any such electronic fund transfers in any order that we choose in our sole discretion including honoring first any such checks, orders, or transfers payable to us, and dishonoring or refusing any item, order, or transfer for which there are insufficient funds available thereafter. If you have applied and been approved for overdraft protection with us, you agree that your use of the Card, a PIN, or any Service shall be subject to the Overdrafts and Overdraft Protection section of the DATCU Membership and Account Agreement and any overdraft line of credit agreement you may have with us. If you qualify for our Courtesy Pay service and wish to have Courtesy Pay consideration extended to your Automated Teller Machine ("ATM") and one-time Debit Card transactions, you must complete a separate authorization. We will not consider paying ATM and one-time Debit Card transactions using the Courtesy Pay service unless you have separately opted-in. Please contact the Credit Union to receive an opt-in authorization form.

**3. Card and PIN Security.** You agree to keep your Card and PIN(s) in a place of safekeeping, to refrain from disclosing your PIN(s) to any unauthorized third party, to refrain from writing your PIN on your Card, and to refrain from recording or displaying your PIN in such a manner that they will be accessible by unauthorized third parties. You agree to follow our security procedures to authenticate your identity when requesting Account access or transactions. You agree that the use of the Card or a PIN by (i) you, (ii) any other applicant, (iii) any party to any of your Accounts that may be accessed by the Card or a PIN, (iv) anyone you permit or authorize to use your Card or your PIN, and (v) anyone to whom you disclose your PIN or give access to your Card or your PIN shall be deemed an authorized use for which you shall be liable. You are responsible for reporting the loss or theft of your Card or PIN(s) to us as soon as possible after the loss or theft.

**4. Surrender, Cancellation, and Amendment.** You agree to surrender your Card to us upon demand. You agree, further, that the Card shall at all times remain our property and that we may restrict or terminate any one or more electronic fund transfer services or cancel this Agreement at any time, subject to such notification as may be required by applicable law. You also agree that we may add to, change, or delete any of the terms of this Agreement from time to time, subject to such notification as may be required by applicable law. Your use of the Services after the effective date of any changes to this Agreement means that you accept the changes. You may terminate this Agreement at any time by notifying us in writing. You will remain responsible for all transactions you make or authorize both before and after any termination.

**5. Debit Card Preauthorization Holds.** When you use your Debit Card at certain merchants such as self-service gas filling stations, restaurants, hotels, airlines, and rental car companies, the merchant may request a preauthorization hold from us to cover the final transaction amount. The preauthorization hold may be in a greater than the actual purchase amount and may be placed on your Account for up to three days. You may not access funds that are subject to a preauthorization hold. Preauthorization holds may remain on your Account for up to three days after the transaction, even after the transaction has been paid. In addition, even after a preauthorization hold is released, the transaction may be posted to your Account at any time. As a result, you must ensure that sufficient funds are available and remain in your Account to pay for your Debit Card transactions. Preauthorization holds affect the availability of funds to pay for checks drawn on your Account and other withdrawal transactions. You acknowledge and agree that we are not liable for any damages you may incur for dishonor of items or other transactions because of a preauthorization hold placed on your Account funds.

**6. Confidentiality.** Certain electronic fund transfers services such as the Automated Telephone Service and the DATCU Online Banking Service may allow any user accessing the systems to obtain information about the Primary Member and all of the Primary Member's Credit Union Share Accounts and loan accounts, regardless of whether the user is an Owner or is authorized on all Accounts. You acknowledge and agree that any user authorized to use your PIN to access the Automated Telephone Service, the DATCU Online Banking Services, and any additional electronic fund transfer services with PIN access in the future will have full access to the Primary Member's Account information made available through those Services, and we are not responsible for access by such persons.

**7. Additional Terms for Business, Organization and Association Accounts.** If a Card or PIN is issued in connection with a business, organization, or association Account, you acknowledge and agree that any such Card or PIN may be used for business purposes only and may not be used for personal, household, or family purposes. You agree to implement reasonable measures to ensure that your Card and PIN(s) are used for business purposes only. **You agree to indemnify and hold us harmless from any costs or damages which you sustain as a result of our carrying out your instructions. IN ANY EVENT, WE WILL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF PROFITS, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF THEM.** As additional security measures for business, organization, and association Accounts, you agree to regularly instruct and require each authorized signer to (a) sign the Card and any renewal or replacement Cards immediately upon receipt, (b) keep the Card and PIN(s) separate, in a place of safekeeping, and in the signer's sole possession, (c) refrain from disclosing the PIN to any unauthorized third party or writing the PIN on the Card, and (d) use the Card for business purposes only, retaining all receipts and promptly verifying them against your Account statement for accuracy. You agree to notify us immediately and promptly return the Card to us when you terminate an authorized signer's rights to use the Card and promptly return the Card to us. You acknowledge and represent that these security procedures provide a commercially reasonable degree of protection against unauthorized use of the Card and PIN(s) in view of your business's particular circumstances. We assume no duty to discover any breach of security by you or any authorized signer or any unauthorized disclosure or use of a PIN. Notwithstanding any provision in the Membership and Account

Agreement, you agree to review your statements and receipts promptly and notify us within 15 days from the date of your statement or receipt if you think your statement or receipt relating to an electronic fund transfer transaction is wrong. You must notify us of electronic fund transfer errors or discrepancies within 15 days from the date of your statement or receipt at the address or telephone number appearing below in Section 10 of the Disclosures or your claim will be waived.

You acknowledge and agree that the issuance of a Card and/or a PIN in connection with a business, organization, or association Account affords ready access to the Account by the person or persons authorized by the Account Owner, as well as any other persons who are provided access to the Card or PIN(s) or who otherwise obtain the Card or a PIN whether by way of negligence, theft, collusion, or otherwise. As a result, and except as otherwise expressly provided in this Agreement and Disclosures, you acknowledge and agree that the Account Owner and all persons authorized by the Account Owner to receive a Card or a PIN are jointly and severally liable for their use and that we will not be liable for any loss resulting from the unauthorized use of the Card or a PIN. The Account Owner and all of the Authorized Signers jointly and individually agree to indemnify, release, and hold us harmless from any claims, demands, expenses, losses, or damages, including legal fees and expenses, arising out of, resulting from, or directly or indirectly related to the issuance or use of any Card or PIN pursuant to this Agreement. You acknowledge and agree that you will not have the benefit of any consumer law limiting your liability with respect to unauthorized use of the Card or a PIN.

**8. Online Statements.** You may choose to receive your statements online through our DATCU Online Banking service. If you elect to receive electronic statements, we will notify you by email when your electronic statement is available and no paper statement will be issued. Electronic statements can be downloaded, saved, and printed for your records.

You understand and agree that if online statements are selected, you will not receive a paper statement. It is your responsibility to maintain proper equipment/software that will enable you to print and save these statements for your records. You agree that it is your responsibility to examine each online statement of Account and report any irregularities or disputes in the same manner and time frame as you would for a printed statement.

**9. Payment Order of Your Transactions.** The order in which we process checks and other withdrawal orders (collectively, "Items") may also affect the total amount of overdraft and other fees that may be charged to your Account. Items may not be processed in the order made. Our policy is to pay Items as we receive them. We typically receive Items to be processed against your Accounts multiple times per day in what are referred to as presentation files. Each presentation file contains a large amount of a specific type of Item (for example, checks, ACH, or ATM/Point-of-Sale (POS)). These presentation files may contain multiple Items to be processed against your Account. In those cases where multiple Items are received at the same time, the Items will be paid as presented in the file received. Checks are paid in order of presentation from file. We will post credits from ACH files first, then ACH debits are paid in the order they are presented. ATM/POS Items are paid in the order they are presented. Transactions performed in person, such as withdrawals or checks cashed at our branch offices, are generally paid when they are performed. Please refer to the Payment Authorization section for additional terms regarding payment order of Items.

## DISCLOSURES

**Note to Business, Association, and Organization Account Holders.** The following disclosures are provided for the benefit of consumers pursuant to the Electronic Fund Transfers Act and Federal Reserve Board Regulation "E." The Act and Regulation do not apply to business, association, or organization Accounts (collectively, "business Account(s)"). If you are a business Account holder, Sections 1 and 10 below do not apply to your business Accounts (except for the MasterCard Debit Card zero liability rules as set forth in Section 1 below). Please refer to Section 7 in the Agreement section above for business Account liability for unauthorized use of an electronic fund transfer service and Section 9 below for the Credit Union's liability under the Agreement and Disclosures. The remainder of the Disclosures below are provided to business, organization, and association Account holders for informational purposes only and are not intended to expand the scope or coverage of the Electronic Fund Transfers Act or Regulation "E" to business, organization, or association Accounts.

**1. Member Liability for Unauthorized Use and Advisability Reporting.** Tell us AT ONCE if you believe your Card or any PIN we have issued to you has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your Account.

(a) **For Signature-based Point-of-Sale Transactions with MasterCard Debit Card.** If you believe your Card or PIN has been lost or stolen, you will not be liable once you notify us that your Card or PIN has been or may be used without your permission. This zero liability limitation will only apply if you have exercised reasonable care in safeguarding the Card from risk of loss or theft and, upon becoming aware of such loss or theft, promptly reports the loss or theft to the Credit Union.

(b) **For All Other Transactions.** 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 if someone used your Card or PIN without your permission.

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

In addition, if your statement shows transfers that you did not make, including those made by Card, PIN, or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

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

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

**2. Contact in Event of Unauthorized Transfer.** If you believe your Card or your PIN has been lost or stolen, or that someone has transferred, or may transfer money from your Account without your permission (using the information from your check or otherwise you may call our Call Center at **(940) 387-8585**, Toll Free at **(866) 387-8585** or write to:

**DATCU Credit Union  
P.O. BOX 827  
DENTON, TX 76202-0827**

**3. Definition of a Business Day.**

Our business days and hours are Monday thru Friday, 9:00 a.m. to 5:00 p.m. Central Time.

DATCU observes all federal holidays in addition to Good Friday and Christmas Eve.

**4. Available Transactions and Transaction Limitations.** Depending on the Services you have requested, one or more of the following Services may be available to you. Automated Teller Machine (ATM) transfers and/or cash withdrawal transactions using your MasterCard Debit Card, MasterCard Debit Card purchases or cash withdrawal transactions at a point-of-sale terminal, Automated Telephone Service system transactions, DATCU Online Banking system transactions, Direct Deposit of your Payroll or other recurring types of deposits/withdrawals to your designated Savings or Checking Account(s), preauthorized debit and/or credit transactions and electronic check conversion through an Automated Clearing House (ACH). Some of these services may be subject to additional terms, conditions, and disclosures that will be provided to you separately.

MasterCard Debit Card(s) sent by us cannot be used until activated. You may activate your MasterCard Debit Card(s) by performing a pin-based transaction at any ATM machine or POS terminal. You may use your MasterCard Debit Card and your PIN to withdraw available cash from your designated Checking or Savings Account, to pay for purchases at retailers and at other places that have agreed to accept the Card, to make available balance inquiries on your designated Checking and Savings Accounts, and to make transfers from your designated Savings or Checking to your Loan Accounts to the extent that we allow such transfers from. Some transactions may not be available at all terminals or for all Accounts. Please see below for transfer limitations from Savings Accounts.

For security reasons, there are limits on the frequency and dollar amounts of daily withdrawals.

**Furthermore, because the MasterCard Debit Card is a debit card and not a credit card, if you have a problem with the quality of property or services that you have purchased with your MasterCard Debit Card, you will have to settle it directly with the merchant.** We are not responsible for and do not, directly or indirectly, give any guarantee or warranty with regard to the quality, suitability, fitness for a particular purpose, or any other characteristic of any goods or services purchased through the use of the Card. You agree the Credit Union is not responsible for the refusal of any merchant or financial institution to honor your Card.

You may use our Automated Telephone Service and/or the DATCU Online Banking system to make Account balance inquiries, to view transaction history, to make withdrawals from your designated Savings, Checking, and Money Market Accounts, to make transfers between your Savings, Checking, and Money Market Accounts, and to make loan payments from your Savings, Checking, and Money Market Accounts to the extent that we allow such transfers. The Online Banking system also permits a user to make pay bill payments from the user's Checking Account to certain third parties. You may use the Mobile Banking Service to make Account balance inquiries, to view transaction history, to make transfers between your Savings, Checking, and Money Market Accounts, and to make loan payments from your Savings, Checking, and Money Market Accounts to the extent we allow such transfers. Your separate contractual arrangement for the Online Banking Services, including the bill payment services, provides for additional terms and conditions. Telephone and data charges incurred in using the Automated Telephone Service or the DATCU Online Banking Services are the responsibility of the user. Some withdrawal and transfer transactions may not be available with all Services and systems or to or from all Accounts. Please see below for transfer limitations from Savings and Money Market Accounts.

You may arrange for preauthorized debits (withdrawals) from or credits (deposits) to your Savings, Checking, and Money Market Accounts or a transfer of funds from your Savings, Checking, and Money Market Accounts by way of the Automated Clearing House (ACH) system. The dollar amounts are limited only by the member's available balances and available credit limits where applicable. Some transactions may not be available to or from all Accounts. Please see below for transfer limitations from Savings and Money Market Accounts.

**Electronic Check Conversion.** If you pay for something by check and the merchant or payee permits, you may authorize the merchant or payee to make a one-time electronic payment from your Checking or Money Market Account using information from your check to pay for the purchase or to pay a bill. You may also authorize a merchant or payee to electronically debit your Checking Account for returned check fees. You are deemed to have authorized these transfers if you sign an authorization or if you engage in the transaction after receiving notice that the transfer will be treated as an electronic fund transfer. This Service may not be available at all terminals. Please see below for automatic overdraft protection transfer limitations from Savings Accounts to pay for your Checking Account transactions.

**Transfer Limitations for Savings and Money Market Accounts.** Under government regulations that apply to your Savings and Money Market Accounts, you may not make more than six transfers and withdrawals, or a combination of such transfers and withdrawals from these Accounts, per statement period, to another Account of yours at the Credit Union or to a third party by means of a pre-authorized or automatic transfer, telephonic agreement, order, or instruction (including transfers by personal computer or other data transmission), or by way of a check, draft, Debit Card, or a similar payment order made payable to third parties. Withdrawals by mail, messenger, ATM, or in person, and transfers to make payments on your loans with us are generally not included in this limitation. However, automatic or preauthorized transfers from your Accounts to make payments on loans that your family members or others may have with us are counted against this transaction limitation, as are automatic overdraft protection transfers from a Savings Account. If you exceed the number of transfers permitted, your Account may be closed or we may restrict your ability to make automatic and preauthorized transfers from the Account. If we close your Money Market Account due to excessive transfer activity, funds on deposit will be transferred to your Savings Account.

**5. Charges to Member for Use.** The Credit Union may charge for some or all of these Services. Charges are deducted from the particular Account on which the transaction is performed. If funds are not available in the Account on which the transaction is performed, charges may be deducted from any other eligible Account on which you are an Owner. All charges are disclosed on the Fee Schedule, which accompanies this Disclosure, or will be stated before service is performed, and are subject to change.

**6. Right to Receive Documentation.** If you have arranged to have direct deposits made to your Account at least once every sixty (60) days from the same person or company, you can call our Audio Response System at (940) 380-7445 or Toll Free at (866) 380-7445, or you can call the Credit Union directly at (940) 387-8585 or Toll Free at (866) 380-8585, to find out whether or not deposit has been made. You will receive a monthly statement of your Account activity for each month an Electronic Fund Transfer has occurred. In any case, you will receive an Account statement at least quarterly. In addition, for each ATM or Point of Sale (POS) transaction of more than \$15, you may choose to receive a descriptive receipt at the time of the transaction.

#### **7. Preauthorized Payments.**

**Stop Payment Rights and Procedures.** 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 us at: **940-387-8585 or Toll Free 866-387-8585**  
Or write to: **DATCU Credit Union**  
**P.O. Box 827**  
**Denton, TX 76202-0827**

In time for us to receive your request three (3) 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. There is a charge for each stop payment order you give which is disclosed on the Fee Schedule accompanying these Disclosures.

**Notice of Varying Amounts.** If these regular payments may vary in amount, the person you are going to pay will tell you ten (10) days before each payment when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment or when the amount would fall outside certain limits that you set.

**Liability for Failure to Stop Payment of Preauthorized Transfer.** If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we may be liable for your actual losses or damages. To be valid, a stop payment order must be completely filled in, signed, and accurately describe the payment to be stopped.

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

- (A) Where it is necessary for completing transfers, or
- (B) In order to verify the existence and condition of the Account for a third party such as a Credit Bureau or Merchant, or
- (C) In order to comply with government agency or court orders, or
- (D) If you give us written permission, or
- (E) In other special situations to provide you emergency cash and/or replacement Card(s).

**9. DATCUs Liability for Failure to Make Transfers or for Improper Transactions or Payments.** If we do not complete a transfer to or from your Account on time or in the correct amount according to our agreement with you, we may be liable for your actual losses or damages. However, there are some exceptions. We will **NOT** be liable, for instance:

- If through no fault of our own, you do not have enough money in your Account to complete the transfer/ transaction, or if your Account is frozen because of a court order or some other similar reason.
- If the Automated Teller Machine or terminal where you are making the transfer does not have enough cash or is not working properly (and you are aware of it at the time you begin the transaction).
- If circumstances beyond our control, such as fire or flood, prevent the transfer despite reasonable precautions that we have taken.
- (D) If the failure to properly complete the transaction is caused by erroneous information supplied by you or your agent.
- (E) If you have closed the Account from which you have preauthorized the electronic fund transfer.
- (F) If any other exceptions arise as stated in our agreement with you.

**10. In Case Of Errors or Questions.** In case of errors or questions about your consumer Electronic Fund Transfers, tell us

By calling: **940/387-8585 or 866/387-8585**  
Or write to: **DATCU Credit Union**  
**P.O. Box 827**  
**Denton, TX 76202-0827**

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 sixty (60) days after we sent the **FIRST** statement on which the problem or error appeared. We will need the following information from you:

- (A) Tell us your name and Account number.
- (B) Describe the error on the transfer you are unsure about, and explain as clearly as you can why you believe it is in error or why you need more information.
- (C) 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 ten (10) business days.

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

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

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

**11. MasterCard ATM/Debit Card International Transactions.** If you effect an international transaction with your MasterCard, MasterCard International will convert the charge into a U.S. dollar amount. MasterCard International will use its currency conversion procedure, which is disclosed to institutions that issue MasterCard cards. Currently, the currency conversion rate used by MasterCard International to determine the transaction amount in U.S. dollars for such transactions is generally either a government-mandated exchange rate or a wholesale exchange rate selected by MasterCard International for the applicable currency on the day the transaction is processed, which rate may differ from the applicable rate on the date the transaction occurred or when the transaction is posted to your Account. We will charge a Foreign Transaction Fee of up to 1% of the transaction amount on all international purchase, cash disbursement, and Account credit transactions, even if the transaction is conducted in U.S. dollars.

**12. Illegal Transactions.** You agree that you will not cause or allow your Card or PIN to be used in any manner or for any transaction that we believe poses an undue risk of illegality, and we may refuse to authorize any such use or transaction. If you use your Card or PIN for a transaction that is determined to be illegal, you will be liable for the transaction. You also waive any right to take legal action against the Credit Union for your illegal use of your Card or PIN, and you agree to indemnify and hold harmless the Credit Union and MasterCard International, Inc. from and against any lawsuits, other legal action, or liability that results directly or indirectly from such illegal use.

**13. Linking Account or Access Device to a Third Party Application (App) or Payment Service.** You agree that if you link any of your accounts or access device(s) to a third-party app or payment service (including but not limited to Cash App, PayPal, Zelle, or Venmo) you understand and agree that these are NOT Credit Union services; and any transaction(s) you make will be subject to your agreement with the application or service provider. You further understand that these apps and services do not provide the same protections from fraud or other misapplication of funds as traditional direct banking services. If we transfer any funds as directed by you or anyone you authorize to the app or third-party service provider such transfer(s) shall in all respects be an authorized transaction and we will have no further obligation or liability if the app or provider then transfers the funds to a fraudster or the funds are otherwise misapplied.

## DATCU

### TRUTH-IN-SAVINGS ACCOUNT DISCLOSURES, AND NON-RETURN PRIVILEGE POLICY FOR CONSUMER AND BUSINESS SHARE (SAVINGS), CHECKING, MONEY MARKET ACCOUNTS, BUSINESS ACCOUNTS, AND ORGANIZATION/ASSOCIATION ACCOUNTS

These Account Disclosures set forth certain terms, rates and fees applicable to your Share (Savings), Checking and Money Market Accounts at DATCU, and are incorporated as part of your Account Agreement with us.

#### **1. TRUTH-IN-SAVINGS ACCOUNT DISCLOSURES**

**Rate Information.** The dividend rate and Annual Percentage Yield (APY) on your Credit Union Share (Savings) Accounts, Checking Accounts, IRA Share (Savings) Accounts, and Money Market Accounts may change every dividend period as determined by the Credit Union Board of Directors.

**Account Information.** Accounts are non-transferable and non-assignable. Funds in your Accounts may not be pledged to secure any obligation of an Owner, except for obligations owed to the Credit Union.

#### **Compounding and Crediting.**

(a) Share (Savings) Accounts, Small Business Share (Savings) Accounts, and IRA Share (Savings) Accounts. \*Dividends on all Share (Savings) Accounts and IRA Share (Savings) Accounts will be compounded quarterly and credited quarterly. The dividend period is quarterly. For example, the beginning date of the first dividend period of the calendar year is January 1st, and the ending date of such dividend period is March 31st. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of a dividend period, and for the example is March 31st.

(b) Checking Accounts. Interest on applicable Checking Accounts will be compounded monthly and credited monthly.

(c) Money Market Accounts. Dividends on your Money Market Accounts will be compounded monthly and credited monthly. The dividend period is monthly, for example, the beginning date of the first dividend period is January 1st and the ending date of such dividend is January 31st. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of a dividend period, and for example, is January 31<sup>st</sup>.

**Effect of Closing.** If you close your account before dividends are paid, you will not receive the accrued dividends.

**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.

#### **Minimum Balance Requirements.**

(a) Regular Share (Savings) Accounts and Other Share (Savings) Accounts. The minimum balance required to open this Account is \$25.00. You must maintain a minimum average daily balance of \$100.00 in your Account to obtain the disclosed APY\*.

(b) Health Savings Accounts. The minimum balance required to open this Account is \$25.00. There is no minimum balance to maintain or monthly service charge for this Account. No dividend is earned for Health Savings Accounts.

(c) Checking Accounts. Some checking accounts may require minimum deposit/loan balance to avoid fees.

(d) Money Market Accounts. The minimum balance required to open this Account is \$2,500.00. You must maintain a minimum daily balance of \$2,500.00 to avoid a service charge. If during any month, your Account balance falls below the required minimum, your Account will be subject to a monthly service charge (See our Truth-In-Savings Fee Schedule). You must maintain a minimum average daily balance of \$2,500.00 to obtain the disclosed APY.

(e) Small Business/Organization Accounts. The minimum balance required to open a Business/Organization Savings Account is \$25.00. You must maintain a minimum average daily balance of \$100.00 to obtain the disclosed APY. Business Savings Accounts may incur a monthly fee as stated in our Truth-In-Savings Fee Schedule. The minimum balance required to open a Business/Organization Checking Account is \$25.00. Dividends are not earned on Business/Organization Checking Accounts.

**Accrual of Dividends.** Dividends will begin to accrue on the business day you deposit cash and non-cash items (such as checks) to your Account.

#### **Transaction Limitations.**

(a) For your Share (Savings) Accounts: The Credit Union reserves the right to require up to sixty (60) days' notice prior to withdrawal or transfer of funds. During any month, you may make no more than six (6) withdrawals or transfers to another Credit Union Account of yours or to a third party by means of a pre-authorized, automatic, computer transfer or telephonic order or instruction, or by check, draft, debit card, or similar order made by you and payable to a third party. There is no limit on the number of transactions you make in the following manner: (1) transfers to any loan account with us, (2) transfers to another account of yours with us or withdrawals when such transfer or withdrawal is initiated in person, by mail, or at an ATM. If you exceed the transfer limitations set forth above, your Account may be subject to closure by the Credit Union.

(b) Your IRA Share (Savings) Account is subject to certain penalties for early withdrawals imposed by the Internal Revenue Service. Please refer to your IRA Agreement. The terms of your IRA Agreement will control over the terms of this Agreement in the event of any conflict.

(c) Your Health Savings Account (HSA) is subject to the maximum annual HSA contribution limits established by the Internal Revenue Service. Please refer to your HSA Agreement. The terms of your HSA Agreement will control over the terms of this Agreement in the event of any conflict.

(d) On your Money Market Account, you may make no more than six (6) withdrawals or transfers monthly (including, but not limited to, withdrawals made by Automated Clearing House (ACH), telephone, Internet, wire, check, draft or similar (order). Overdraft protection will not be offered or allowed on your Money Market Account. If a transfer request would exceed the transfer limitations set forth above in any statement period, we may refuse or reverse the transfer, and suspend or close your Account, and we may impose a charge (See our Truth-in-Savings Fee Schedule). If you continue to exceed any transfer limits on your Account after the Credit Union has notified you of such transfer violation, your Account will be subject to closure, and in the event of closure, funds on deposit will be transferred to your regular Share Savings (01) Account.

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

**Par Value of Shares.** You must complete payment and maintain at least one regular share on deposit in order to maintain your Credit Union membership and qualify for Credit Union services. The par value of a regular share in the DATCU Credit Union is \$25.00.

**National Credit Union Share Insurance Fund.** Member Accounts in this Credit Union are federally insured by the National Credit Union Share Insurance Fund.

**STATEMENT FREQUENCY.** Savings Account Statements are provided at least quarterly. Checking Account Statements are provided monthly if activity is occurring on the account.

#### **NON-RETURN PRIVILEGE POLICY (NRP)**

NOTICE: The following is DATCU's Non-Return Privilege (NRP) Policy. This is only a policy and is not part of your contractual arrangement with us.

DATCU recognizes that members may inadvertently write a check or perform other Checking Account transactions when sufficient Checking Account funds are not available to pay the transactions. To cover such transactions, our Automatic Overdraft Protection service will automatically transfer funds from other deposit Accounts of yours to your Checking Account. You may also apply for a line of credit to cover overdrafts. For Automatic Overdraft Protection from deposit Accounts, there is an Overdraft Protection Transfer fee per transfer (See our Truth-In-Savings Fee Schedule), and federal regulations limit the number of automatic or preauthorized transfers allowed each month from your Savings Accounts. Please refer to the DATCU Truth in Savings Account Disclosures for details about limitations on automatic and preauthorized transfers from Savings Accounts. To apply for an overdraft line of credit, please contact us.

For those occasions when overdraft protection is not available from a deposit or a line-of-credit account, we also offer our Non-Return Privilege service. This is a non-contractual, discretionary service whereby DATCU may choose to pay inadvertent overdrafts of qualified members caused by in-person transactions, ATM transactions, debit card transactions, preauthorized transfers (ACH), and transfers by other electronic means when no other form of overdraft protection is available. To qualify, you must (i) make regular deposits with us at least once a month, (ii) resolve any negative Account balances or other amounts owing to us within 30 days of the event giving rise to the obligation, unless we have agreed otherwise in writing, and (iii) have no legal orders outstanding. This service may not be made available to you until we have verified that you qualify. In addition, we reserve the right to limit the number of Checking Accounts approved for NRP to one per household. Our payment of overdrafts using this service is limited at any one time to a maximum of \$1,000 (dependent on Account history) for qualified Checking Accounts, including overdraft fees. This service is not available for Business Accounts or Money Market Accounts. To receive this service for your ATM and one-time debit card transactions, you must affirmatively opt-in. Please see the Important Information section immediately below for more information about the Non-Return Privilege service and ATM and one-time debit card transactions.

The NRP service is not a contractual obligation of the Credit Union, is not a line of credit, and there is never any guarantee of payment. We retain the sole discretion to refuse to pay any overdraft at any time for any reason. You should not rely on this service as a means to pay ordinary and routine expenses.

**If at any time you feel you need help with your financial obligations,** please contact one of our Personal Service Representatives at (940) 387-8585 or (866) 387-8585.

There is an NRP fee each time we choose to pay a transaction using the NRP service (See our Truth-In-Savings Fee Schedule). There is no limit to the number of NRP fees that may be charged each day. You should be aware that we normally process transactions in the order in which they are received and not necessarily in the order they were transacted. We may also process payment orders and withdrawals in any order we choose. These practices can affect the number of NRP fees you may incur each day. Please remember that we are never under any obligation to pay any overdraft using the NRP service, and you should not expect that we will pay an overdraft at any time or give you notice that we will not or have not paid an overdraft, even if we have paid overdrafts for you in the past.

Our NRP service can help protect your good name in your community. Amounts advanced to you through this service require repayment in full immediately. Joint Account Owners are jointly and severally responsible for amounts advanced under this service. You may repay an overdrawn Account by depositing funds or obtaining an approved loan with us. If you do not repay advanced funds within 30 days of the advance, we may terminate your access to the NRP service, refer the matter to collection, and exercise other rights as provided by law. We may also report your payment status to consumer reporting agencies such as ChexSystems.

We reserve the right to terminate your access to the NRP service at any time and for any reason without notice to you. We also reserve the right to add to, change, or delete the terms of this policy or to discontinue the NRP service at any time in our sole discretion.

If you have any questions or would prefer not to participate in the NRP service, you may opt out. To opt out, please contact us at one of the telephone numbers above.

**Important Information Concerning the Payment of ATM and One-time Debit Card Transactions  
Under the Non-Return Privilege Policy**

**What You Need to Know about Overdrafts and Overdraft Fees**

An overdraft occurs when you do not have enough available funds\* in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts in two different ways:

We have standard overdraft practices that come with your account.

We also offer overdraft protection plans, such as a link to a savings account, which may be less expensive than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains our standard overdraft practices.

**What are the standard overdraft practices that come with my account?**

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

Checks and other transactions made using your checking account number

Automatic bill payments

We do not authorize and pay overdrafts for the following types of transactions unless you ask us to (see below):

ATM transactions

Everyday debit card transactions

We pay overdrafts based on available funds in your account, which means we do not guarantee that we will always authorize and pay any type of transaction.

If we do not authorize and pay an overdraft, your transaction will be declined.

**What fees will I be charged if DATCU pays my overdraft?**

Under our standard overdraft practices:

We will charge you a fee each time we pay an overdraft as disclosed in our Truth in Savings Fee Schedule.

There is no limit on the total fees we can charge you for overdrawing your account.

**What if I want DATCU to authorize and pay overdrafts on my ATM and everyday debit card transactions?**

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, call 866-387-8585, visit [www.datcu.org](http://www.datcu.org), or complete an opt-in form at one of our branches.



**ADMINISTRATION BUILDING – NO SERVICES**

5940 South I-35E  
Corinth, TX 76210  
Mailing Address:  
P.O. Box 827  
Denton, TX 76202-0827  
(940) 387-8585 Toll Free (866)387-8585

**EAST DENTON BRANCH**

3620 Duchess Drive  
Denton, Texas 76209  
(940)387-8585

**SOUTH DENTON BRANCH**

3210 Teasley Lane  
Denton, Texas 76210  
(940) 387-8585

**NORTH DENTON BRANCH**

906 W. University Drive  
Denton, Texas 76201  
(940) 387-8585

**WEST DENTON BRANCH**

2216 Emery St.  
Denton, Texas 76201  
(940) 387-8585

**LEWISVILLE BRANCH**

1080 Civic Cir  
Lewisville, Texas 75067  
(940) 387-8585

**FLOWER MOUND BRANCH**

2935 Long Prairie Road  
Flower Mound, Texas 75022  
(940) 387-8585

**THE COLONY BRANCH**

4190 Main St.  
The Colony, Texas 75056  
(940) 387-8585

**DECATUR BRANCH**

600 West Ford Street  
Decatur, Texas 76234  
(940) 387-8585

**AUBREY BRANCH**

919 HWY 377 South  
Aubrey, Texas 76227  
(940) 387-8585

**SANGER BRANCH**

618 North 10<sup>th</sup> Street  
Sanger, Texas 76266  
(940) 387-8585

**HIGHLAND VILLAGE BRANCH**

1900 Briarhill Blvd.  
Highland Village, TX 75077  
(940) 387-8585

**CORINTH BRANCH**

3005 FM 2181  
Corinth, TX 76210  
(940) 387-8585

**LOBBY AND DRIVE-THRU HOURS FOR LOCATIONS ABOVE:**

Lobby Hours:

Mon – Fri 9am – 5pm  
Saturday 9am – 1pm

Drive-Thru Hours:

Mon – Fri 8am – 6pm  
Saturday 9am – 1pm

**TELESERVICE CENTER**

Toll Free (866) 387-8585  
(940)387-8585  
Monday – Friday 8am – 5pm  
Saturday 9am – 1pm

**AUTOMATED TELEPHONE SERVICE**

(940) 380-7445

