

PECU CheckCard and ATM Card Agreement

Having accepted, validated or used the PECU CheckCard or ATM Card, you understand and agree as follows:

Any PECU CheckCard or ATM Card issued to you remains the property of Public Employees Credit Union (PECU) and you agree to surrender the card upon request immediately to PECU. Your Personal Identification Number (PIN) is to be held in the strictest confidence. If you authorize or allow any other person to use your PIN and PECU CheckCard or ATM Card, you will be responsible for any transactions that ensue as a result of this action. You will be responsible for reporting the loss, theft or unauthorized use of your PECU CheckCard or ATM Card as soon as possible after the loss, theft or unauthorized use occurs.

If funds are not sufficient to pay all withdrawals presented for payment, PECU may choose to pay all PECU CheckCard or ATM Card withdrawals first and dishonor any checks and other withdrawal orders for which funds are not available. Any applicable fees for non-sufficient funds will be charged to the account that you have withdrawn from. You agree to immediately reimburse Public Employees Credit Union for any PECU CheckCard or ATM Card withdrawal honored but unable to pay from your account or using the overdraft transfer source (refer to the Public Employees Credit Union Membership and Account Agreement for details on overdraft protection). If you have an Overdraft Protection Agreement with us, you agree that your use of the PECU CheckCard or ATM Card and PIN shall be subject to that agreement. Current overdraft, non-sufficient funds, and other fees listed in the Public Employees Credit Union Service and Fee Schedule apply to the use of your PECU CheckCard or ATM Card.

You agree that we may cancel this agreement at any time, subject to such notification as may be required by law. You agree that we may amend this agreement and the Electronic Fund Transfers Disclosures from time to time, subject to such notification as may be required by law.

Internet Gambling Advisory: Internet gambling may be illegal in the jurisdiction in which you are located, including locations within the United States. PECU CheckCards may only be used for legal transactions. Display of a payment card logo by an online merchant does not mean that Internet gambling transactions are lawful in all jurisdictions in which the cardholder may be located.

A request by you for a copy of any supporting documents (cash advance, sales or credit slips) for a PECU CheckCard transaction may involve a minimal charge made by PECU for photocopies (refer to the current PECU Service and Fee Schedule).

You agree that use of the PECU CheckCard and ATM Card shall be governed by the terms of your Membership and Account Agreement with us, as well as the terms and conditions set forth in this agreement and in the Electronic Fund Transfers Disclosure.

ELECTRONIC FUND TRANSFER DISCLOSURE STATEMENT: REGULATION E

This Electronic Funds Transfer Agreement is the contract which covers your and our rights and

responsibilities concerning the electronic funds transfer (EFT) services offered to you by Public Employees Credit Union (PECU). In this agreement, the words “you” and “yours” mean those who sign the application or signature card as applicants, joint owners, or authorized users. The word “we”, “us”, and “our” mean PECU. The word “account” means any one or more savings and checking accounts you have with PECU. Electronic funds transfers are electronically initiated transfers of money from your account through the electronic funds transfer services described below. By signing an application or signature card for EFT services, signing your ATM or CheckCard, or using any EFT service, each of you, jointly and severally, agree to the terms and conditions in this agreement and any amendments for the EFT services offered.

1. EFT Services. If approved, you may conduct any one or more of the EFT services offered by PECU.

a. PECU ATM Card. If approved, you may use your card and Personal Identification Number (PIN) at an ATM belonging to PECU and such other machines or facilities as PECU may designate. At the present time, you may use your card to:

- Withdraw cash from your savings and checking accounts up to a maximum of \$400.00 a day.
- Transfer available funds between your savings and checking accounts.
- Obtain balance information for your savings and checking accounts.
- Make Point-of-Sale (POS) transactions from your checking account with your card and Personal Identification Number (PIN) to purchase goods and services at POS terminals up to a maximum of \$1,500.00 a day.

b. PECU CheckCard You may use your card to purchase goods and services from participating merchants. You agree that you will not use your card for any transaction that is illegal under applicable federal, state, or local law. Funds to cover your card purchases will be deducted from your checking account. If you initiate a transaction that overdraws your account, you agree to make immediate payment of any overdrafts together with any service charges to PECU. In the event of repeated overdrafts, PECU may terminate all services under this agreement. You may use your card and Personal Identification Number (PIN) at an ATM belonging to PECU and such other machines or facilities as PECU may designate. At the present time, you may also use your card to:

- Withdraw cash from your savings and checking accounts up to a maximum of \$400.00 a day.
- Transfer available funds between your savings and checking accounts.
- Obtain balance information for your savings and checking accounts.
- Make Point-of-Sale (POS) transactions from your checking account with your card to purchase goods or services at merchants that accept MasterCard up to a maximum of \$1,500.00 a day.
- Order goods or services by mail, telephone, or electronic/PC transactions from places that accept MasterCard up to a maximum of \$1,500.00 a day.

c. PhoneStep (Audio Response). You may access your account at (512) 479-6482 or (800) 346-6482 using a touch-tone phone and your personally selected access code and your account number(s) to:

- Withdraw funds from your savings and checking accounts.
- Transfer funds between any two checking or savings accounts, including cross-member account transfers you’ve authorized.
- Make loan payments from checking or savings account(s) to loan accounts with us.

- Determine if a particular item has cleared.
- Obtain information on your balance(s) in, deposits to, withdrawals from and dividends paid to your checking or savings account(s).
- Obtain information on your loan balance(s), payment amounts to principal and interest.
- See Section 2 for transfer limitations that may apply to these transactions.

Your accounts can be accessed under the PhoneStep audio response system via a touch-tone telephone. PhoneStep is available for your convenience twenty-four hours a day. This service may be interrupted for maintenance.

PECU reserves the right to refuse any transaction, which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. All check withdrawals requested are payable to you as a primary member and will be mailed to your address of record. PECU may set other limits on the amount of any transaction, and you will be notified of those limits. PECU may refuse to honor any transaction for which you do not have sufficient available verified funds. The service will discontinue if no transaction is entered after numerous unsuccessful attempts to enter a transaction, and there may be limits on the duration of each telephone call.

d. Preauthorized EFTs

- **Direct Deposit.** Upon instruction of (i) your employer or (ii) the Treasury Department or (iii) other financial institutions, PECU will accept direct deposits of your paycheck or of federal recurring payments, such as Social Security, to your checking or savings account.
- **Preauthorized Debits.** Upon instruction, we will pay certain recurring transactions from your checking or savings account.
- See Section 2 for transfer limitations that may apply to these transactions.
- **Stop Payment Rights.** If you have arranged in advance to make regular electronic funds transfers out of your account(s) for money you owe others, you may stop payments of preauthorized transfers from your account. You must notify us orally or in writing at any time up to three (3) business days before the scheduled date of the transfer. We may require written confirmation of the stop payment order to be made within fourteen (14) days of any oral notification. If we do not receive the written confirmation, the oral stop payment order shall cease to be binding fourteen (14) days after it has been made.
- **Notice of Varying Amounts.** If these regular payments may vary in amount, the person you are going to pay is required to 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 Transfers.** If you order us to stop payment of a preauthorized transfer three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

e. Electronic Check Conversion/Electronic Return Check Fees If you pay for something with a check, you may authorize your check to be converted to an electronic funds transfer. You may also authorize merchants to electronically debit your account for returned check fees. You are considered to have authorized these electronic funds transfers if you complete the transaction

after being told (orally or by a notice posted or sent to you) that the transfer may be processed electronically or if you sign a written authorization.

f. PECU MemberConnect You may access your account through the Internet by logging on to www.pecutx.org using a personal computer, clicking on MemberConnect, entering your account number(s) and your PhoneStep (Audio Response) access code to:

- Withdraw funds from your savings and checking accounts.
- Transfer funds from your savings, checking, between any two accounts and cross-member transfer accounts.
- Make loan payments from checking or savings account(s) to loan accounts with us. See section 1 c for alternate verbiage.
- Determine if a particular item has cleared.
- View and print your balance(s) in, deposits to, withdrawals from and dividends paid to your checking or savings account(s).
- View and print your loan balance(s), payment amounts to principal and interest.
- View images of processed checks that have posted to your account.
- See section 2 for transfer limitations that may apply to these transactions.

Your accounts can be accessed under MemberConnect via the Internet. MemberConnect is available for your convenience twenty-four hours a day. This service may be interrupted for maintenance.

2. Transfer Limitations During any statement period, you may not make more than six withdrawals from or transfers to another credit union account of yours or to a third party by means of a pre-authorized or automatic transfer or telephonic order or instruction. No more than three of the six transfers may be made by check or similar order to a third party. If you exceed these limitations the transaction will not be completed and may be subject to a fee and/or closure by the credit union.

3. Conditions of EFT Services

a. Ownership of Cards Any card or other device, which we supply to you, is our property and must be returned to us, or to any person whom we authorize to act as our agent, or to any person who is authorized to honor the card, immediately according to instructions. The card may be repossessed at any time at our sole discretion without demand or notice. You cannot transfer your card or account to another person.

b. Honoring the Card Neither we nor merchants authorized to honor the card will be responsible for the failure or refusal to honor the card or any other device we supply to you. If a merchant agrees to give you a refund or adjustment, you agree to accept a credit to your account in lieu of a cash refund.

c. Foreign Transactions PECU CheckCard purchases and cash withdrawals made in foreign countries and foreign currencies will be debited from your account in U.S. dollars. The conversion rate to dollars will be determined in accordance with the operating regulations established by MasterCard International. Currently the currency conversion rate used to determine the transaction amount in U.S. dollars is generally either a government-mandated rate

or the wholesale rate in effect the day before the transaction processing date, increased by one percentage point. The currency conversion rate used on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date. Please reference Fee Schedule for any fees associated with foreign transactions.

d. Security of PIN The Personal Identification Number (PIN) issued to you or chosen by you is for security purposes. Any PIN issued to you is confidential and should not be disclosed to third parties or recorded on or with the card. You are responsible for safekeeping your PIN. You agree not to disclose or otherwise make your PIN available to anyone not authorized to sign on your account. If you authorize anyone to use your PIN, that authority shall continue until you specifically revoke such authority by notifying PECU. You understand that any joint owner or anyone you authorize to use a PIN may withdraw or transfer funds from any of your accounts. If you fail to maintain the security of your PIN and PECU suffers a loss, we may terminate your EFT services immediately and you will be required to reimburse PECU for any loss suffered as a result of your failure to maintain PIN security.

e. Joint Accounts If any of your accounts accessed under this agreement are joint accounts, all joint owners, including any authorized users, shall be bound by this agreement and, alone and together, shall be responsible for all EFT transactions to or from any savings and checking or loan accounts as provided in this agreement. Each account owner, without the consent of any other account owner, may, and hereby is authorized by every other account owner to make any transaction permitted under this agreement. Each account owner is authorized to act for the other account owners, and PECU may accept orders and instructions regarding any EFT transaction on any account from any account owner.

4. Fees and Charges There are certain fees and charges for electronic funds transfer services. From time to time, the charges may be changed. We will notify you as required by applicable law.

If you use an ATM not operated by us, you may be charged a fee by the ATM operator and by any national, regional, or local network used in processing the transaction (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer). The ATM surcharge will be debited from your account if you elect to complete the transaction or continue with the balance inquiry. Please refer to the Fee Schedule for a complete listing of fees.

5. Member Liability You are responsible for all EFT transactions you authorize. If you permit someone else to use an EFT service, your card or your PIN, you are responsible for any transactions they authorize or conduct on any of your accounts. Tell us AT ONCE if you believe your card has been lost or stolen or if you believe someone has used your card or access code or otherwise accessed your accounts without your authority. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum available balance in the savings (share) or other accounts designated by you for overdraft protection).

a. For EFT transactions, including ATM transactions or if you were grossly negligent in the handling of your account or card, your liability for an unauthorized transaction is determined as follows:

If you tell us within two (2) business days you could be liable for no more than \$50.00 if someone used your card without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your card, and we can prove we could have stopped someone from using your card without your permission if you had told us you could be liable for as much as \$500.00.

b. If your statement shows transfers that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money lost after the sixty (60) days if we can prove that we could have stopped someone from making the transfers if you had told us in time. If a good reason (such as a hospital stay) kept you from telling us, we will extend the time periods. If you believe your ATM card or MasterCard check card has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call: (512) 474-1955 or (800) 772-1955 or write to: Public Employees Credit Union, ATTN: Financial Services Department, P.O. Box 2205, Austin, TX 78768-2205. You may cancel your ATM card or CheckCard at anytime by calling (512) 479-6482 or (800) 346-6482, option 3.

c. If you have an unauthorized transaction involving your PECU MasterCard check card, you will have zero liability if the following conditions are met: You must have exercised reasonable care in safeguarding your card from the risk of loss or theft, you must not have reported two or more incidents of unauthorized use within the preceding twelve (12) months, your account must be in good standing, and the transaction must have been signature-based. (PIN-based transactions do not qualify for zero-liability.)

6. Right to Receive Documentation

a. Periodic Statements Transfers and withdrawals made through any ATM or POS terminal, PECU CheckCard transactions, audio response transactions or preauthorized EFTs will be recorded on your periodic statement. Checking accounts will receive a monthly statement. Savings accounts will receive a monthly statement providing there has been an EFT transaction, otherwise you will receive a quarterly statement.

b. Terminal Receipt You can get a receipt at the time you make any transaction involving your account using an ATM, POS terminal, or PECU CheckCard transaction with a participating merchant.

c. Direct Deposit If you have arranged to have a direct deposit made to your account at least once every sixty (60) days from the same source and you do not receive a receipt (such as a pay stub), you can find out whether or not the deposit has been made by logging onto MemberConnect or calling PhoneStep. If you do not have access to a computer or a touch tone telephone you may call (512) 474-1955 or (800) 772-1955. This does not apply to transactions occurring outside the United States.

7. Account Information Disclosure 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 transaction upon the request of a third party, such as a credit bureau or merchant
- To comply with government agency or court orders; or
- If you give us your written permission.

8. Business Days Our business days are Monday through Friday, excluding holidays.

9. PECU Liability

PECU Liability for Failure to Make Transfers: If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we may be liable for your losses or damages. However, we will not be liable for direct or consequential damages in the following events:

- If, through no fault of ours, there is not enough money in your accounts to complete the transaction.
- If any funds in your accounts necessary to complete the transaction are held as uncollected funds pursuant to our Funds Availability Policy.
- If the transfer would exceed the available balance in the Membership Savings (share) or other account designated by you for overdraft protection.
- If you used your card or access code in an incorrect manner.
- If the ATM where you are making the transfer does not have enough cash.
- If the ATM was not working properly and you knew about the problem when you started the transaction.
- If the money in your account is subject to legal process or other claim.
- If funds in your account are pledged as collateral or frozen because of a delinquent loan.
- If the error was caused by a system of any participating ATM network.
- If the electronic transfer is not completed as a result of your willful or negligent use of your card, access code, or any EFT facility for making such transfers.
- If the telephone or computer equipment you use to conduct audio response or electronic/PC transactions is not working properly and you know or should have known about the breakdown when you started the transaction.
- If the transaction exceeds the transfer limitations set forth in section 2.
- Any other exceptions as established by PECU.

10. Notices All notices from us will be effective when we have mailed them or delivered them to your last known address in PECU's records. Notices from you will be effective when received by PECU at the address specified in this agreement. We reserve the right to change the terms and conditions upon which this service is offered. We will mail notice to you at least twenty-one (21) days before the effective date of any change. Use of these services is subject to existing regulations governing PECU account and any future changes to those regulations.

The following information is a list of safety precautions regarding the use of Automated Teller Machines (ATM) and night deposit facilities.

- Be aware of your surroundings, particularly at night.
- Consider having someone accompany you when the ATM or night deposit facility is used after dark.
- If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction.
- Refrain from displaying your cash at the ATM or night deposit facility. As soon as your transaction is completed, place your money in your purse or wallet. Count the cash later in the safety of your car or home.
- If you notice anything suspicious at the ATM or night deposit facility, consider using another ATM or night deposit facility or coming back later.
- If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, take your card and leave.
- If you are followed after making a transaction, go to the nearest public area where people are located.
- Do not write your personal identification number or PIN on your ATM card or PECU CheckCard.
- Report all crimes to law enforcement officials immediately

11. Billing Errors In case of errors or questions about electronic funds transfers from your savings and checking accounts, telephone us at the following number or send us a written notice to the following address as soon as you can. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem appears. Call us at: (512) 474-1955 or (800) 772-1955 or write to: Public Employees Credit Union, ATTN: Financial Services Department, P.O. Box 2205, Austin, TX 78768-2205

- Tell us your name and account number.
- Describe the error or the electronic transfer you are unsure about, and explain as clearly as you can why you believe PECU has made an error or why you need more information.
- 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 tell you the results of our investigation within ten (10)* business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45)** days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10)* business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account.

We will tell you the results within three (3) business days of completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

NOTE: If the error you assert is an unauthorized PECU CheckCard transaction, other than a cash disbursement at an ATM, we will credit your account within five (5) business days unless we

determine that the circumstances or your account history warrant a delay, in which case you will receive credit within ten (10)* business days.

*If you give notice of error within thirty (30) days after you make the first deposit to your account, we will have twenty (20) business days instead of ten (10) business days to credit your account.

**If you give notice of an error within thirty (30) days after you make the first deposit to your account, notice of an error involving a point of sale transaction, or notice of an error involving a transaction initiated outside the U.S. it's possessions and territories, we will have ninety (90) days instead of forty-five (45) days to investigate.

12. Termination of EFT Services You may terminate this agreement of any EFT service under this agreement at any time by notifying us in writing and stopping your use of your card and PIN. You must return all cards to PECU. You also agree to notify any participating merchants that authority to make bill payment transfers has been revoked. We may also terminate this agreement at any time by notifying you orally or in writing. If we terminate this agreement, we may notify any participating merchants making preauthorized debits or credits to any of your accounts that this agreement has been terminated and that we will not accept any further preauthorized transaction instructions. We may also program our computer not to accept your card or PIN for any EFT service. Whether you or PECU terminates this agreement, the termination shall not affect your obligations under this agreement for any EFTs made prior to termination.

13. Governing Law This agreement is governed by the Bylaws of PECU, federal laws and regulations, the laws and regulations of the State of Texas and local clearinghouse rules, as amended from time to time. Any disputes regarding this agreement shall be subject to the jurisdiction of the court of the county in which PECU is located.

14. Enforcement You are liable to us for any loss, cost or expenses we incur resulting from your failure to follow this agreement. You authorize us to deduct any such loss, 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.