



## New Account Opening Disclosures MEMBERSHIP AND ACCOUNT AGREEMENT 01/01/2025

This agreement contains the rules which govern your account(s) with Concho Educators Federal Credit Union (Concho Educators FCU). Please read this document carefully. If you sign your signature card or continue to have an account with us, you agree to these rules, our bylaws and any bylaw amendments.

In this Agreement, the words "you," "your," and "yours" mean the owner(s) of this account who signs an Account Card and anyone signing in a representative capacity (e.g. an "authorized signer or grantee of power of attorney" appointed by or on behalf of the owner(s) to sign on the account), Account Change Card, or any other account opening document (Account Card), or for whom membership and/or service requests are approved through the Credit Union's online application and authentication process. The words "we," "us," and "our" mean the Credit Union. The word "account" means any one or more share or deposit accounts you have with the Credit Union. "Party" means a person who, by the terms of the account, has a present right, subject to request, to payment from the account other than as a beneficiary, authorized signer, or other person signing only in a representative capacity. This agreement is subject to applicable federal laws and the laws of the state of Texas (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here.

Your account type(s) and ownership features are designated by you on your Account Card or through the Credit Union's online application and authentication process. By signing an Account Card or authenticating your request, each of you, jointly and severally, agree to the terms and conditions in this Agreement, and any Account Card, Funds Availability Policy Disclosure, Truth-in-Savings Disclosure, Electronic Fund Transfers Agreement and Disclosure, Electronic Statements and Courtesy Pay Disclosure, Schedule of Fees, Privacy Disclosure, U.S. Patriot Act Disclosure, On-Line Banking Disclosure, the Credit Union Bylaws or Code of Regulations (Bylaws), Credit Union policies, and any amendments made to these documents from time to time that collectively govern your membership, accounts and services. You will receive a separate schedule of rates, qualifying balances and fees if they are not included in this agreement. If you have any questions, please call Concho Educators FCU at (325) 944-4551. *Please see the last page for our contact information.*

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

**MEMBERSHIP ELIGIBILITY** - To join the Credit Union, you must meet the membership requirements, including purchase and maintenance of the minimum \$25.00 required share(s) (hereinafter membership share) and/or paying a membership fee as set forth in the Credit Union's bylaws. You authorize us to check your account, credit and employment history, and obtain reports from third parties, including credit reporting agencies, to verify your eligibility for the accounts, products and services you request and for other accounts, products, or services we may offer you or for which you may qualify.

### TYPES OF ACCOUNTS

**SINGLE PARTY ACCOUNTS** - A single party account is payable to one party, the owner, who has qualified for credit union membership. If the owner dies, the account is payable to the Payable on Death (POD) beneficiary(ies), if so named, or as a part of the owner's estate under his or her will or by the applicable laws of intestacy. Payment of the account is subject to other provisions of this Agreement protecting the Credit Union for honoring transfer and withdrawal requests of an owner or owner's agent prior to notice of an owner's death, any security interest or pledge granted by the account owner, and our statutory lien rights.

**JOINT MULTIPLE PARTY ACCOUNTS** - A joint multiple party account is an account payable to any one of two or more parties, the owners. During their lifetimes, the owners of a joint multiple party account own the account in proportion to their net contributions to the account. The owners of a joint multiple party account are presumed to own the account in equal undivided interests, unless there is satisfactory proof of the parties' net contributions to the account. The owners' net contributions to a joint multiple party account are calculated in accordance to Sec. 125.104(b) of the Texas Finance Code and Sec. 113.003 of the Texas Estates Code, as amended from time to time.

**a. Right of Survivorship.** For joint multiple party accounts with rights of survivorship, on the death of one party, all sums in the account on the date of the death vest in and belong to the surviving party(ies) as his or her separate property and estate. This means that when one owner dies, ownership of the account passes to the surviving owner(s). If there are two or more surviving owners, their respective ownerships during lifetime shall be in proportion to their previous net contributions to the account, increased for each survivor by an equal share of any interest the decedent may have owned in the account immediately before his or her death. The rights of survivorship in the account continue until only one owner survives. Payment of the account is subject to other provisions of this Agreement protecting the Credit Union for honoring transfer and withdrawal requests of an owner or by an owner's agent prior to notice of an owner's death, and to our statutory lien for the owner's obligations, and to any security interest or pledge granted by the owner.

**b. Control of Joint Multiple Party Accounts.** Any owner is authorized and deemed to act for any other owner(s) and may instruct us regarding transactions and other account matters. Each owner guarantees the signature or authenticated request of any other owner(s). Any owner may withdraw or transfer funds, pledge to us all or any part of the shares or stop payment on items without the consent of the other owner(s). We have no duty to notify any owner(s) about any transaction. We reserve the right to require written consent of all owners for any change to or termination of an account. However, subject to a policy adopted by the Credit Union's board of directors, a member, by written notice to us, may change any joint owner designated on the account or remove any such joint owner, change the form of the account, or stop or vary payment under the terms of the account. If we receive written notice of a dispute between owners or inconsistent instructions from them, we may suspend or terminate the account and require a court order or written consent from all owners to act upon said order or consent.

**c. Joint Multiple Party Account Owner Liability.** If an item deposited in a joint multiple party account is returned unpaid, a joint multiple party account is overdrawn, or we do not receive final payment on a transaction, the owners, jointly and severally, are liable to us for any returned item, overdraft, or unpaid amount and for any related fees and charges, regardless of who initiated or benefited from the transaction. If any account owner is indebted to us, we may enforce our rights against any account of the indebted owner, including all funds in the joint multiple account, regardless of who contributed the funds.

**POD ACCOUNT** - A POD account is a single or joint multiple party account that is payable on request to the owner(s) during his, her, or their lifetimes and, upon the death of all owners, is payable to the surviving named POD beneficiary(ies). Unless state law provides for different ownership or as permitted and documented by us, the beneficiaries will own the funds jointly in equal shares without rights of survivorship when there is more than one surviving beneficiary. Any POD designation shall not apply to Individual Retirement Accounts (IRAs). We are not obligated to notify any beneficiary of the existence of any account nor the vesting of the beneficiary's interest in any account, except as otherwise provided by law.

**MINOR ACCOUNTS** - We may require any account established by a minor to be a joint multiple party account with an owner who has reached the age of majority under state law and who shall be jointly and severally liable to us for any returned item, overdraft, or unpaid amount on such account and for any related fees and charges. We may pay funds directly to the minor without regard to his or her minority. Unless a parent is an account owner, the parent shall not have any account access rights. We have no duty to inquire about the use or purpose of any transaction except as required by applicable law. We will not change the account status when the minor reaches the age of majority unless the change is authorized in writing by all account owners.

**UTMA ACCOUNTS** - An account designated as subject to the Uniform Transfers to Minors Act (UTMA) is a single party account for a minor. The account is created by the transfer of funds into an account subject to the UTMA for a named minor. The transfer and all additional deposits to the account are irrevocable gifts to the minor. The transferor of the initial deposit to the account must name one person eligible under the UTMA to serve as custodian of the account. The custodian has possession and control of the account and is required by law to manage the account for the exclusive right and benefit of the minor and, barring a court order otherwise, is the only party authorized to make deposits, withdrawals, or close the account. We have no duty to inquire about the use or purpose of any transaction except as required by applicable law. If the custodian dies without a successor custodian already named for the account, we may suspend the account until a successor custodian is named, we receive instructions from any person authorized by law to withdraw funds, or we receive a court order authorizing any withdrawals.

**TRUST ACCOUNTS:** If a trust owns the account, at the death of the trustee(s), the ownership of the account passes on to the secondary trustee(s) or beneficiary(ies), as determined by the Trust Agreement, as stated in the Trust Abstract.

**CORPORATE, PARTNERSHIP, AND ORGANIZATIONAL ACCOUNTS:** We will usually require a separate authorization form designating the person permitted to make withdrawals, and the conditions required for withdrawal from any account in the name of a legal entity such as a partnership, corporation or other organization. We will honor such authorization according to its terms until it is amended or terminated in writing by the governing body of the organization.

## **DEPOSIT OF FUNDS REQUIREMENTS**

Funds may be deposited to any account in any manner approved by the Credit Union in accordance with the requirements set forth in the Truth-in-Savings Disclosure. Deposits made by mail, at night depositories, or at unstaffed facilities are not our responsibility until we receive them. We reserve the right to refuse or to return any deposit.

**a. Endorsements.** We may accept transfers, checks, drafts, and other items for deposit into any of your accounts if they are made payable to, or to the order of, one or more account owners even if they are not endorsed by all payees. You authorize us to supply missing endorsements of any owners if we choose. If a check, draft, or item that is payable to two or more persons is ambiguous as to whether it is payable to either or both, we may process the check, draft, or item as though it is payable to either person. If an insurance, government, or other check or draft requires an endorsement, we may require endorsement as set forth on the item. Endorsements must be made on the back of the check or draft within 1½ inches of the top edge, although we may accept endorsements outside this space. However, any loss we incur from a delay or processing error resulting from an irregular endorsement or other markings by you or any prior endorser will be your responsibility. If we offer a remote deposit capture service and you have been approved to use the service to make deposits to your account, you agree that, prior to transmitting check or draft images, you will restrictively endorse each original check or draft in accordance with any other agreement with us that governs this service.

**b. Collection of Items.** We act only as your agent, and we are not responsible for handling items for deposit or collection beyond the exercise of ordinary care. We are not liable for the loss of an item in transit or the negligence of any correspondent. Each correspondent will only be liable for its own negligence. We may send any item for collection. Items drawn on an institution located outside the United States are handled on a collection basis only. You waive any notice of nonpayment, dishonor, or protest regarding items we purchase or receive for credit or collection to your account. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payor financial institution extra time beyond any midnight deadline limits.

**c. Restrictive Legends.** Some checks and drafts contain restrictive legends or similar limitations on the front of the item. Examples of restrictive legends include "two signatures required," "void after 60 days," and "not valid over \$500.00." We are not liable for payment of any check or draft contrary to a restrictive legend or other limitation contained in or on the item unless we have specifically agreed in writing to the restriction or limitation.

**d. Final Payment.** All checks, drafts, automated clearinghouse (ACH) transfers or other items credited to your account are provisional until we receive final payment. If final payment is not received, we may charge your account for the amounts of such items and impose a returned item fee on your account. Any collection fees we incur may be charged to your account. We reserve the right to refuse or return any item or fund transfer.

**e. Direct Deposits.** We may offer direct deposit services, including preauthorized deposits (e.g., payroll checks, Social Security or retirement checks, or other government checks) or preauthorized transfers from other accounts. You must authorize direct deposits or preauthorized transfers by completing a separate authorization document. You must notify us if you wish to cancel or change a direct deposit or preauthorized transfer. Any cancellation or change will become effective once we receive notice from you and have a reasonable period of time to act on your request. If your account is overdrawn, you authorize us to deduct the amount your account is overdrawn from any deposit, including deposits of government payments or benefits. If we are required to reimburse the U.S. Government for any benefit payment directly deposited into your account, we may deduct the amount returned from any of your accounts, unless prohibited by law.

**f. Crediting of Deposits.** Deposits will be credited to your account on the day we consider them received as stated in our Funds Availability Policy Disclosure. The Credit Union may offer "Early Pay" for all members with ACH Direct Deposits which allows members to authorize ACH deposits earlier than the funds are received at the credit union. There may be additional costs or fees associated with the "Early Pay" ACH deposit program and will require acceptance of the "Early Pay" disclosure prior to using the program.

## ACCOUNT ACCESS

**a. Authorized Signature.** Your signature on the Account Card, or authentication and approval of your account, authorizes your account access. We will not be liable for refusing to honor any item or instruction if we believe the signature is not genuine. If you have authorized the use of a facsimile signature, we may honor any check or draft that appears to bear your facsimile signature, even if it was made by an unauthorized person. You authorize us to honor transactions initiated by a third person to whom you have given your account information, even if you do not authorize a particular transaction.

**b. Access Options.** You may access your account(s) in any manner we permit including, for example, in person at one of our branch offices, at an ATM or point-of-sale device, or by mail, telephone, automatic transfer, internet access or mobile application. We may return as unpaid any check or draft drawn on a form we do not provide, and you are responsible for any losses, expenses or fees we incur as a result of handling such a check or draft. We have the right to review and approve any form of power of attorney and may restrict account withdrawals or transfers. We may refuse to honor a power of attorney if our refusal is conducted in accordance with applicable state law.

**c. Credit Union Examination.** We may disregard any information on any check or draft other than the signature of the drawer, the amount of the item, and any magnetic encoding. You agree that we do not fail to exercise ordinary care in paying for an item solely because our procedures do not provide for sight examination of items.

## FUND TRANSFERS

Fund transfers we permit that are subject to Article 4A of the Uniform Commercial Code, such as wire transfers, will be subject to such provisions of the Uniform Commercial Code as enacted by the state where the main office of the Credit Union is located, except as otherwise provided in this Agreement. ACH transfers are subject to the rules of the National Automated Clearinghouse Association (Nacha). We may execute certain requests for fund transfers by Fedwire which are subject to the Federal Reserve Board's Regulation J.

**a. Authorization for Transfers/Debiting of Accounts.** You may make or order fund transfers to or from your account. We will debit from your account for the fund transfer amount and will charge your account for any fees related to the transfer.

**b. Right to Refuse to Make Transfers/Limitation of Liability.** Unless we agree otherwise in writing, we reserve the right to refuse to execute any payment order to transfer funds to or from your account. We are not obligated to execute any payment order to transfer funds out of your account if the amount of the requested transfer plus applicable fees exceeds the available balance in your account. We are not liable for errors, delays, interruptions or transmission failures caused by third parties or circumstances beyond our control including mechanical, electronic or equipment failure. In addition, we will not be liable for consequential, special, punitive or indirect loss or damage you may incur in connection with fund transfers to or from your account.

**c. No Notice Required.** We will not provide you with notice when fund transfers are credited to your account. You will receive notice of such credits on your account statements. You may contact us to determine whether a payment has been received.

**d. Interest Payments.** If we fail to properly execute a payment order and such action results in a delay in payment to you, we will pay you dividends or interest, whichever applies to your account, for the period of delay as required by applicable law. You agree that the dividend or interest rate paid to you will be based on the lowest nominal dividend or interest rate we were paying on any account during that period.

**e. Provisional Credit for ACH Transactions.** We may provisionally credit your account for an ACH transfer before we receive a final settlement. If we do not receive final settlement, we may reverse the provisional credit or require you to refund us the amount provisionally credited to your account, and the party originating the transfer will not be considered to have paid you.

**f. Payment Order Processing and Cut-off Times.** Payment orders we accept will be executed within a reasonable time of receipt. Unless we have agreed otherwise in writing, a payment order may not necessarily be executed on the date it is received or on a particular date you specify. Cut-off times may apply to the receipt, execution and processing of fund transfers, payment orders, cancellations, and amendments. Fund transfers, payment orders, cancellations, and amendments received after a cut-off time may be treated as having been received on the next fund transfer business day. Information about any cut-off times is available upon request. From time to time, we may need to temporarily suspend processing of a transaction for greater scrutiny or verification in accordance with applicable law. This action may affect settlement or availability of the transaction.

**g. Identifying Information.** If your payment order identifies the recipient and any financial institution by name and account or other identifying number, the Credit Union and any other financial institutions facilitating the transfer may rely strictly on the account or other identifying number, even if the number identifies a different person or financial institution.

**h. Amendments and Cancellations of Payment Orders.** Any account owner may amend or cancel a payment order regardless of whether that person initiated the order. We may refuse requests to amend or cancel a payment order that we believe will expose the Credit Union to liability or loss. Any request to amend or cancel a payment order that we accept will be processed within a reasonable time after it is received. You agree to hold us harmless from and indemnify us for all losses and expenses resulting from any actual or attempted amendment or cancellation of a payment order.

**i. Security Procedures.** We may require you to follow a security procedure to execute, amend or cancel a payment order so that we may verify the authenticity of the order, amendment or cancellation. You agree that the security procedure established by a separate agreement between you and the Credit Union is commercially reasonable. If you refuse to follow a commercially reasonable security procedure that we offer, you agree to be bound by any payment order, whether authorized or not, that is issued in your name and accepted by us in good faith in accordance with the security procedure you choose.

**j. Duty to Report Unauthorized or Erroneous Fund Transfers.** You must exercise ordinary care to identify and report unauthorized or erroneous fund transfers on your account. You agree that you will review your account(s) and periodic statement(s). You further agree you will notify us of any unauthorized or erroneous transfers within the time frames described in the "Statements" section of this Agreement.

**k. Recording Telephone Requests.** You agree that we may record payment order, amendment and cancellation requests as permitted by applicable law.

## ACCOUNT RATES AND FEES

We pay account earnings and assess fees against your account as set forth in the Truth-in-Savings Disclosure and Schedule of Fees and Charges. We may change the Truth-in-Savings Disclosure or Schedule of Fees and Charges at any time and will notify you as required by law.

## TRANSACTION LIMITATIONS

**a. Withdrawal Restrictions.** We will pay checks or drafts, permit withdrawals, and make transfers based on the "available balance" in your account. More information about the available balance is provided below in the Overdrafts section. The availability of funds in your account may be delayed as described in our Funds Availability Policy Disclosure, the Remote Deposit Capture Agreement, and for other reasons such as legal holds. We may make transfers from your accounts to pay checks or drafts, permit withdrawals, and other transfers when you have an insufficient available balance in your account if you have made arrangements for an Overdraft Protection service or, if you do not have such a service with us and you qualify, in accordance with our Overdraft/Insufficient Funds Policy and Discretionary Overdraft Privilege Disclosure.

We may refuse to allow a withdrawal in some situations and will advise you accordingly if, for example: (1) there is a dispute between account owners (unless a court has ordered the Credit Union to allow the withdrawal); (2) a legal garnishment or attachment is served; (3) the account secures any obligation to us; (4) required documentation has not been presented; or (5) you fail to repay a credit union loan on time. We may require you to give written notice of 7 to 60 days before any intended withdrawals.

**b. Transfer Limitations.** We may limit the dollar amount or the number of transfers from your account. Please consult your Truth-in-Savings Disclosure or your Electronic Fund Transfers Agreement and Disclosure.

## CERTIFICATE ACCOUNTS

Any term share, share certificate, time deposit or certificate of deposit account (certificate account), whichever we offer as allowed by applicable federal or state law, is subject to the terms of this Agreement, the Truth-in-Savings Disclosure, the Account Receipt for each account, and any other documents we provide for the account, the terms of which are incorporated herein.

## OVERDRAFTS

**a. What is an Overdraft?** An overdraft occurs when a check, ACH transaction, debit card transaction, or any other type of payment you have made is presented to us for payment and sufficient funds are not available in your checking account to pay the transaction, but we pay it anyway. In most cases, if sufficient funds are not available in your account, the transaction would be rejected and returned unpaid, and we may charge an Insufficient Funds ("NSF") Fee. If you have elected our Overdraft Protection service, however, the transaction can be paid using available funds from your designated savings account and any other designated account or from a prearranged line of credit. There may be a fee for automatic protection transfers from a deposit or line of credit account as set forth in

the Schedule of Fees and Charges or the line of credit agreement. Additionally, automatic transfers from other accounts (including for Overdraft Protection) may be limited as set forth in the Truth in Savings disclosures. In addition to the Overdraft Protection service, if you have qualified and your account is eligible, our discretionary Overdraft Privilege service may provide an additional layer of overdraft protection. Overdraft Protection services may not be available for all accounts. You may incur fees as set forth in the Schedule of Fees and Charges for using any of our Overdraft Protection services, so you should always take care to avoid creating any overdraft. The following explains how our overdraft protection services work.

**b. Payment of Overdrafts.** If, on any day, the available balance in your share or deposit account is not sufficient to pay the full amount of a check, draft, transaction, or other item, plus any applicable fee, that is posted to your account, we may return the item or pay it, as described below. The Credit Union's determination of an insufficient available account balance may be made at any time between presentation and the Credit Union's midnight deadline with only one review of the account required. We do not have to notify you if your account does not have a sufficient available balance in order to pay an item. Your account may be subject to a fee for each item regardless of whether we pay or return the item. We may charge a fee each time an item is submitted or resubmitted for payment; therefore, you may be assessed more than one fee as a result of a returned item and resubmission(s) of the returned item.

Except as otherwise agreed in writing, if we exercise our right to use our discretion to pay such items that result in an insufficiency of funds in your account, we do not agree to pay them in the future and may discontinue coverage at any time without notice. If we pay these items or impose a fee that results in insufficient funds in your account, you agree to pay the insufficient amount, including the fee assessed by us, in accordance with our overdraft services or any other service you may have authorized with us or, if you do not have such services with us, in accordance with any overdraft payment policy we have, as applicable.

**c. Overdraft Protection Services.** We offer three levels of overdraft protection. The first level is called the Overdraft Protection service, and it is available for most checking accounts. This service transfers available funds from your savings account and any other designated account or prearranged line of credit when your checking account does not have sufficient available funds to pay a transaction when presented for payment. We may charge a fee for this service as set forth in the Schedule of Fees and Charges. To use this service, you must elect it and designate the priority of your Overdraft Protection accounts on the Account Card or other form we provide. The second level of overdraft protection is called the Overdraft Privilege service. This service is provided automatically after your checking account has been open for at least 30 days and you qualify for the service. We will notify you when you have qualified. The Overdraft Privilege service is provided pursuant to our Overdraft/Insufficient Funds Policy and Discretionary Overdraft Privilege Disclosure as a non-contractual courtesy. The Discretionary Overdraft Privilege Disclosure will be provided to you at the time you are approved for the service. 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 Pay, recurring debit card payment, or other eligible transaction and sufficient funds are not available in your designated checking account to pay the transaction using the Overdraft Protection service, or if you have not elected the Overdraft Protection service, 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 Overdraft Privilege service to your ATM and one-time (non-recurring, point-of-sale) debit card transactions. To use this service, you must affirmatively opt-in by calling us or completing and providing our opt-in form. Both levels of the Overdraft Privilege service will charge an Overdraft Privilege Fee as set forth in the Schedule of Fees and Charges when a transaction is paid using the service. The fee for the Overdraft Protection service is less costly than the fee for the Overdraft Privilege service. The amount of Overdraft Privilege approved for your eligible 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 want to stop receiving any overdraft protection service in which you are enrolled, you may opt-out of any level at any time by contacting us. Please refer to our Discretionary Overdraft Privilege Disclosure for eligibility requirements and additional information about the Overdraft Privilege service.

## DISCRETIONARY OVERDRAFT & COURTESY PAY POLICY

It is the policy of Concho Educators FCU to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards. The Deposit Account Agreement and Disclosure provided to you at the time you opened your account with us controls the duties, obligations, and rights of the Depositor, the Authorized Signatories, and Concho Educators FCU regarding your checking account. The Deposit Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Discretionary Overdraft Courtesy Pay Privilege Policy and the Deposit Account Agreement and Disclosure. A copy of the Deposit Account Agreement and Disclosure is available to you on request from a Concho Educators FCU Member Services Representative.

Overdraft privilege is not a line of credit. However, if you overdraw your account, we will normally pay the overdraft, subject to the limit of your overdraft privilege and the amount of the overdraft fee. Concho Educators Federal Credit Union is not obligated to pay any item presented for payment if your account does not contain sufficient available funds, and any discretionary payment (or other negotiation or processing) by Concho Educators FCU of any nonsufficient fund check or checks (or other item) does not obligate Concho Educators FCU to pay any additional nonsufficient-fund check or item or to provide prior notice of its decision to refuse to pay an additional insufficient-fund check or item.

Pursuant to Concho Educators FCU's commitment to always provide you with the best level of account holder service, now and in the future, if your consumer account (primarily used for personal and household purposes) has been open for at least thirty (30) days and has automatic direct deposits to your account, and thereafter you maintain your account in good standing, which includes at least:

- Depositing an amount equal to the amount of discretionary overdraft privilege extended to you or more in your account within each thirty (30) day period and bringing your account balance to a positive balance within a thirty (30) day period
- You are not in default on any loan or other obligation to Concho Educators FCU; and
- You are not subject to any legal or administrative order or levy

Concho Educators FCU will normally pay overdrafts within the overdraft privilege limits, but payment by Concho Educators FCU is a discretionary courtesy and not a right or obligation. This privilege for consumer checking accounts will generally be limited to a maximum of \$400 overdraft (negative) balance. Of course, any and all fees and charges, including without limitation the non-sufficient-funds fees (as set forth in our fee schedules and deposit account agreement and disclosure), will be included as part of this maximum amount. The total of the discretionary overdraft courtesy-pay privilege (negative) balance, including any and all fees and charges, including all non-sufficient funds/overdraft fees is due and payable upon demand, and Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all such amounts, as described in the Deposit Account Agreement and Disclosure.

Again, while Concho Educators FCU will typically pay overdrafts on accounts in good standing (as described above) payment is a discretionary courtesy and not a right or obligation, and Concho Educators FCU, in its sole and absolute discretion, can cease paying overdrafts at any time without prior notice of reason or cause.

## HOW TRANSACTIONS ARE POSTED TO YOUR ACCOUNT

The order in which we process checks and other transactions (collectively, "Items") made against your account may affect the total amount of overdraft and other fees that may be charged to your account. Items may not be processed in the order made. While we may process items in any order we choose in accordance with applicable law, we generally process and pay Items as we receive them. We may change the order in which we process transactions at any time without notice. In the event that your account has sufficient available funds on deposit to cover one or more, but not all of the checks and other withdrawal orders presented on any business day, we may honor those items and allow those withdrawals in any order we choose in our discretion, including honoring first any withdrawal orders or checks payable to us and dishonoring or refusing any other Item or withdrawal for which there are insufficient available funds thereafter. Basically, there are two types of transactions that affect your account: credits (deposits of money into your account) and debits (payments out of your account). It is important to understand how each is applied to your account so that you know how much money you have and how much is available to you at any given time. This section explains generally how and when we post transactions to your account.

- **Credits.** Deposits are generally added to your account when we receive them. However, in some cases when you deposit a check, the full amount of the deposit may not be available to you at the time of deposit. Please refer to the Funds Availability Policy Disclosure and our Remote Deposit Capture Agreement for details regarding the timing and availability of funds from deposits.
- **Debits.** There are several types of debit transactions. Common debit transactions are generally described below. Keep in mind that there are many ways transactions are presented for payment by merchants, and we are not necessarily in control of when transactions are received.
- **Checks.** When you write a check, it is processed through the Federal Reserve system. We receive data files of cashed checks from the Federal Reserve each day. The checks drawn on your account are compiled from these data files and paid each day. We process the payments in the order contained in the data file.
- **ACH Payments.** We receive data files every day from the Federal Reserve with Automated Clearing House (ACH) transactions. These include, for example, automatic bill payments you have authorized. ACH transactions for your account are posted throughout the day in order of receipt. We process items in each data file in the order presented to us.
- **PIN-Based Debit Card Purchase Transactions.** These are purchase transactions using your debit card for which a merchant may require you to enter your personal identification number (PIN) at the time of sale. They are processed through a PIN debit network. These transactions are similar to ATM withdrawal transactions because the money is usually deducted from your account immediately at the time of the transaction. However, depending on the merchant, a PIN-based transaction may not be immediately presented for payment.
- **Signature-Based Debit Card Purchase Transactions.** These are purchase transactions using your debit card that are processed through a signature-based network. Rather than entering a PIN, you typically sign for the purchase; however, merchants may not require your signature for certain transactions. Merchants may seek preauthorization for these types of transactions. The preauthorization request places a hold on funds in your account when the preauthorization is completed. This is referred to as a "preauthorization hold". An "preauthorization hold" will reduce your available balance by the amount authorized but will not affect your actual balance. The transaction is subsequently processed by the merchant and submitted to us for payment. This can happen hours or sometimes days after the transaction, depending on the merchant and its payment processor. We have no control over how much a merchant asks to preauthorize or when a merchant submits a transaction for payment. These payment requests are received in real time throughout the day and are posted to your account when they are received.

The amount of a preauthorization hold may differ from the actual payment because the final transaction amount may not yet be known to the merchant when you present your debit card for payment. Refer to the Understanding Your Account Balance section below for more information about preauthorized debit card holds. This is a general description of how certain types of transactions are paid and these practices may change. We reserve the right to process any item and, in any processing order that we choose, as permitted by law.

- **Understanding Your Account Balance.** 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 checking account will be overdrawn. You should assume that any Item that would overdraw your account

based on your available balance may create an overdraft. You can check the amount of your actual balance and available balance by reviewing your account online through Online Banking or Mobile Banking, using our Chex's & Balances teller audio response system, at most ATMs with your debit card, and by calling us at (325) 944-4551 or visiting a branch office. You must be enrolled in our electronic fund transfer services to check your balance through those services.

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 pending transactions. 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 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 fees. The available balance considers 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 \$100 in your checking account and you use your debit card at a restaurant for \$50, then the merchant may ask us to preauthorize the \$50 payment. When that happens, we will place a hold on your account for \$50 and your available balance will be reduced to \$50, even though your actual balance will remain at \$100 until the transaction posts, or the hold is released. In some cases, such as at restaurants and gas stations, the merchant may ask to preauthorize a greater amount than the initial transaction amount to account for tips or when the final amount of the transaction is not known at the time of preauthorization such as when purchasing gas at a gas pump. Funds subject to a preauthorization hold are not available to pay checks, other debit card transactions, 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 have not yet cleared on your account. Additionally, the available balance may not always reflect outstanding debit card transactions. For example, if a merchant obtains a preauthorization hold but does not submit the transaction for payment within 96 hours of the preauthorization, we must release the hold. In such a case, the funds subject to the hold will be restored to the account and 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 all your transactions to ensure you have sufficient funds available in your checking account when your transactions are presented to us. Failure to do so may cause you to incur overdraft fees.

- **General.** You agree to always maintain funds in your accounts sufficient to pay any withdrawal order (whether oral, written, or otherwise) or Item presented for payment against the applicable account. We are under no obligation to pay any Item (a) the amount of which exceeds the available balance in the account upon which the Item was drawn, or (b) that would exceed limitations imposed upon the applicable Account under our policies and procedures or under applicable law or regulations. In the event we do pay any such Item, we will not waive our right to dishonor any subsequent Items presented. If we do pay an Item, the amount of which exceeds the 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 eligible account to which you are a party in amounts sufficient to cover any overdraft and resulting overdraft fees, or to use any other collection remedy available to us by law. In the event that you write a check or take any other action which would result in an account becoming overdrawn, and if you have requested and been approved for the Overdraft Protection service, such check or action taken shall be deemed to be a request by you to us to transfer available funds from your designated account(s) or to make an advance under your prearranged line of credit agreement with us, in increments that we deem sufficient in order to pay such check or otherwise remedy the overdraft, together with any service charge we may impose. We will use our best efforts to transfer funds to your checking account from your designated account or to make an advance under your prearranged line of credit agreement with us in the manner you have directed on the Account Card or other instruction. If you are enrolled in the Overdraft Privilege service, then pursuant to our Overdraft/Insufficient Funds Policy, if there are insufficient available funds to pay an Item using the Overdraft Protection service (or if you have not elected the Overdraft Protection service), then we will consider paying the Item with the Overdraft Privilege service. After all overdraft protection is exhausted or denied, if sufficient funds are still not available to pay an Item presented, then any such Item presented will be returned to the payee due to insufficient funds and an Insufficient Funds Fee as set forth in the Fee Schedule will be charged to your account. Each party to any of your accounts will be jointly and severally responsible for overdrafts caused by any other party your Account.

## POST DATED AND STALE DATED CHECKS OR DRAFTS

You agree not to issue any check or draft that is payable on a future date (postdated). If you do draw or issue a check or draft that is postdated and we pay it before that date, you agree that we shall have no liability to you for such payment. You agree not to deposit checks, drafts, or other items before they are properly payable. We are not obligated to pay any check or draft drawn on your account that is presented more than six months past its date; however, if the check or draft is paid against your account, we will have no liability for such payment.

## STOP PAYMENT ORDERS

**Stop Payment Order Request.** Any owner may request a stop payment order on any check or draft drawn on the owner's account. To be binding, the order must accurately describe the check or draft, including the exact account number, check or draft number, and amount of the check or draft. This exact information is necessary for the Credit Union to identify the check or draft. You may call or write to us at the telephone number and address listed in this brochure. If you call, we require you to put your request in writing and get it to us 14 days after you call. We will charge you a stop payment fee. *See Rate and Fee Schedule.* If we receive incorrect or incomplete information, we will not be responsible for failing to stop payment on the check or draft. In addition, we must receive sufficient advance notice of the stop payment

order to allow us a reasonable opportunity to act on it. If we recredit your account after paying a check or draft over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to assign to us all your rights against the payee or other holders of the check or draft, and to assist us in any legal action. Stop payment orders for preauthorized debit transactions from your account are governed by Regulation E. Please refer to the Electronic Fund Transfers Agreement and Disclosure for rules regarding stop payments on preauthorized debit transactions.

**Duration of Order.** A written stop payment order is effective for six months and may be renewed for additional six-month periods by submitting a renewal request in writing, or in a record if allowed by applicable law, before the stop payment order then in effect expires. We do not have to notify you when a stop payment order expires.

**Liability.** Fees for stop payment orders are set forth in the Truth-in-Savings Disclosure or Schedule of Fees and Charges. You may not stop payment on any certified check, cashier's check, teller's check, or any other check, draft, or payment guaranteed by us. Although payment of an item may be stopped, you may remain liable to any item holder, including us. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney's fees and all damages or claims related to our refusal to pay an item, as well as claims of any joint account owner or of any payee or endorsee for failing to stop payment of an item as due to incorrect information provided by you.

## **CREDIT UNION LIABILITY**

Each of you agrees for yourself and the person or entity you represent if you sign as a representative of the other to the terms of this account and the schedule of charges that we impose. You authorize us to deduct these charges as accrued directly from the account balance. You also agree to pay additional reasonable charges we may impose for services you request which this agreement does not cover. Each of you also agrees to be jointly and individually liable for any account deficit resulting from charges or overdrafts, whether caused by you or by another authorized to withdraw from this account, and our costs to collect the deficit, including, to the extent permitted by law, our reasonable attorney's fees. You agree that at our option we may suspend your membership rights if you violate the terms of this agreement.

If we do not properly complete a transaction according to this Agreement, we will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. We will not be liable if, for example: (1) your account contains an insufficient available balance for the transaction; (2) circumstances beyond our control prevent the transaction; (3) your loss is caused by your or another financial institution's negligence; or (4) your account funds are subject to legal process or other claim. We will not be liable for consequential damages, except liability for wrongful dishonor. We are not responsible for a check or draft that is paid by us if we acted in a commercially reasonable manner and exercised ordinary care. We exercise ordinary care if our actions or nonactions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearinghouse rules, and general financial institution practices followed in the area we serve. You grant us the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Agreement. Any conflict regarding what you and our employees say or write will be resolved by reference to this Agreement.

## **CHECKS OR DRAFTS PRESENTED FOR PAYMENT IN PERSON**

We may refuse to accept any check or draft drawn on your account that is presented for payment in person. Such refusal shall not constitute a wrongful dishonor of the check or draft, and we shall have no liability for refusing payment. If we agree to cash a check or draft that is presented for payment in person, we may require the presenter to pay a fee. Any applicable check or draft cashing fees are stated in the Schedule of Fees and Charges.

## **REMOTELY CREATED CHECKS OR DRAFTS**

For the purposes of this paragraph, "account" means a transaction account, credit account, or any other account on which checks or drafts may be drawn. A remotely created check or draft is a check or draft created by someone other than the person on whose account the check or draft is drawn. A remotely created check or draft is generally created by a third-party payee as authorized by the owner of the account on which the check or draft is drawn. Authorization is usually made over the telephone or through online communication. The owner of the account does not sign a remotely created check or draft. In place of the owner's signature, the remotely created check or draft usually bears a statement that the owner authorized the check or draft or bears the owner's printed or typed name. If you authorize a third party to draw a remotely created check or draft against your account, you may not later revoke or change your authorization. It is your responsibility to resolve any authorization issues directly with the third party. We are not required to credit your account and may charge against your account any remotely created check or draft for which the third party has proof of your authorization. Inclement

## **PLEDGE, RIGHT OF OFFSET AND STATUTORY LIENS**

Unless prohibited by law, you pledge and grant as security for all obligations you may have now or in the future, except obligations secured by your principal residence, all shares and dividends and all deposits and interest, if any, in all accounts you have with us now and in the future. If you pledge a specific dollar amount in your account(s) for a loan, we will freeze the funds in your account(s) to the extent of the outstanding balance of the loan or, if greater, the amount of the pledge if the loan is a revolving loan. Otherwise, funds in your pledged account(s) may be withdrawn unless you are in default. You agree we have the right to offset funds in any of your accounts against the obligation owed to us. Federal or state law (depending upon whether we have a federal or state charter) gives us a lien on all shares and dividends and all deposits and interest, if any, in accounts you have with us now and in the future. Except as limited by federal or state law, the statutory lien gives us the right to apply the balance of all your accounts to any obligation on which you are in default. After you are in default, we may exercise our statutory lien rights without further notice to you. Your pledge and our statutory lien rights will allow us to apply the funds in your account(s) to what you owe when you are in default, except as limited by federal or state law. If we do not apply or offset the funds in your account(s) to satisfy your obligation, we may place an administrative freeze on your account(s) in order to protect our statutory lien rights and may apply or offset the funds in your account(s) to the amount you owe us at a later time. The statutory lien and your pledge do not apply to any Individual Retirement Account or any other account that would lose special tax



treatment under federal or state law if given as security. By not enforcing our right to apply or offset funds in your account(s) to your obligations that are in default, we do not waive our right to enforce these rights at a later time.

## LEGAL PROCESS

If any legal action is brought against your account, we may pay out funds according to the terms of the action or refuse any payout until the dispute is resolved, as permitted by law. Any expenses or attorney fees we incur responding to legal process may be charged against your account without notice, unless prohibited by law. Any legal process against your account is subject to our lien and security interest.

## ACCOUNT INFORMATION

Upon request, we will give you the name and address of each agency from which we obtain a credit report regarding your account. We agree not to disclose account information to third parties except when: (1) it is necessary to complete a transaction; (2) the third party seeks to verify the existence or condition of your account in accordance with applicable law; (3) such disclosure complies with the law or a government agency or court order; or (4) you give us written permission.

## NOTICES

**a. Name or Address Changes.** You are responsible for notifying us of any name or address change. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided to us. We may require all name and address changes to be provided in writing. If we attempt to locate you, we may impose a service fee as set forth in the Truth-in-Savings Disclosure or Schedule of Fees and Charges.

**b. Notice of Amendments.** Except as prohibited by applicable law, we may change the terms of this Agreement at any time. We will notify you, in a manner we deem appropriate under the circumstances, of any changes in terms, rates or fees as required by law. We reserve the right to waive any terms of this Agreement. Any such waiver shall not affect our right to future enforcement.

**c. Effect of Notice.** Any written notice you give us is effective when we receive it. Any written notice we give to you is effective when it is provided electronically or is deposited in the U.S. mail, postage prepaid and addressed to you at your statement mailing address and will be effective whether or not received by you. Notice to any account owner is considered notice to all account owners.

**d. Electronic Notices.** If you have agreed to receive notices electronically, we may send you notices electronically and discontinue mailing paper notices to you until you notify us that you wish to reinstate receiving paper notices.

## TAXPAYER IDENTIFICATION NUMBER AND BACKUP WITHHOLDING

You agree that we may withhold taxes from any dividends or interest earned on your account as required by federal, state or local law or regulations. Your failure to furnish a correct Taxpayer Identification Number (TIN) or meet other requirements may result in backup withholding. If your account is subject to backup withholding, we must withhold and pay to the Internal Revenue Service a percentage of dividends, interest, and certain other payments. If you fail to provide your TIN within a reasonable time, we may close your account and return the balance to you, less any applicable service fees.

## STATEMENTS

If we provide a periodic statement for your account, you will receive a periodic statement that shows the transactions and activity on your account during the statement period as required by applicable law. If a periodic statement is provided, you agree that only one statement is necessary for joint multiple party accounts. For share draft or checking accounts, you understand and agree that your original check or draft, when paid, becomes property of the Credit Union and may not be returned to you, but copies of the check or draft may be retained by us or by payable through financial institutions and may be made available upon your request. You understand and agree that statements are made available to you on the date they are mailed to you or, if you have requested, on the date they are made available to you electronically. You also understand and agree that checks, drafts, or copies thereof are made available to you on the date the statement is mailed to you or is provided to you electronically, even if the checks or drafts do not accompany the statement.

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

**Examination.** You are responsible for promptly examining each statement upon receiving it and reporting any irregularities to us. If you fail to report any irregularities such as forged, altered, unauthorized, unsigned, or otherwise fraudulent items drawn on your account, erroneous payments or transactions, or other discrepancies that are reflected on your statement within 33 days of the date we sent or otherwise provided the statement to you, we will not be responsible for your loss. We also will not be liable for any items that are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of facsimile signature equipment. Unauthorized electronic fund transfers governed by Regulation E are subject to different reporting periods. Please refer to the Electronic Fund Transfers Agreement and Disclosure for reporting requirements pertaining to electronic fund transfers.

**Notice to Credit Union.** You agree that the Credit Union's retention of checks or drafts does not alter or waive your responsibility to examine your statements or the time limit for notifying us of any errors. The statement will be considered correct for all purposes, and we will not be liable for any payment made or charged to your account unless you notify us in writing within the above time limit notifying us

of any errors. If you fail to receive a periodic statement, you agree to notify us within 14 days of the time you regularly receive a statement letting us know that you have not received your statement.

**Address.** If we mail you a statement, we will send it to the last known address shown in our records. If you have requested to receive your statement electronically, we will send the statement or notice of statement availability to the last e-mail address shown in our records.

## **INACTIVE ACCOUNTS**

As allowed by applicable law, we may classify your account as inactive or dormant and assess a fee if you have not made any transactions in your account over a specified period of time. The period of inactivity, the fee for servicing an inactive or dormant account, and the minimum balance required to avoid the service fee, if any, are set forth in our Schedule of Fees and Charges. You authorize us to transfer funds from another account of yours to cover any service fees, if applicable. To the extent allowed by law, we reserve the right to transfer the account funds to an account payable or reserve account and to suspend any further account statements. If a deposit or withdrawal has not been made on the account and we have had no other sufficient contact with you within the period specified by state law, the account will then be presumed to be abandoned. Funds in abandoned accounts will be reported and remitted in accordance with state law. Once the funds have been turned over to the state, we have no further liability to you for such funds. If you choose to reclaim such funds, you must apply to the appropriate state agency.

## **SPECIAL ACCOUNT INSTRUCTIONS**

You may request that we facilitate certain trust, will, or court-ordered account arrangements. However, because we do not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your trust, will, or court order. If you ask us to follow any instructions that we believe might expose us to claims, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, we may refuse to follow your instructions or may require you to indemnify us or post a bond or provide us with other protection. We may require that account changes requested by you, or any account owner, such as adding or closing an account or service, be evidenced by a signed Account Change Card or other document which evidences a change to an account and accepted by us.

## **TERMINATION OF ACCOUNT**

We may terminate your account at any time without notice to you or may require you to close your account and apply for a new account if, for example: (1) there is a change in owners or authorized signers; (2) there has been a forgery or fraud reported or committed involving your account; (3) there is a dispute as to the ownership of the account or of the funds in the account; (4) any checks or drafts are lost or stolen; (5) there are excessive returned unpaid items not covered by an overdraft protection service; (6) there has been any misrepresentation or any other abuse of any of your accounts; (7) we reasonably deem it necessary to prevent a loss to us; or (8) as otherwise permitted by law. You may terminate a single party account by giving written notice. We reserve the right to require the consent of all owners to terminate a joint multiple party account. We are not responsible for payment of any check, draft, withdrawal, transaction, or other item after your account is terminated; however, if we pay an item after termination, you agree to reimburse us.

You may terminate your membership by giving us written notice or by withdrawing your minimum required membership share, if any, and closing all your accounts. You may be expelled from membership for any reason allowed by applicable law. We may restrict account access and services without notice to you when your account is being misused; you have demonstrated conduct which is abusive in nature; as outlined in any policy we have adopted regarding restricting services; or as otherwise permitted by law.

## **DEATH OF ACCOUNT OWNER**

We may honor all transfer orders, withdrawals, deposits, and other transactions on an account until we know of a owner's death. Even with such knowledge, we may continue to pay checks or drafts, or honor other payments or transfer orders authorized by the deceased owner for a period of ten days after the owner's death unless we receive instructions from any person claiming an interest in the account to stop payment on the checks, drafts, or other items. We may require anyone claiming funds from an account of a deceased owner to indemnify us for any losses resulting from our honoring that claim. This Agreement will be binding upon any heirs or legal representatives of any account owner.

## **UNLAWFUL INTERNET GAMBLING AND OTHER ILLEGAL ACTIVITIES**

You agree that you are not engaged in unlawful internet gambling or any other illegal activity. You agree that you will not use any of your accounts, access devices or services for unlawful internet gambling or other illegal activities. We may terminate your account relationship if you engage in unlawful internet gambling or other illegal activities.

## **SEVERABILITY, ENFORCEMENT, WAIVERS, & LEGAL ACTIONS**

If a court holds any portion of this Agreement to be invalid or unenforceable, the remainder of this Agreement shall not be invalid or unenforceable and will continue in full force and effect. All headings are intended for reference only and are not to be construed as part of the Agreement.

You are liable to us for any losses, costs, or expenses we incur resulting from your failure to follow this Agreement. You authorize us to deduct any such losses, costs, or expenses from your account without prior notice to you. If we bring a legal action to collect any amount due under or to enforce this Agreement, we shall be entitled, subject to applicable law, to payment of reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post judgment collection actions.

You and the Credit Union knowingly and conclusively waive all rights to trial by jury in any dispute or proceeding relating in any way to this Agreement, including all claims arising out of any lending relationship or share or deposit account that may be affected by this Agreement. You and the Credit Union knowingly and conclusively waive all rights to participate, either as a representative or member of a class, in any dispute or matter instituted as a purported class action. You and the Credit Union knowingly and conclusively waive the right to join or consolidate disputes by or against others as a representative or member of a class, to act in any legal matter in the interests of the general public, or to act as a private attorney general.

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

This Agreement is governed by the following, as amended from time to time: the Credit Union's bylaws; local clearinghouse and other payment system rules; federal laws and regulations, including applicable principles of contract law; and the laws and regulations of the state of Texas. As permitted by applicable law, you agree that any legal action regarding this Agreement shall be brought in the county in which the Credit Union is located.

### **NEGATIVE INFORMATION NOTICE**

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

### **MONITORING AND RECORDING COMMUNICATIONS**

We may monitor and record communications between you and us, including telephone conversations, electronic messages, electronic records, or other data transmissions that affect your accounts or other products and services. Except as otherwise prohibited by applicable law, you agree we may monitor and record such communications without your approval or further notice to you.

### **CONSENT TO CONTACT**

By signing or otherwise authenticating an Account Card, you agree we and/or our third-party providers, including debt collectors, may contact you by telephone or text message at any telephone number associated with your account, including wireless telephone numbers (i.e. cell phone numbers) which could result in charges to you, in order to service your account or collect any amounts owed to us, excluding any contacts for advertising and telemarketing purposes as prescribed by law. You further agree methods of contact may include use of pre-recorded or artificial voice messages, and/or use of an automatic dialing device. You may withdraw the consent to be contacted on your wireless telephone number(s) at any time by providing written notice to us at 3215 W Loop 306, San Angelo, TX 76904, via phone at 325-944-4551 or by any other reasonable means. If you have provided a wireless telephone number(s) on or in connection with any account, you represent and agree you are the wireless subscriber or customary user with respect to the wireless telephone number(s) provided and have the authority to give this consent. Furthermore, you agree to notify us of any change to the wireless telephone number(s) which you have provided to us. In order to help mitigate harm to you and your account, we may contact you on any telephone number associated with your account, including a wireless telephone number (i.e. cell phone number), to deliver to you any messages related to suspected or actual fraudulent activity on your account, data security breaches or identity theft following a data breach, money transfers or any other exigent messages permitted by applicable law. These contacts will not contain any telemarketing, cross-marketing, solicitation, advertising, or debt collection message of any kind. The contacts will be concise and limited in frequency as required by law. You will have an opportunity to opt out of such communications at the time of delivery.

### **DEPOSIT ACCOUNT TERMS & CONDITIONS**

**Deposits:** Any items, other than cash, accepted for deposit (including items drawn "on us") will be given provisional credit only until collection is final (and actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars). We are not responsible for transactions initiated by mail or outside depository until we record them. All transactions received after our "daily cutoff time" on a business day we are open or received on a day which we are not opened for business, will be treated and recorded as if initiated on the next following business day that we are open. If this account earns dividends, law from guaranteeing profits prohibits us from paying dividends or that dividends we do pay will be at the contracted rate. We must base our dividend payments to you upon the money we earn and that is available for distribution at the end of a dividend period. Unless otherwise agreed, you waive any right to receive any original item after it is paid.

**Withdrawals:** Unless clearly indicated to the contrary, any one of you who signs in the space designated for signatures on the signature card, including anyone signing in a representative capacity, may withdraw or transfer any or all of the account balance(s) at any time on forms approved by us. Each of you (until we receive written notice to the contrary) authorizes each other person signing on the signature card to endorse any item payable to you or your order for deposit to this account or any other transaction with us. The fact that we may honor withdrawal requests which overdraw the finally collected account balance does not obligate us to do so, unless required by law. Withdrawals will first be made from collected funds, and we may, unless prohibited by law or our written policy, refuse any withdrawal or transfer request which any method not specifically permitted attempts, which is for an amount less than any minimum withdrawal requirement, or which exceeds any frequency limitation. Even if we honor any nonconforming request, repeated abuse of the stated limitations (if any) may eventually force us to close this account. We will use the date a transaction is closed by us (as opposed to the day you initiate it) to apply the frequency limitations. We reserve the right to require you to notify

us of your intention to withdraw shares or deposits from this account as explained in our bylaws. Withdrawals from a time deposit before the maturity date may be restricted and/or may be subject to an early-withdrawal penalty. See your notice of penalties for early withdrawal.

## **PROTECTING CHILDREN'S ONLINE PRIVACY**

Protecting children's privacy is very important to Concho Educators Federal Credit Union. We do not knowingly collect, nor is our online banking site designed or directed to use personal information from children under the age of 13 without containing verifiable consent from their parents. To the extent of children using our website, the assistance of a parent or guardian is strongly recommended. Should a child whom we know to be under the age of 13 send personal information to us, we will only use that information to respond directly to that child, seek parental consent, or provide parental notice.

## **DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES**

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

- As necessary to complete transfers
- To verify the existence of sufficient funds to cover specific transactions upon the request of a third party, such as a credit bureau or merchant
- If your account is eligible for emergency cash and/or emergency card replacement services and you request such services, you agree that we may provide personal information about you and your account that is necessary to provide you with the requested service(s)
- To comply with government agency or court orders, or
- If you give us your written permission

## **HOW WE PROTECT YOUR PRIVACY**

Concho Educators FCU, your member-owned financial institution, is committed to providing financial products and services to meet your needs and help you reach your financial goals. We are equally committed to protecting the privacy of our members. You may be assured that your financial privacy is a high priority of this credit union.

We are required by law to provide you with this privacy notice to explain how we collect, use, and safeguard your personal financial information. If you have questions, please contact a CEFCU Member Services Representative at (325) 944-4551.

**Information We Collect and Disclose About You:** We collect non-public, personal information about you from the following sources:

- information we receive from you on applications and other forms
- information about your transactions with us or others
- information we receive from a consumer reporting agency; and/or
- information obtained when verifying information, you provide on an application or other forms.

This may be obtained from your current or past employers, or from other institutions where you conduct financial transactions. We may disclose all the information we collect, as described above, to companies which perform marketing services on our behalf or to other financial institutions with whom we have joint-marketing agreements. To protect our members' privacy, we work only with companies that agree to maintain strong confidentiality protections and limit the use of information we provide. We do not permit these companies to sell the member information we provide to other third parties.

In order to conduct the business of the credit union, we may also disclose non-public, personal information about you under other circumstances, but only as permitted or required by law. These disclosures typically include information needed to process transactions on your behalf, conduct the operations of our credit union, follow your instructions as you authorize, or protect the security of our financial records.

If you terminate your membership with Concho Educators FCU, we will not share information we have collected about you, except as permitted or required by law.

**How We Protect Your Information:** We restrict access to non-public, personal information about you to those employees who have a specific business purpose in utilizing your data. All of our employees are trained in the importance of maintaining security, confidentiality, and member-privacy. We maintain physical, electronic, and procedural safeguards which comply with federal regulations and leading industry practices to safeguard your non-public, personal information.

**What You Can Do to Help Protect Your Privacy:** Members can help by following these simple guidelines:

- Protect your account numbers, card numbers, PINs (Personal Identification Numbers), and passwords. Never keep your PIN with your debit or credit card since it can provide unauthorized access to your accounts if your card is lost or stolen.

- Use caution when disclosing your account numbers, social security numbers, etc. to other people or persons. If someone calls you, explains the call as being on behalf of the credit union, and asks for your account number, you should beware because official credit union staff will have access to your information and will have no need to ask for it.
- Keep your information with us current. It is important that we have the current most information on how to reach you. If we detect potentially fraudulent or unauthorized activity or use of your account(s), we will attempt to contact you immediately.

If your address or phone number changes, **please let us know immediately.**

**Concho Educators Federal Credit Union**  
**Accounting Department**  
**3215 W. Loop 306**  
**San Angelo, Texas 76904**  
**(325) 944-4551**

Business days are Monday through Friday, federal holidays exempted. *More detailed information is available upon request.*

**Concho Educators Federal Credit Union Contact Information:**

**MAIL:**

**Concho Educators FCU**  
**PO Box 60976**  
**San Angelo, TX 76906-0976**

**Email:** [Administration@cefcu.us](mailto:Administration@cefcu.us)

**CORPORATE (LOOP) OFFICE:**

Concho Educators FCU  
 3215 W. Loop 306  
 San Angelo, Texas 76904  
 (325) 944-4551

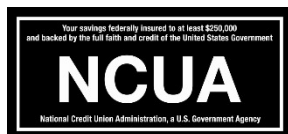
**BEAUREGARD OFFICE:**

Concho Educators FCU  
 1967 W. Beauregard Ave.  
 San Angelo, Texas 76901  
 (325) 944-4552

**NORTHOFFICE:**

Concho Educators FCU  
 2239 N. Bryant Blvd.  
 San Angelo, Texas 76903  
 (325) 653-1305

[www.ConchoEducators.org](http://www.ConchoEducators.org)



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