



Welcome to First Basin Credit Union! We want to thank you for opening an account with us. We hope all your questions were answered when you opened your account and provide this booklet for your information. Please read this agreement carefully so you understand your rights and obligations regarding your accounts with us. Keep it in a convenient place for future reference.

MEMBERSHIP AND ACCOUNT AGREEMENT

This Agreement covers your and our rights and responsibilities concerning Accounts the Credit Union offers. In this Agreement, the words “you” and “your” mean anyone who signs an Account Card or Account Change Card (Account Card). The words “Credit Union”, “we,” “us,” and “our” mean First Basin Credit Union. The word “account” means any one or more share or other accounts you have with the Credit Union.

To join the Credit Union you must meet the membership requirements as set forth in the Credit Union’s Bylaws or established from time to time by the Credit Union’s Board of Directors. 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 and services you request.

The USA PATRIOT Act requires First Basin to identify potential members before opening an account. We are unable to open accounts for individuals who cannot or will not provide the required information and documentation, which may include a valid Social Security Number. The following are some examples of identification accepted by First Basin Credit Union: US driver’s license; state issued identification card; passport with photo and in English; US Military or Civil Service ID card, active or retired; Texas concealed handgun license; passport card; resident alien or permanent resident card (green card).

1. Account Ownership. Your account type(s) and ownership features are designated on your Account Card. By signing an Account Card, each of you, jointly and severally, agrees to the terms and conditions in this Agreement, the Account Card, the Funds Availability Policy Disclosure, Truth-in-Savings Rate and Fee Schedule (Rate and Fee Schedule), and any Account Receipt accompanying this Agreement, and the Credit Union’s Bylaws and policies, and any amendments to these documents from time to time which collectively govern your Membership and Accounts.

2. Single Party Accounts. A single party account is an account owned by one member (individual person, corporation, partnership, trust or other organization) qualified for credit union membership. If the account owner dies, the interest passes, subject to applicable law, to the decedent’s estate or Payable on Death (POD) beneficiary/ payee or trust beneficiary, subject to other provisions of this Agreement governing our protection for honoring transfer and withdrawal requests of an owner or owner’s agent prior to notice of an owner’s death.

3. Multiple Party Accounts. If an account is opened by two or more parties, the account will be a multiple party account with each party owning the account in equal undivided interest. We may require a new application whenever the ownership of an account changes.

a. With Rights of Survivorship. For a multiple party account with rights of survivorship, when one owner dies, all sums in the account on the date of death vest in and belong to all surviving owners as his/her separate property and estate. The deceased owner’s estate or heirs has no claim to the funds. Upon proof of the deceased owner’s death (i.e. Death Certificate) the account may be restyled in the name of the surviving owner(s), if necessary to satisfy IRA reporting requirements.

b. Control of 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 of any other owner(s). Any owner may withdraw all funds, stop payment on items, transfer, or pledge to us all or any part of the shares 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, an owner, by written notice to us, may change any owner designated on the account or remove any such 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.

c. Multiple Party Account Owner Liability. If a deposited item in a multiple party account is returned unpaid, an account is overdrawn, or if we do not receive final payment on a transaction, the owners, jointly and severally, are liable to us for the amount of the returned item, overdraft, or unpaid amount and any 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 an owner or all funds in the multiple party account, regardless of who contributed them.

d. Non-person accounts. These may be religious, charitable, an unincorporated association or organization, social clubs or informal associations. Documents must exist giving the potential member the authority to conduct banking business for the association. The club or association owns the funds in the account.

4. Payable on Death (POD) Accounts. A Payable on Death (POD) account or trust account designation is an instruction to the Credit Union that a single or multiple party account so designated is payable to the owner(s) during his, her or their lifetimes and, when the last account owner dies, payable to any named and surviving POD or trust beneficiary/payee. Accounts payable to more than one surviving beneficiary/payee are owned jointly by such beneficiaries/payees without rights of survivorship. Any POD or trust beneficiary/payee designation shall not apply to Individual Retirement Accounts (IRAs) because they are governed by a separate beneficiary/payee designation. We are not obligated to notify any beneficiary/payee of the existence of any account or the vesting of the beneficiary/payee's interest in any account, except as otherwise provided by law. You understand and agree that a POD designation shall be effective only with respect to a single-party or multiple-party account. A beneficiary's interest is subject to the credit union's statutory lien for the deceased owner's obligations, and to any security interest or pledge granted by the deceased owner, even if beneficiary did not give their consent.

5. Accounts for Minors. We may require any account established by a minor to be a multiple party account with an owner who has reached the age of majority under state law and who shall be liable to us for any returned item, overdraft, or unpaid charges or amounts on such account. We may pay funds directly to the minor without regard to his or her minority and you acknowledge and agree that we are discharged from liability to the extent of any such payment or delivery. Unless a guardian or parent is an account owner, the guardian or parent shall not have any account access rights. We have no duty to inquire about the use or purpose of any transaction. We reserve the right to change the account status when the minor reaches the age of majority.

6. Texas Uniform Transfers to Minors Account. A Texas Uniform Transfers to Minors Account (TUTMA) is an individual account created by a custodian who deposits funds as an irrevocable gift to a minor. The minor to whom the gift is made is the beneficiary of the custodial property in the account. The custodian has possession and control of the account for the exclusive right and benefit of the minor, and barring a court order otherwise, is the only party entitled to make deposits, withdrawals, or close the account. We have no duty to (i) inquire about the use or purpose of any deposit or withdrawal, (ii) determine if an act of the custodian is in accordance with or authorized by the Texas Uniform Transfers to Minors Act, or (iii) determine if the person designated or acting as custodian has been duly designated. In the event of the minor's death, the funds are paid to his/her estate and the authority of the custodian ceases. If the custodian dies, we may suspend the account until we receive instructions from any person authorized by law to withdraw funds, or a court order authorizing withdrawal, or notification of a successor custodian with proper court documentation.

7. Convenience Signer. A convenience signer is an instruction to us that the owner authorizes another person (Convenience signer) to make transactions as agent for the account owner regarding the accounts designated. A Convenience signer has no ownership interest in the account(s) or Credit Union voting rights, nor is the convenience signer extended the services of the account owner. On the death of the last surviving account owner, a convenience signer shall have no right of survivorship in the account and ownership of the account remains in the estate of the last surviving owner. We have no duty to inquire about the use or purpose of any transaction made by the Convenience signer. First Basin Credit Union is completely released from liability for a payment made from the account to a convenience signer before it receives notice in writing signed by an account owner not to make payment in accordance with the terms of the Account.

8. Representative Payee Accounts. A representative payee is an individual or organization that receives Social Security and/or Supplemental Security Income (SSI) payments for a beneficiary who cannot manage or direct the management of his or her money. Representative payees should use the funds for the current and foreseeable needs of the beneficiary and save any remaining funds for the beneficiary's future use. At our option, these accounts will

only be opened with proper documentation from the paying agency. The representative payee agrees that he/she will be responsible for compliance with the Rules of the Social Security Administration or Veterans Administration governing such accounts. The representative payee also agrees that, if any deposit to an account is subsequently reversed, whether by the SSA or VA, or otherwise, we may transfer funds in other accounts held by the beneficiary or the Representative Payee in order to cure any overdraft that may occur as a result of such reversal.

9. Trust Accounts. A revocable or irrevocable trust account is a savings account established under a trust agreement whereby a trustee administers the funds for the benefit of one or more beneficiaries. You agree that we shall have no fiduciary responsibility or obligation in connection with any such account beyond our obligations set forth in this agreement, and that we shall serve solely as a depository for the trust funds. You and any trustee agree to save, indemnify, defend, and hold us harmless from any claim, demand, suit, or other charge by any person arising out of or resulting from the establishment, maintenance, and transaction of any business related to the trust and any account established for the trust. We reserve the right to refuse to open or maintain a Trust Account for any member or potential member, as we are not qualified to give legal advice or counsel. (Refer to Item 29 – Special Account Instructions.)

10. 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 on the Rate and Fee Schedule. Unless otherwise agreed in writing, we may, without inquiry, accept a deposit to your account at any time, from any person or entity, made in any manner. We may or may not question the authority of the person making the deposit, but are not required to do so. We may refuse to accept for deposit, to your account, any item(s) made payable to someone not named as an owner of the account.

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 as set forth on the back of the check or draft, we may require endorsement as set forth on the item. Endorsements must be made on the back of the share draft or check within 1-1/2 inches from 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.

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. Deposits made by mail or at unstaffed facilities are not our responsibility until we receive them. If you place deposits in the night depository, we may treat them as received when we remove the deposits from our depositories. We are not liable for the negligence of any correspondent or for loss in transit, and 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.

c. Final Payment. All items or Automated Clearing House (ACH) transfers credited to your account are provisional until we receive final payment. If final payment is not received, we may charge your account for the amount of such items or ACH transfers and impose a return item charge 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 funds transfer.

d. Direct Deposits. We may offer preauthorized deposits (e.g., payroll checks, Social Security, retirement checks, or other government checks) or preauthorized transfers from other accounts. You must authorize, with your signature, each direct deposit or preauthorized transfer by filling out a separate form. You must notify us at least thirty (30) days in advance to cancel or change a direct deposit or transfer option. Upon a bankruptcy filing, unless you cancel an authorization we will continue making direct deposits in accordance with your authorization on file with us. 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.

e. Crediting of Deposits. Deposits made after the deposit cutoff time and deposits made on either holidays or days that are not our business days will be credited to your account on the next business day. Our business days are Monday through Friday, excluding federal holidays.

11. Account Access.

a. Authorized Signature. Your signature on the Account Card 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 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 number even if you do not authorize a particular transaction. You acknowledge that you may not stipulate that withdrawals and other actions be performed and signed by two or more signers.

b. Access Options. You may withdraw or transfer funds from your account(s) in any manner we permit (e.g., check, draft, debit card, automated teller machine, in person, by mail, automatic transfer, or telephone, as applicable). We may return as unpaid any draft drawn on a form we do not provide, and you are responsible for any loss we incur handling such a draft. We have the right to review and approve any form or power of attorney and may restrict account withdrawals or transfers. We are under no obligation to honor any power of attorney.

c. ACH & Wire Transfers. If we provide the service, you may initiate or receive credits or debits to your account through wire or ACH transfer. You agree that if you receive funds by a wire or ACH transfer, we are not required to notify you at the time the funds are received. Instead, the transfer will be shown on your periodic statement. We may provisionally credit your account for an ACH transfer before we receive final settlement. We may reverse the provisional credit or you will refund us the amount if we do not receive final settlement. When you initiate a wire transfer, you may identify either the recipient or any financial institution by name and by account or identifying number. The Credit Union (and other institutions) may rely on the account or other identifying number as the proper identification even if it identifies a different party or institution.

d. Payments. We may accept on your behalf payments to your account which have been transmitted through one or more Automated Clearing Houses (ACH) and which are not subject to the Electronic Fund Transfer Act. Your rights and obligations, with respect to such payments, shall be construed in accordance with and governed by the laws of the State of Texas as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account.

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

12. Account Rates and Fees. You agree to pay for our services in accordance with the Rate and Fee Schedule. We may change the Rate and Fee Schedule at any time and will notify you as required by law.

In addition to savings, checking and share certificate of deposit accounts, we offer many other services, such as wire transfers, cashier's checks, and stop payment orders. You can get current information about these services and the applicable fees in the Rate and Fee Schedule, by calling the Information Center at (432) 333-5600, or logging in to our website at www.firstbasin.com. We may deduct fees, overdrafts and other amounts you owe us under this Agreement from your accounts with us, except that this provision does not apply to any consumer credit covered by the Federal Truth in Lending law. We may make these deductions at any time without prior notice to you or request from you. If there are not enough funds in your account to cover the amounts you owe us, we may overdraw your account, without being liable to you. You agree to pay immediately all fees, overdrafts and other amounts you owe us. We may use deposits to your account (including payroll and government deposits) to pay fees, overdrafts and other amounts you owe us.

13. Transaction Limitations.

a. Withdrawal Restrictions. We permit withdrawals only if your account has sufficient available funds to cover the full amount of the withdrawal or you have an established overdraft protection plan. Drafts or other transfer or payment orders which are drawn against insufficient funds may be subject to a service charge set forth in the Rate and Fee Schedule. If there are sufficient funds to cover some, but not all, of your withdrawal, we may allow those withdrawals for which there are sufficient funds in any order at our discretion. We may refuse to allow a withdrawal in some situations, and will advise you accordingly; for example: (1) 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; (5) you fail to repay a Credit Union loan on time. We may require you to give written notice of seven (7) days to sixty (60) days before any intended withdrawals.

b. Transfer Limitations. This Agreement and federal law impose limits on the number of certain types of withdrawals and transfers you can make each month from a savings account. Please note that these limits do NOT apply to deposits, and they do not apply to withdrawals and transfers you make in person, by mail, or at an ATM.

A preauthorized transfer includes any arrangement with us to pay a third party from your account upon oral or written orders including orders received through the automated clearing house (ACH) as well as overdraft protection transfers from a share account to a share draft or checking account. You may make unlimited transfers to any of your accounts or to any Credit Union loan account and may make withdrawals in person, by mail, or at an ATM. However, we may refuse or reverse a transfer that exceeds these limitations and may assess fees against, suspend or close your account.

14. Share Certificate Accounts. Any time deposit, term share, share certificate, or certificate account allowed by state law (Certificate Account), whichever we offer, is subject to the terms of this Agreement, the Rate and Fee Schedule, and Account Deposit Receipt for each account the terms of which are incorporated herein by reference. You agree to leave your funds in the account until the maturity date of the account. Although referred to as a "CD" or a "Share Certificate of Deposit", no certificate is issued. This agreement also applies to share certificates you open under your Individual Retirement Account (IRA) or Coverdell Education Savings account plan. A time deposit account is neither transferable nor negotiable.

a. Disbursing interest. You may choose to have the interest credited to your account, which will reinvest the interest into your account monthly and at maturity. Alternatively, you may have the interest disbursed into your savings, checking or any other account you have with First Basin, or have us mail you a check for the interest.

b. Automatic renewal. We will automatically renew your account, both principal and interest, into a certificate that is the same length as the previous term of your account, and at the rate offered on that day, unless instructed otherwise by the account holder. If at any maturity date we no longer offer the same term, we may reinvest your funds in a time deposit that we believe offers similar features.

c. Grace period. We offer a 10 day grace period after the maturity date when you may make additional deposits to your account, renew for a different term, withdraw earned interest without penalty, or withdraw all funds and close the certificate account. If the last day of the grace period is a non-business day, then the grace period ends on the last business day before that non-business day.

d. Early withdrawals. You have contracted to leave your funds on deposit for the stated term at the stated rate. If you make an early withdrawal we may charge you an early withdrawal penalty. If withdrawal occurs within ninety (90) days of issuance or renewal, there will be forfeiture of all earned interest. If the withdrawal occurs on or after ninety (90) days from the date of issuance or renewal, there will be forfeiture of interest equal to the smaller of the following two amounts: interest since the date of issuance or renewal, or 180 days interest at the contracted rate.

15. Non-sufficient Funds – Overdrafts. We offer several services which can help you manage your account. Online banking and audio response services help you keep track of your account balance, review your transaction history, and transfer funds between your accounts. Overdraft Protection helps you avoid overdrafts and returned checks by automatically transferring available funds from your savings account to your checking account. The fees that apply to the overdraft protection may be less expensive than the fees for overdrafts and returned items. You can avoid fees for returned items by making sure that your account always contains sufficient available funds to cover all your transactions.

a. When you do not have enough available funds in your account to cover a check or other item, then we consider the check or other item a "non-sufficient funds" item. If you have overdraft protection and available funds to cover the item, we will transfer the funds to cover the item. Otherwise, we may, without notice to you and in our sole discretion, either pay, authorize or permit the non-sufficient funds item and overdraw your account (an overdraft item). If we return, decline, or reject the non-sufficient fund item without payment, it becomes a returned item. We may charge you a fee for each non-sufficient funds item whether we pay, authorize, permit, return, decline or reject the item.

b. Courtesy Pay. If your checking account has been open and active for at least thirty (30) days, and if the

account is maintained in good standing, which includes the following: 1) Making regular deposits; 2) Depositing an amount equal to the amount of discretionary courtesy overdraft extended to you or more in your account within each thirty (30) day period and bringing your account balance to a positive balance within every thirty-five (35) day period; 3) You are not past due on any loan or other obligation to First Basin Credit Union; and 4) You are not subject to any legal or administrative order or levy; the account will be eligible for the Courtesy Pay overdraft privilege. We may refuse to pay an overdraft at any time, even though your account is in good standing and even though we may have paid overdrafts before. You will not be notified by mail of any non-sufficient funds items paid or returned that you may have. The amount of any overdrafts plus the Courtesy Pay fee that you owe us shall be due and payable upon demand. If there is an overdraft paid by us on an account with more than one owner, all shall be jointly and severally liable for such overdrafts plus any Courtesy Pay fees. An overdraft fee may be imposed for overdrafts created by checks, in- person withdrawals, ATM withdrawals, or by other electronic means, as applicable.

c. Debit card overdraft services. Effective July 1, 2010, a change in Federal regulations affects overdraft rules for ATM and everyday debit card transactions, giving consumers flexibility in the manner that financial institutions process overdrafts. You may elect one of two options that will direct First Basin Credit Union in the processing of your ATM and everyday debit card transactions. Regardless of the option you elect, you may change your election at any time.

i. You may authorize First Basin, through a formal "opt-in" procedure, to treat your ATM and everyday debit card transactions in the same manner as checks and certain electronic payments, such as automated clearing house (ACH), on-line bill pay, and recurring debit card transactions. If you elect this option, ATM and everyday debit card overdrafts may be included in First Basin's Courtesy Pay service. You must complete an "opt-in" form prior to this service being made available to you.

ii. You may elect to exclude ATM and everyday debit card transactions from First Basin's Courtesy Pay service. If excluded from Courtesy Pay, ATM and everyday debit card overdrafts are subject to decline and you may be required to present an alternate form of payment to complete the purchase. Unless we are instructed otherwise, ATM and everyday debit card overdrafts will not be included in First Basin's Courtesy Pay service.

16. Postdated Items. We may pay any draft without regard to its date unless you notify us of a postdating (a date in the future). The notice must be given to us in time so that we can notify our employees and reasonably act upon the notice and must accurately describe the draft, including the exact number, date, and amount. You understand that the exact information is necessary for the Credit Union's computer to identify the draft. We are not responsible if you give us an incorrect or incomplete description, or untimely notice. We may, at our discretion, honor an oral postdating notice which lapses in fourteen (14) calendar days unless confirmed in writing. If we honor an oral postdating request we are under no obligation to honor all such requests. A written notice is effective for six (6) months and may be renewed in writing from time to time. You agree not to deposit checks, drafts, or other items before they are properly payable.

17. Stale Items. We are not obligated to pay any check or draft drawn on your account which is presented more than six (6) months past its date. If a stale- dated check is presented for payment against your account, we may pay the check and charge it to your account. We generally will not accept stale dated items for deposit to your account. In the event we do accept such item, you agree that we are discharged from liability to the extent of any such acceptance and resulting activity, including item return of the deposited item.

18. Stop Payment Orders.

a. Stop Payment Order Request. You may request a stop payment order on any draft drawn on your account. You may not stop payment on a point of sale transaction or an ATM withdrawal. An order is binding upon us only if it is in writing, dated, signed and describes the item with certainty. However, we may, at our discretion, honor oral stop payment order requests. If we honor such a request, the stop payment order will lapse in fourteen (14) calendar days unless confirmed in writing. By honoring such a request we are under no obligation to honor all oral stop payment order requests. The stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order and you state the number of the account, number of the draft, and its exact amount. You understand that the exact information is necessary for the Credit Union's computer to identify the draft. If you give us incorrect or incomplete information, we will not be responsible for failing to stop payment on the draft. If the stop payment order is not received in time for us to act upon the order, we will not be liable to you or to any other party for payment of the draft. If we receive your notice in a timely manner, but pay a draft that has the valid stop payment order, you agree to sign a statement describing

the dispute with the payee, to transfer to us all of your rights against the payee or other holders of the draft and to assist us in any legal action.

b. Duration of Order. A written stop payment order is effective for six (6) months and may be renewed in writing from time to time. We are not obligated to notify you when a stop payment order expires.

c. Liability. Fees for stop payment orders are set forth on the Rate and Fee Schedule. 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, damages or claims related to our refusing payment of an item, including claims of any multiple party account owner, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

d. Automated Clearing House (ACH) Stop Payment orders. If a scheduled ACH item has not already been debited from your account, you may request a stop payment on the ACH item. The stop payment order takes effect within three business days. To place a stop payment order on an ACH item, we may require your name and telephone number, your account number, the company name and identification number used by the sender of the ACH item, and the amount of the debit. (If you do not know the amount of the ACH item, we may be able to place the stop payment order based on the company name and company identification number, but this may stop all ACH items from this sender). You are responsible for notifying the sender of the ACH item(s) that you have revoked. An ACH stop payment order will remain in effect until the earlier of: (1) the withdrawal of the stop payment order by you; or (2) the return of the ACH item, or, where a stop payment order applies to more than one ACH item relating to a specific authorization involving a specific originator, the return of all such ACH items. We are not obligated to notify you when a stop payment order expires.

19. Credit Union Liability. 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: (1) your account contains insufficient funds for the transaction; (2) circumstances beyond our control prevent the transaction; (3) your loss is caused by you 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 exercise ordinary care if our actions or non-actions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearinghouse rules, and general banking 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 Account Agreement. Any conflict between what you or our employees may say or write will be resolved by reference to this Agreement.

20. Credit Union Lien and Security Interest. If you owe us money as a borrower, guarantor, endorser, or otherwise, we have a statutory lien on the account funds in any account in which you have an ownership interest, regardless of their source, unless prohibited by law. We may apply these funds, without further notice to you, in any order to pay off your indebtedness. By not enforcing a lien, we do not waive our right to enforce it later. In addition, you grant the Credit Union a consensual security interest in your accounts and we may use the funds from your accounts to pay any debt or amount now or hereafter owed the Credit Union, except for obligations secured by your residence, unless prohibited by applicable law. All accounts are non-assignable and nontransferable to third parties.

21. 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. 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.

22. 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.

23. Credit Reports. You authorize us to check your credit and employment history and to request and use credit reports when considering any application to open an Account or any application for related financial services. **We may report information about your share and loan accounts to credit bureaus. Late payments, missed payments, or other defaults on your accounts may be reflected in your credit report.**

If you believe that information we may report or have reported to a credit bureau is inaccurate or incomplete, please notify us in writing at the address listed in this Agreement. Include your name, address, contact telephone number and Account number and identify the information you believe is incorrect. If your notification relates to an incident of identity theft, we will require a copy of your identity theft report filed with law enforcement authorities.

24. Notices. If a notice is returned to us as undeliverable you understand that the notices are available through other means and that the changes are still effective and binding on you. We may stop sending communications to you if one or more communications are returned to us as being undeliverable. It is your responsibility to provide to the credit union any address or name change in writing.

a. Name and/or Address Changes. You are responsible for notifying the Credit Union of any address or name change in writing. We are only required to attempt to communicate with you at the most recent address you have provided to us. We require any notice from you be provided in writing and verified with an approved form of identification or other documentation. If we attempt to locate you, we may impose a returned mail service fee as set forth in the Rate and Fee Schedule.

Notice of Amendments. We may change the terms of this Agreement at any time, without prior notice unless otherwise required by law. We may add new terms; we may delete or amend existing terms; we may add new accounts and services; we may discontinue existing accounts or services. We will notify you of any changes in terms, rates, or fees as required by law. We reserve the right to waive any term in this Agreement. Any such waiver shall not affect our right to future enforcement.

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 deposited in the U.S. Mail, postage prepaid and addressed to you at your statement mailing address. Notice to any account owner is considered notice to all account owners.

Taxpayer Identification Numbers and Backup Withholding. Your failure to furnish a valid 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 (IRS) a percentage of dividends, interest, and certain other payments. If you fail to provide your TIN, we may suspend opening your account, or, if applicable, close your account.

Statements and other Communications. Please review all notices, statements and other communications we send you promptly. Many communications will be notices of change affecting your rights and obligations. If a notice is returned to us being undeliverable you understand that the notices are available through other means and that the changes are still effective and binding on you. We may stop sending communications to you if one or more communications are returned to us as being undeliverable. It is your responsibility to provide to the credit union any address or name change in writing.

Contents. If we provide a periodic statement for your account, you will receive a periodic statement of 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 a multiple party account. For share draft or checking accounts, you understand and agree that your original draft, when paid, becomes property of the Credit Union and may not be returned to you, but copies may be retained by us or payable through financial institutions and made available upon your request. You understand and agree that statements are made available to you on the date they are mailed to you. You also understand and agree that drafts or copies thereof are made available to you on the date the statement is mailed to you, even if the drafts do not accompany the statement. (Refer to Rate & Fee Schedule for current information). We recommend that you receive your statements electronically through our website.

Examination. You are responsible for examining each statement and reporting any irregularities to us. We will not be responsible for any forged, altered, unauthorized or unsigned items drawn on your account if: (1) you fail to notify us within thirty-three (33) days of the mailing date of the earliest statement regarding any forgery, alteration or unauthorized signature on any item described in the statement; or (2) any items are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of a facsimile signature machine. You agree that the Credit Union's retention of 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 charge to your account unless you notify us in writing within the above time limit for notifying us of any errors. If you fail to receive a periodic statement you agree to notify us within fourteen (14) days of the time you regularly receive a statement.

Notices. We may inform you of changes affecting your rights and obligations by delivering or otherwise making a notice available to you. In some cases, we may post a notice of change in the credit union branch or on our website or mail to the address we currently show to be your mailing address or deliver electronically if agreed upon. We may include the notice as a message on your statement or as an insert with your statement. Notification to one account owner is deemed notice to all account owners and is effective for all account owners.

Inactive Accounts. If your account falls below any applicable minimum balance and you have not made any transactions over a period specified in the Rate and Fee Schedule during which we have been unable to contact you by regular mail, we may classify your account as inactive or dormant. Unless prohibited by applicable law, we may charge a service fee set forth on the Rate and Fee Schedule for processing your inactive account. If we impose a fee, we will notify you, as required by law, at your last known address. 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 and to suspend any further account statements. If a deposit or withdrawal has not been made on the account, if you have not written to us about the account, or asked us to keep the account active and we have had no other sufficient contact with you within the period specified by state law, the account will be presumed to be abandoned. Interest payments or other credit union activity is not considered activity. Funds in abandoned accounts will be reported and remitted in accordance with state law. Once funds have been turned over to the state, we have no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state agency. If your account becomes inactive, we may stop sending statements on the account. It is your responsibility to notify us of any address change or special circumstances regarding an inactive account.

Electronic Transactions. You agree that we may conduct transactions with you by electronic means. We may act upon instructions received from you by fax transmission, voice mail, e-mail, online, and other means we have approved.

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. Account changes requested by you, or any account owner, such as adding or closing an account or service, must be evidenced by a signed Account Change form and accepted by us.

Termination of Account. We may terminate your account at anytime without notice to you or may require you to close your account and apply for a new account if: (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 share drafts are lost or stolen; (5) there are excessive returned unpaid items not covered by an overdraft protection plan; (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) your account falls below the required minimum balance. 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 multiple party account. We are not responsible for payment of any draft, withdrawal, or other item after your account is terminated, however, if we pay an item after termination, you agree to reimburse us.

Termination of Membership. You may terminate your membership by giving us notice. You may be denied services or expelled for any reason allowed by applicable law.

Death of Account Owner. We may continue to honor all transfer orders, withdrawals, deposits, and other transactions on an account until we are notified of a member's death. Once we are notified of a member's death, we may pay drafts or honor other payments or transfer orders authorized by the deceased member for a period of ten (10) days after that date unless we receive instructions from any person claiming an interest in the account to stop payment on the drafts or other items. We may require anyone claiming a deceased owner's account funds 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.

Severability. 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.

Enforcement. You are liable to us for any loss, cost or expense 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.

Governing Law. This Agreement is governed by the Credit Union's Bylaws, federal laws and regulations, the laws, including applicable principles of contract law, and regulations of the state of Texas, as amended from time to time. 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 (Ector County, Texas).

Document Imaging. You acknowledge and agree that the Credit Union, at its option, may choose to create and retain electronic copies of your original Account records and any other records, and thereafter dispose of the originals. You further agree that electronically scanned or stored images of your Account records will have the same effect as the original records.

Illegal Activity. You agree to comply with applicable laws and regulations; you may not use your account or related services for any illegal transaction or activity. Your agreement to comply with applicable laws and regulations includes United States economic sanctions laws and regulations, including regulations issued by the Office of Foreign Assets Control (OFAC) of the U.S. Department of the Treasury, and Executive Orders issued by the President of the United States. The credit union reserves the right to refuse services to any one person or entity who chooses to participate in any illegal activity including, but not limited to, gambling or operating an Internet casino. Upon discovery of any of the above illegal activity, at the time you open your account or any time in the future, your account may be closed.

Right of Setoff. We may take or setoff funds in any or all of your accounts with us for direct, indirect, and acquired obligations that you owe us, regardless of the source of funds in an account. This provision does not apply where prohibited by law. Your account includes both accounts you own individually and accounts you own jointly with others. We may take or setoff funds from your account before we pay checks or other items drawn on the account. We are not liable to you for dishonoring items should our action result in insufficient funds in your account to pay your checks and other items.

BUSINESS ACCOUNT AGREEMENT

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

Business organization. You expressly represent that: (i) the Account Owner named on any application is duly organized, validly existing, and in good standing under the laws of the state where organized and has filed Articles of Incorporation, Certificates of Limited Partnership, or Assumed Named Certificates in a manner sufficient to ensure that no other person or entity shall conduct business under the same name or any name deceptively similar to that of the Account Owner, (ii) each officer, partner, agent, representative, or other party who signs on any application as an Authorized Signer is qualified and authorized to sign in the capacity represented and is empowered to so act on behalf of the Account Owner named, and (iii) the Account Owner named on any Application is either presently a member of the Credit Union or is eligible to apply for membership in keeping with the membership requirements set forth below.

Authorized signers. Any of the Authorized Signers on any application shall be authorized to transact business on behalf of the Account Owner with respect to the Business Account(s) designated on the application and are authorized to (i) deposit and withdraw any of the funds of the Account Owner in such Business Account(s), whether represented by cash, checks, notes, or other evidences of debt, (ii) sign for and receive the statements and records of the Account Owner with respect to any such Business Account(s), (iii) stop payment against checks or other payment orders, (iv) make withdrawals or transfers from any such Business Account for the

purpose of purchasing Certificates in the name of the Account Owner and to redeem any such Certificate in the name of the Account Owner, (v) close any such business account and, (vi) make any other agreements and stipulations with us with respect to such Business Account(s) and to bind the Account Owner thereto.

The Account Owner and the Authorized Signers agree to execute or provide such additional documentation as we may require or deem appropriate in connection with the opening, maintaining, and/or closing of any Business Account.

The Account Owner and all Authorized Signers authorize us to recognize the facsimile signature(s) appearing on any application and to charge the Account Owner for all checks, withdrawals, or similar orders drawn on Business Accounts maintained by the Account Owner. We will be so authorized so long as any facsimile signature reasonably resembles the facsimile signature appearing on any application.

Endorsements. The endorsement of the Account Owner of items for deposit may be written or stamped without designation of the party making the endorsement. If you deposit items which bear the endorsement of more than one person or persons that are not known to us or that require endorsement of more than one payee, we may refuse the item or require all endorsers to be present. Any item returned or not finally collected may be charged back to the Business Account, regardless of the reason for the return or non-collection. We may refuse to accept any item for deposit.

Withdrawals. We are authorized to honor any and all withdrawals of the Account Owner's funds by any one of the Authorized Signers, whether such withdrawals are presented for cash or for credit to the personal account of such party, and we need make no inquiry concerning any such action. You acknowledge that you may not stipulate that withdrawals and other actions be performed and signed by two or more Authorized Signers. You agree that any designation by you requiring the signatures of two or more persons is for your internal business purposes only and is not binding on us.

We will not be liable for any loss occasioned by the fraud, negligence, or misapplication of funds by any of the Authorized Signers. The Account Owner and all of the Authorized Signers, jointly and individually, agree to defend, indemnify, and hold us harmless from any claims, demands, expenses, losses or damages, resulting from or directly or indirectly related to any activity of such parties with regard to any Business Account maintained with us.

Account Access Devices. We may adopt policies from time to time under which we may issue Check Cards, other electronic access devices, or personal identification numbers (PINs) to persons designated by the Account Owner, at the Account Owner's request. You acknowledge and agree that the issuance of an access device or PIN in connection with a Business Account affords ready access to the Business Account by the person or persons authorized by the Account Owner, as well as other persons who are provided access to the access device or PIN, or who otherwise obtain the access device or PIN whether by way of negligence, theft, collusion, or otherwise. As a result, you acknowledge and agree that the Account Owner and the persons authorized by the Account Owner to receive an access device or PIN are solely responsible for their use.

Limitations of Card and PIN. If you contract for an Electronic Fund Transfer service, we may communicate with you and others authorized to use your PIN from time to time. You agree that the terms set out herein and in the remainder of the Membership and Account Agreement and Electronic Fund Transfers Agreement and Disclosures regarding the security and safekeeping of your PIN and the security of electronic fund transfers transactions in general are commercially reasonable and you agree to be bound by and to comply with these terms. Authorizations given to other persons are considered unlimited in amount and manner until you notify us in writing and we have had a reasonable opportunity to act on your notification. Further, you understand and you shall advise each person to whom a Card and/or PIN is issued that each transaction originated by means of a Card or PIN is NOT a "consumer" transaction, as defined in the Electronic Funds Transfer Act and in Regulation E and is not governed by or entitled to the protection of federal law and regulation.

Changes in the Business Account. In order to add or delete Authorized Signers from any Business Account, (i) the Account Owner may close the Business Account and open a new Business Account through the execution of a new Membership Application, or (ii) the Account Owner may modify the Business Account to provide for any such addition or deletion by completing a new Membership Application or such other form as we may require, bearing the signatures of all persons who thereafter are authorized to sign on behalf of the Account Owner. We reserve the right to require that a new Business Account be opened when adding or deleting Authorized Signers. In order to add or delete Authorized Signers on any Business Account, whether by way of

Account closure or modification, we may require the presentment of a new certificate of corporate resolution or a new certification and authorization in the case of a sole proprietorship, partnership, association, or other business entity, specifying the action to be taken and setting forth those individuals who thereafter will be authorized to transact business on behalf of the Account Owner. You acknowledge and agree that, if the Account Owner elects to add or delete Authorized Signers by way of account modification rather than by closing the Business Account(s), we may not be able to verify effectively whether any check presented is signed by an Authorized Signer, and you agree that we are not required to examine any instruments presented. In the event of a Business Account modification, you agree that the Account Owner is solely responsible for denying any deleted signer access to the Business Account and that we will not be liable for the payment of checks or orders signed or made by any deleted payment of checks or orders signed or made by any deleted signer.

Business Account Eligibility. A Business Account may not be established at the Credit Union unless the Account Owner is eligible for membership in the Credit Union. A business may be eligible for Credit Union membership if the business is listed in our field of membership or is physically located within geographical areas that have been approved by the National Credit Union Administration as being in our community field of membership. Otherwise, for sole proprietorships, the individual owner(s) must be within our field of membership. For corporations, all of the corporate shareholders must be within our field of membership. For partnerships, all of the partners must be within our field of membership. For unincorporated associations, limited liability companies, and other businesses and organizations, all of the members of any such association, organization, or company must be within our field of membership.

Truth in Savings. Business Accounts are subject to the rates and fees set forth periodically in the Truth in Savings Rate and Fee Schedule, which is incorporated into this Agreement by reference. You acknowledge and agree that any Truth-in-Savings Account Disclosures that may be provided to you in connection with a Business Account other than the Rate and Fee Schedule are made for the benefit of, and are applicable only to natural-person members of the Credit Union who hold an Account primarily for personal, family, or household purposes. To the extent that those disclosures are also accurate with respect to Business Accounts, they are provided for informational purposes only and without any corresponding intent to extend coverage of the Truth-in-Savings Act and implementing coverage of the Truth-in-Savings Act and implementing regulations to Business Accounts.

Deposits to the Business Account. You agree that you will not cash checks made payable to the Business and that you will not endorse checks made payable to the Business to be payable to anyone else. Business accounts must deposit checks and then withdraw funds to the extent permitted by the Funds Availability Policy. Check cashing is not available on business accounts.

Check Notations. You agree that we may disregard any instructions or restrictions, you may add to a check and that we will not be responsible for any losses, claims, damages or expenses that may result from doing so or from your placing these notations or any other statements on any checks that are used to withdraw funds from the account.

Uncollected and Returned Items. Any item returned or not finally collected may be charged back to your account, regardless of the reason for the return or non-collection.

Money Service Business. We do not accept Business Accounts for businesses engaged in a money service business. A money service business is generally defined as (i) a currency dealer or exchanger, (ii) a check casher, (iii) an issuer, seller, or redeemer of traveler's checks, money orders, or stored value instruments, or (iv) a money transmitter. The credit union reserves the right to close any account engaged in the above activity. The credit union may elect to close the checking account and restrict the savings account to "mail only" access.

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

engage in an Internet gambling business or (b) you have legal authority to engage in an Internet gambling business. You agree to cooperate with us and provide any documentation we may reasonably require in order to substantiate your certification. You authorize us to investigate the Account Owner, the principals, and the Authorized Signers' background, including without limitation any financial institution and payment processor references. You also agree to notify us immediately if any time the Account Owner's business changes in any way that causes any prior certification to be inaccurate. If you certify to us that the Account Owner has legal authority to engage in an Internet gambling business, you acknowledge that we may choose to close the Account in our sole and absolute discretion.

Encoding. If we accept from you checks or other instruments for deposit into your account which you or your agent have MICR encoded, we may rely on the accuracy and completeness of such encoding in processing the items for collection or payment. You shall be solely responsible for any encoding errors or defects including, without limitation, amount errors and shall hold us harmless from and against any and all claims, demands, damages, liabilities, losses and expenses (including attorney's fees) resulting, directly or indirectly, from such encoding.

Death or incompetence. You agree to notify us in writing if the account owner or an Authorized signer of the business account dies, becomes incapacitated, is dissolved (in the case of a non-person account), files for bankruptcy, has a bankruptcy filed against it, has a receiver appointed for it or has an assignment for the benefit of creditors filed against it.

Indemnification. If we believe that any instruction from you might expose us to claims, suits, losses, expenses, liabilities or damages, whether directly or indirectly, we may require indemnification from you satisfactory to us before following such instructions.

Legal process. We will comply with any notice of attachment, execution, garnishment, tax levy, injunction, restraining order, subpoena, warrant or other legal process we believe to be valid that applies to your account. We may charge you for handling such legal process, even if the legal process is later released. We may charge you our normal rates for research and required copies. Funds held in response to legal process may not earn interest.

Waiver. Nothing we do or delay in doing will amount to a waiver of any of our rights under the Agreement unless we so state in writing with an authorized signature. We may waive any of our rights under this Agreement in any specific instance, but any such waiver shall apply to such instance only. Our failure to demand our rights on any one occasion will not result in a waiver of any of our rights on any other occasion.

Transferability. The Business Account is not transferable or assignable, unless approved by us, at our sole discretion.

ELECTRONIC FUNDS TRANSFER AGREEMENT AND DISCLOSURE

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 First Basin Credit Union ("Credit Union"). In this Agreement, the words "you" and "yours" mean those who sign the application or account card as applicants, joint owners, or any authorized users. The words "applicants", "joint owners or any authorized users" apply to natural person accounts, and do not apply to business accounts. The words "we," "us," and "our" mean the Credit Union. The word "account" means any one or more share and share draft accounts you have with the Credit Union. 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 account card for EFT services, signing your Card, or using any service, each of you, jointly and severally, agree to the terms and conditions in this Agreement, as well as the terms of your Membership and Account Agreement with us, 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 the Credit Union.

VISA Check Card. 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. This includes any gaming or wagering transactions, including transactions for casino chips, bets, wagers, Internet gambling, or any other gaming or wagering transaction. Funds to cover your

Card purchases will be deducted from your share draft account. If the balance in your account is not sufficient to pay the transaction amount, the credit union may pay the amount and treat the transaction as a request to transfer funds from other deposit accounts (overdraft protection), or loan accounts that you have established with the Credit Union. If you initiate a transaction that overdraws your account, your transaction may be declined at the point of sale unless you have opted in to the overdraft services authorizing us to pay these debit card transactions. You agree to make immediate payment of any overdrafts together with any service charges to the Credit Union. In the event of repeated overdrafts, the Credit Union may terminate all services under this Agreement. You may use your Card and PIN (Personal Identification Number) in automated teller machines of the Credit Union and such other machines or facilities as the Credit Union may designate. At the present time, you may also use your Card to:

- Withdraw funds from your share draft (checking) account.
- Obtain balance information for your share draft accounts.
- Make POS (Point-of-Sale) transactions with your Card and PIN (Personal Identification Number) to purchase goods or services at merchants that accept VISA.
- Order goods or services by mail, telephone, or the internet from places that accept VISA.

The following limitations on the frequency and amount of VISA Check Card transactions may apply:

- Purchase amounts are limited to the amount in your account.
- You may withdraw up to \$1,500 per day for point of sale transactions.

It is the policy of First Basin Credit Union to decline any Card transactions for the purpose of illegal transactions, such as, gambling. These transactions will be declined whether on-line or face-to-face. First Basin Credit Union will not be held responsible for any debts incurred through such practices. In order to protect First Basin Credit Union and our members from any loss due to illegal use of Cards, First Basin Credit Union will not honor such transactions.

Pre-authorized EFTs. With proper written authorization, the Credit Union may accept or make certain direct deposits, automatic or on- demand transfers, or payments to or from your accounts.

- Direct Deposit. Upon instruction of (i) your employer or (ii) the Treasury Department or (iii) other financial institutions, the Credit Union may accept direct deposits of your paycheck or of federal recurring payments, such as Social Security, to your share or share draft account.
- Preauthorized Debits. Upon instruction, we may pay certain recurring transactions from your share and share draft account.

Online Banking. If we approve the Online Banking access service for your accounts, a separate access code will be designated by you. You must use your access code along with your account number or username to access your accounts. At the present time, you may use the Online Banking service to do any or all of the following functions:

- View your account history and balances
- Withdraw funds from your share and share draft accounts
- Transfer funds from your share and share draft accounts
- Obtain balance information for your share, share draft and all other accounts
- Make loan payments from your share, share draft and Money Market accounts
- Access your eStatement

Your accounts can be accessed through Online Banking via personal computer or other authorized access devices including, but not limited to, mobile telephones. Online Banking will be available for your convenience twenty-four (24) hours per day, seven (7) days per week. This service may be interrupted for a short time each day for data processing. We reserve 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. If you request a withdrawal through Online Banking, the check will be made payable to you as the primary member and will be mailed to your address of record. We may set other limits on the amount of any transaction, and you will be notified of those limits. We 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 access.

- There is no limit to the number of inquiries you may make in any one day.
- Withdrawal/transfer not to exceed available funds or transfer limitations.

Electronic Check Transfers. A merchant can use your draft or check to electronically debit a share draft/checking account through the ACH Network. Electronic check transfers may occur on your account and are subject to the Electronic Funds Transfer Disclosure and Agreement.

2. 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. VISA 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 and procedures established by VISA 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. 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.

a. Security of Personal identification number (PIN). You agree to be responsible for safekeeping your Card and PIN. You agree not to disclose or otherwise make your PIN available to anyone not authorized to sign on your accounts. You agree to refrain from writing your PIN on your Card, and to refrain from recording or displaying your PIN in such a manner that it will be accessible by unauthorized third parties. You understand that any joint owner you authorize to use an access code may withdraw or transfer funds from any of your accounts. If you fail to maintain the security of the PIN and the Credit Union suffers a loss, we may terminate your EFT services immediately.

b. Multiple Party Accounts. If any of your accounts accessed under this Agreement are multiple party accounts, all 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 share and share draft 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 the Credit Union may accept orders and instructions regarding any EFT transaction on any account from any account owner.

3. 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 owned by us, you may be charged a fee by the ATM operator or any network used to complete the transfer (and you may be charged a fee for a balance inquiry). The fee will be debited from your account if you elect to complete the transaction or continue with the balance inquiry. Fees will be charged as set forth in the Rate and Fee Schedule.

4. 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 access code, 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 overdraft line of credit). If a transaction was made with your Card or Card number without your permission, and was either a VISA or Interlink transaction, you will have no liability for the transaction, unless you were grossly negligent in the handling of your account or card. For all other 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 can lose no more than \$50 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 lose as much as \$500.00.

Also, 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 may extend the time periods. If you believe your Card has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call:

(432) 333-5600 or (432) 333-5686

Fax: (432) 333-5659

or write to:

First Basin Credit Union

7100 E. TX Hwy 191 Road

Odessa, TX 79765

5. Right to Receive Documentation

Periodic Statements. Transfers and withdrawals made through any Debit Card transactions, audio response transactions, preauthorized EFTs or electronic/PC transactions will be recorded on your periodic statement. You will receive a statement monthly unless there is no transaction in a particular month. In any case, you will receive a statement at least quarterly.

Terminal Receipt. You will get a receipt at the time you make any transaction (except inquiries) involving your account using an ATM, POS terminal, or Debit Card transaction with a participating merchant.

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 calling (432) 333-5600. This does not apply to transactions occurring outside the United States.

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

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

Credit Union 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, or if the transaction involves a loan request exceeding your credit limit
- 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 circumstances beyond our control (such as fire, flood, or power failure) prevent 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 you have closed the Account from which you have preauthorized electronic fund transfers to occur
- 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

- Any other exceptions as established by the Credit Union.

a. Stop Payment Rights. If you have arranged in advance to make regular electronic fund transfers out of your account(s) for money you owe others, you may stop payment of preauthorized transfers from your account. You must notify us in writing at any time up to three (3) business days before the scheduled date of the transfer.

b. 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.

c. 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 may be liable for your losses or damages.

9. Notices. All notices from us will be effective when we have mailed them or delivered them to your last known address in the Credit Union's records. Notices from you will be effective when received by the Credit Union 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 this service is subject to existing regulations governing the Credit Union account and any future changes to those regulations.

10. Billing Errors. In case of errors or questions about your electronic funds transfers. 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. Contact us at:

First Basin Credit Union

(432) 333-5600 or fax (432) 333-5659

- Tell us your name and account number;
- Describe the electronic transfer you are unsure about, and explain as clearly as you can why you believe the Credit Union 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. If provisional credit is to be debited, we will tell you the date and the amount of the debit.

* If you give notice of an 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.

** 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., its possessions and territories, we will have ninety (90) days instead of forty-five (45) days to investigate.

*** If the error you assert is an unauthorized VISA 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.

12. Fraudulent Activity. To limit member's liability for fraudulent transactions, a Cardholder Statement of Dispute must be completed, signed, and returned to any FBCU branch. It may be necessary for the member to assist in the investigation by contacting the merchant to attempt resolution and refund, according to VISA Chargeback Rules. If this becomes necessary, the member will be notified by FBCU staff and given appropriate instructions. The credit union in its agreement with the VISA Zero Limit Liability policy has up to 5 days to provide provisional credit to the member's account after notification of the activity.

13. Termination of EFT Services. You may terminate this Agreement or any EFT service under this Agreement at any time by notifying us in writing and stopping your use of your Card and any access code. You must return all Cards to the Credit Union. 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 access code for any EFT service. Whether you or the Credit Union terminates this Agreement, the termination shall not affect your obligations under this Agreement for any EFTs made prior to termination.

14. Illegal Activity. It is the policy of First Basin Credit Union to decline any Card transactions for the purpose of illegal transactions, such as gambling. These transactions will be declined whether on-line or face-to-face. First Basin Credit Union will not be held responsible for any debts incurred through such practices. In order to protect First Basin Credit Union and our members from any loss due to illegal use of Cards, First Basin Credit Union will not honor such transactions.

15. Governing Law. This Agreement is governed by the Bylaws of the Credit union, 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 the Credit Union is located.

16. 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.

17. ATM Safety Precautions. The following information is a list of safety precautions regarding the use of ATMs (Automated Teller Machines) 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 or deposit envelope, 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 code on your Card.
- Report all crimes to law enforcement officials immediately.