American Airlines
Federal Credit Union

Membership and
Account Agreement
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PART I

Membership and Account Agreement

In this Agreement, the words “YOU,” “YOUR,” and “PARTY” mean any and all persons or entities who sign an application for membership, or any other application in connection with the opening of any account (Account) with American Airlines Federal Credit Union, any such person or entity who maintains an account with us, any Joint Owner, and any other person or entity authorized to use or having access to any such Account. “OWNER” means a person who owns the Account. “PRIMARY MEMBER” means the Owner under whose name, membership number, and Taxpayer Identification Number the Accounts is established. The words “WE,” “US,” “OUR,” and “CREDIT UNION” mean American Airlines Federal Credit Union.

In this Agreement and the Rate and Fee Schedule, the term “Savings Account” is used to describe your Share Accounts with us, and the term “Checking Account” is used to describe your Share Draft Accounts with us.

By applying for membership with us, you agree to subscribe for at least one share. You authorize us to establish one or more Accounts for you and those on your behalf as designated in the application for membership or in any other account application you may execute with us (the “Application”), including but not limited to any Savings Account, any Checking Account, any Individual Retirement Account (IRA), and any Share Certificate Account. By opening or using any Account with us, you agree to be bound by the terms of this Agreement whether you are acting in your individual capacity, in a fiduciary capacity, or in your capacity as an officer, agent, or representative of any organization with regard to any such Account. Business Accounts are bound by the Business Membership and Account Agreement and not this Agreement. You also acknowledge receipt of and agree to be bound by our Truth-In-Savings (TIS) Rate and Fee Schedule as amended from time to time and to conform to our rules, regulations, bylaws, and policies now in effect and as amended or adopted hereafter. In case of any conflict between the terms of this Account Agreement and the TIS Rate and Fee Schedule, the terms appearing in that Schedule will control. The TIS Rate and Fee Schedule is incorporated into this Agreement. This Agreement is incorporated into and made a part of any Application or other document that you execute in connection with the opening or the use of any Account. This Agreement supersedes any other Account Agreement you may have with us and in the event of any conflict between the provisions of this Agreement and any other such Agreement, the terms and conditions set forth in this Agreement will control.

TRUTH-IN-SAVINGS DISCLOSURES

1. Rate Information. The dividend rate and Annual Percentage Yield (APY) on all of your Accounts are disclosed on the TIS Rate and Fee Schedule. The dividend rate and APY on your Savings and Checking Accounts, including those Savings Accounts held in an IRA may change at any time as determined by the Credit Union’s Board of Directors. The dividend rate and APY disclosed on your TIS Rate and Fee Schedule for all Accounts except Savings, Checking and IRAs reflect the dividend rate and APY as of the last dividend declaration date. The dividend rate and APY disclosed for Savings Accounts, Checking Accounts and IRAs reflect the prospective dividend rates that we anticipate paying for the current dividend period. The dividend rate and APY on Share Certificates are fixed and remain in effect until the first maturity date on the Certificate. The disclosed dividend rate and APY for Share Certificates are those that were offered within the most recent seven calendar days.

2. Fees and Charges. The fees and charges that may be assessed against your Accounts are disclosed on the TIS Rate and Fee Schedule that accompanies this Account Agreement.

3. Minimum Balance Requirements. Your Accounts may be subject to minimum balance requirements that we impose. The minimum balance requirement that applies to your Primary Savings Account is disclosed on the TIS Rate and Fee Schedule that accompanies this Account Agreement.

4. Dividends. (a) Compounding and Crediting. The dividend period for all Share Certificate Accounts is the calendar month and dividends will be compounded monthly and credited monthly. The dividend period for all Savings and Checking Accounts, including those Savings Accounts held in an IRA, is the calendar month and dividends will be compounded monthly and credited monthly. A dividend period begins on the first calendar day of the dividend period and ends on the last calendar day of the dividend period. The dividend ratification or declaration date, as applicable, follows the ending date of a dividend period. If you close your Primary Savings Account before dividends are credited, you will also be required to close your other Accounts with us and you will forfeit all accrued dividends on any of the Accounts closed including your Primary Savings Account. If you close your Flagship Checking Account before dividends are credited, you will forfeit all accrued dividends.
(b) Balance Computation Method. Dividends on all Savings and Share Certificate Accounts are calculated by the daily balance method that applies a daily periodic rate to the balance in the Account each day. Dividends on applicable Checking Accounts are calculated by the average daily balance method, which applies a periodic rate to the average daily balance in the Account for the period. The average daily balance is calculated by adding the balance in the Account for each day of the period and dividing that figure by the number of days in the period.

(c) Accrual of Dividends. Dividends will begin to accrue on the business day you deposit cash and non-cash items (e.g., checks) to your Account. Dividends will not accrue on amounts that are withdrawn from your Account, including funds withdrawn to process your Online Banking transactions.

5. Share Certificates—Additional Disclosures.
(a) Transaction Limitations. After your Account is opened, you may not make deposits into the Account until the maturity date stated on the Certificate. Your Account is non-transferable and non-negotiable except for use as collateral on a loan, which you obtain from us. Funds in your IRA Certificate Account may not be pledged to secure any obligation.

(b) Withdrawal of Dividends Prior To Maturity. All requests for early withdrawal must be in writing. You may withdraw dividends that have been credited to your Share Certificate or Share Certificate IRA Account prior to maturity; provided, however, you must maintain the minimum balance set forth in your TIS Rate and Fee Schedule throughout the term of your Share Certificate Account. The APY is based on an assumption that dividends will remain in the Account until maturity. A withdrawal will reduce earnings. IRS penalties may apply to early withdrawal of dividends from an IRA account.

(c) Penalties for Early Withdrawal of Principal. We may impose a penalty if you withdraw any of the principal in your Account before the maturity date. The penalty will equal one hundred eighty (180) days dividends for Certificates with a term of twelve (12) months, twenty-four (24) months, thirty (30) months or thirty-six (36) months. The penalty will equal three hundred sixty-five (365) days dividends for Certificates with a term of forty-eight (48) months or sixty (60) months. The penalty will be imposed regardless of whether dividends equal to the amount of the penalty have been earned at the time of withdrawal. To the extent that dividends in the Account at the time of withdrawal are insufficient to pay the entire penalty assessed, the penalty will be assessed against principal. If the principal balance of your Account is reduced below the minimum balance requirement set forth in your TIS Rate and Fee Schedule following a withdrawal and the assessment of penalties, your Certificate will be redeemed. At our option, we may pay the Account before maturity without imposing an early withdrawal penalty under the following circumstances:

   (i) When an Account owner dies or is determined to be legally incompetent by a court or other administrative body of competent jurisdiction.

   (ii) Where the Account is maintained in an IRA and any portion is paid within seven (7) days after establishment; or where the Account is maintained in an IRA and the individual for whose benefit the Account is maintained attains age 70½ and is making a required minimum distribution from IRA Accounts with us.

(d) Renewal Policies. Your Account will automatically renew at maturity. You will receive a Maturity Notice thirty (30) days in advance and you will have a grace period of ten (10) calendar days after the maturity date to withdraw the funds in the Account without being charged an early withdrawal penalty. We reserve the right to decline a Certificate renewal.

6. Transaction Limitations on Savings Accounts. During any calendar month (or similar period) of at least four (4) weeks, you may not make more than six (6) transfers and withdrawals, or a combination of such transfers and withdrawals, from any Savings Account to another credit union Account of yours or to a third party by means of a pre-authorized or automatic transfer (including overdraft protection transfers), or telephonic (including data transmission) agreement, order, or instruction. Transfers may be made by check, draft, VISA® Debit Card (VISA Debit Card), or similar order payable to third parties. If you exceed the transfer limitations set forth above, your Account will be subject to rejection of transaction (causing an unpaid item fee), closure or changed to a demand deposit account. You may make an unlimited number of withdrawals from or transfers among your own share accounts by mail, messenger, or in person at the Credit Union or at an ATM. You may also make an unlimited number of withdrawals from your share account through the Credit Union’s Automated Voice Response System. For all Savings Accounts, we reserve the right to require at least seven (7) days notice prior to withdrawal/transfer of funds.

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

8. Par Value of Shares. The par value of a regular share in this Credit Union is $5.00.

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

1. Single Party Account. Under this type of Account ownership, the sole party to the Account owns the Account. If you open a single party Account, upon your death, and without a Payable on Death (P.O.D.) designation, ownership of the Account passes as part of your estate under your Will or by intestacy.

2. Joint or Multiple Party Account with Right of Survivorship. If an Account is opened by two or more Owners, or if one or more Owners are added to a single party Account, the Account will be a joint or multiple party Account with right of survivorship. The Owners of the Account own the Account in proportion to their net contributions to the Account. All funds deposited into that Account, including any earnings thereon, shall be owned by the Owners jointly, with all other Owners who sign the Application, with right of survivorship. On the death of one Owner to such an Account, all sums in the Account on the date of the death vest in and belong to the surviving Owner(s) as their separate property and estate. All Account sums on the date of death remain subject to any lien we have for a deceased party’s obligations to us, regardless of whether any of the surviving parties have consented. Payment of any sum to any Owner at any time shall be valid and discharge us from any and all liability for such payments. You acknowledge and agree that only the Primary Member has the authority to establish, change, or delete a password for an Account and that every other Owner of the Account is required to obtain the Account password directly from the Primary Owner. For security reasons, we will not provide an Account password to any Owner, and we will not be liable for refusal to provide an Account password to any Owner. Except as provided in this Agreement, we may accept instructions from any party or act at the request of any party with regard to any such Account without the joinder of any other party. However, each Owner will have an individual password that the Owner will use to access Online Banking. Each Owner authorizes the other parties to act on his/her behalf with respect to the Account, and to endorse any instrument payable to him/her for deposit to any such Account. Without the consent or joinder of any other party and without regard to the ownership interest in the Account of any Owner, any party to the Account may (i) make deposits to or withdraw funds from the Account, (ii) place stop payment orders with respect to any item drawn on the Account by any party to the Account, (iii) pledge all eligible shares or deposits in an Account to secure any indebtedness owing to us, or (iv) designate an Account to provide overdraft protection for any other Account. In the event that any Account may be accessed by means of an Electronic Fund Transfer, including the use of an ATM Card, VISA Debit Card, or personal identification number (PIN) issued in connection with the Account or any telephone, computer, or mobile access program, each Owner grants to every other party actual authority to initiate any such transfer, to use any such ATM Card or VISA Debit Card issued or to use any PIN issued in connection with any such telephone, computer, or mobile access program. You understand and agree that a survivorship designation may be ineffective unless signed by all original Owners of the Account. We make no representation concerning the legal consequences or the effect of survivorship rights, including any consequences arising out of the community property laws of any state, and you agree to hold us harmless from any loss or liability in connection with any survivorship designation. You understand that you should consult applicable law or consult with your attorney if you have any question regarding the validity, effectiveness, or fitness of a survivorship designation for any purpose.

A Primary Member opening a Joint or Multiple Party Account may, without notice to any other party to such Account, and upon providing verbal or written notice to us in such form as we may require, remove any other party from any such Account, change the form of the Account, or stop or vary payment under the terms of the Account. Any such action by that Primary Member will terminate any interest that the removed party may have in such Account. The above notwithstanding, we, at our option, require that an Account be closed and a new Account opened in lieu of permitting a Primary Member to remove any other Owner, or we may require the joinder and consent of any other Owner prior to acting upon any written notification or instruction to remove that Owner from an Account.

3. Payable on Death (P.O.D.) Account. A P.O.D. Account is an Account payable on request to one or more persons during their lifetimes and upon the death of the last of those persons, payable to one or more P.O.D. beneficiaries named in the Application. Upon designating a P.O.D. in the Application you may be required to provide us with the full name, date of birth, social security number and physical address of that person as well as relationship to account owner. You agree that the persons named as P.O.D. beneficiaries in the Application, whether one or more, are designated as P.O.D. beneficiaries. During your lifetime, all funds paid into or deposited into the Account designated, including any earnings thereon, shall be owned by you, and payment may be made upon your request, or the request of any Joint Owner. If there is more than one Owner, then during your lifetimes the provisions set forth above with regard to Joint Accounts with Right of Survivorship shall control. Upon your death (the death of the last of you to survive), each P.O.D. payee agrees that all such funds shall be owned by the P.O.D. payees surviving with right of survivorship. At our option, payment may be made at the request of any named P.O.D. beneficiary then living, and any payment made upon the request of any surviving P.O.D. beneficiary discharges us from any and all liability to that P.O.D. beneficiary and any remaining P.O.D. beneficiaries or their heirs, executors, and personal representatives. You, your heirs, executors, and personal representatives agree to defend, indemnify, and hold us harmless from any claim asserted by any person or estate as a result of the payment of funds deposited in the Account designated. You understand and agree that a P.O.D. designation shall be ineffective without the joinder of any other Owner prior to acting upon any written notification or instruction to remove that Owner from an Account held as an IRA. You understand and agree, further, that a P.O.D. designation may be ineffective unless signed by all original Owners of the Account. We make no representation concerning the legal consequences or effect of any P.O.D. designation, and you understand that you should consult with your attorney if you have any question regarding the validity, effectiveness, or fitness of any such P.O.D. designation for any purpose. Your designated P.O.D. may not be an Owner of the Account.
4. Accounts for Trusts. At our option, we may issue shares or receive deposits in a revocable or irrevocable trust subject to such membership requirements as we may impose from time to time in keeping with applicable law. If you request that we open an Account in the name of a trust, you agree that we are authorized to release the funds in any such Account upon the signature of any Trustee. You agree that if we make payment to any Trustee or Successor Trustee, or at the direction of any one of the Trustees or Successor Trustees named, that payment shall be valid and shall discharge us from any liability for the sums paid. Any Trustee authorized to sign on any such Account shall be subject to the terms and conditions set forth in this Account Agreement and any other Agreement governing any such Account. You agree that we shall have no fiduciary responsibility or obligation in connection with any such Account beyond our obligations set forth in this Agreement, and that we shall serve solely as a depository for the trust funds. You and any Trustee agree to save, indemnify, defend, and hold us harmless from any claim, demand, suit, or other charge by any person arising out of or resulting from the establishment, maintenance, and transaction of any business related to the trust and any Account established for the trust.

5. Uniform Transfers to Minors Account. If you have indicated on your Application that an Account is established under the Uniform Transfers to Minors Act (UTMA), the party signing any such Application shall be a custodian, and the Account will be established by such custodian under the Texas Uniform Transfers to Minors Act (TUTMA) for the benefit of the minor named. A TUTMA Account is owned by the minor and amounts deposited into the Account constitute an irrevocable gift to that minor. The custodian named is the sole party entitled to access the Account for the minor’s benefit. The Credit Union has no duty to (i) determine if the person designated or acting as custodian has been duly designated, (ii) determine if an act of the custodian is in accordance with or authorized by the TUTMA, (iii) question the validity or propriety of any instrument or any instructions executed or given by a person acting as a donor or custodian, or (iv) oversee the application by a custodian of money or other property paid or delivered to the custodian. If the custodian dies without a successor custodian already named for the Account, we may suspend the Account until a successor custodian is named, we receive instructions from any person authorized by law to withdraw funds, or we receive a court order authorizing withdrawal.

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

CHECKS AND WITHDRAWALS

1. Payment Authorization. You authorize us to pay checks signed by you and charge the payments against the applicable Account. Only checks or other methods approved by us may be used to withdraw funds from your Account. You agree that it will be your responsibility to verify the accuracy of information appearing on any checks, deposits slips or other forms, and you agree that we will not be liable for any printing errors on any such forms. All checks, withdrawal forms, deposit slips, and transfer instructions used in connection with any Account must be on forms which we provide or otherwise expressly approve in writing. You agree to complete checks using a non-gel black or dark blue ink that will transfer well during any imaging of the check. We will not be liable for any resulting losses, and you agree to indemnify and hold us harmless, if you fail to meet your obligations as set forth in this paragraph. In the event that the applicable Account has sufficient available funds on deposit to cover one or more, but not all of the checks or other withdrawal orders presented during any given business day, we may honor those items and allow those withdrawals. In any order that we may choose in our sole discretion including processing withdrawal orders or checks payable to the Credit Union first, and dishonoring or refusing any item or withdrawal order for which there are insufficient funds available thereafter.

Credits and debits are not posted to your Account in the order in which they occur or we receive them. Sometimes, they are not posted to your Account on the same day that they occur. For example, when you write a check or use your debit card to make a purchase, the merchant or the person or business from whom you made the purchase may not present the check or debit charge to us for payment until several days later. We may treat credits and debits to your Account which we receive on any day as if we received all of them at the
end of that day and post them in any order we choose, and we may change the order in which we process checks and transactions at any time without notice to you. On any given business day, if we receive more than one item for payment and if we determine there are sufficient funds to pay one or more but not all of the items, then the number of items paid and the overdraft and returned item fees assessed could be affected by the order that we choose to post those items. We may choose our processing and posting orders regardless of whether additional fees may result. To avoid fees, you should ensure that your Account contains sufficient available funds at all times to pay each of your transactions. In making distributions upon the death or disability of any party, you agree that we may rely upon the form of the Account at the time of any such death or disability.

2. **Overdrafts and Overdraft Protection.** You are responsible for keeping track of the funds in your Account that are available for you to use before you write a check, make a cash withdrawal at an ATM, or use your debit card for a transaction. Among other things, you should keep a running balance that reflects all of your transactions. It is imperative that you keep track of the transactions you may have authorized (such as outstanding checks or automatic bill payments that you have authorized), as your available balance (discussed in more detail below) will not reflect these transactions until they are paid from your Account. You agree to maintain available funds in your Accounts at all times sufficient to pay any withdrawal order (whether oral, written, or otherwise) or item presented for payment against the applicable Account. “Overdrawing” your Account means that there are not sufficient available funds in your Account to pay for a transaction, but we pay the transaction anyway. Some transactions that can result in an overdraft in your Checking Account include, but are not limited to: (1) the payment of checks, electronic fund transfers, telephone-initiated transfers, preauthorized payments under our Bill Payment Service, or other withdrawal requests authorized by you; (2) the return (unpaid) of items deposited by you; (3) the assessment of service charges by us; or (4) the deposit of items that are treated as not yet “available” according to our Funds Availability Policy. We are under no obligation to pay any order or item (i) the amount of which exceeds the available balance of the Account upon which the order was made or the item was drawn or (ii) which would exceed limitations imposed upon the applicable Account under our policies and procedures or under applicable law including Federal Reserve Board Regulation D. In the event that we do pay any such order or item, we will not waive our right to dishonor any subsequent orders or items presented. If we do pay an order or an item, the amount of which exceeds the available balance in the Account upon which it is drawn, or if any item deposited to your Account is subsequently returned and charged back to your Account creating an overdraft, you agree to pay us immediately the amount by which that Account is overdrawn including any fees which we might assess. We assess a fee for each item that we either pay, which results in an overdraft, or do not pay, which would have resulted in an overdraft had we paid it. Refer to the TIS Rate and Fee Schedule for a listing of fees, which is updated periodically.

We may pay all, some, or none of your overdrafts, without notice to you. You are liable to us to repay any overdrafts on your Account whether you created them or not. If you do not pay us, and we take collection action against you, you agree to pay for our costs of collection. We may close, without notice, any Account with excessive insufficient funds activity, and report the Account to a consumer reporting agency. You also authorize us to deduct any overdraft from your next deposit (including a direct deposit of social security or other government benefits), to withhold or to transfer funds from any other Account to which you are party in amounts sufficient to cover any overdraft and resulting overdraft fees, or to use any other collection remedy available to us at law.

We recommend that you enroll in one of the optional overdraft protection plans described below. These plans can help you avoid overdrafts and returned items. While fees apply when you use an optional overdraft protection plan, the fees under the plan are less expensive than NSF Fees and Fees under Overdraft Protection Program(s). Refer to the “Automatic Overdraft Authorization” section below for more information on our optional overdraft protection plans.

Each party to any of your Accounts will be jointly and severally liable for overdrafts caused by any other party or parties to such Account. In the event that we reasonably believe that your use of your Account or Accounts is abusive due to excessive checks drawn on insufficient funds, excessive activity, or otherwise, your Account may be closed without prior notice to you and reported to a consumer reporting agency.

(a) **Your Checking Account Balance.** Your Checking Account has two kinds of balances: the “actual” balance and the “available” balance. Both can be checked when you review your Account online, at a Credit Union-owned ATM, by phone, or at a branch. It is important to understand how the two balances work so that you know how much money is in your Account at any given time. This section explains actual and available balances and how they work. Your actual balance is the amount of money that is actually in your Account at any given time, but not all funds included in the actual balance are considered available for transactions on your Account. The actual balance is also referred to as: (a) your balance or “current balance” on Credit Union ATM screens; and (b) Online Banking and in Mobile Banking. Your actual balance reflects transactions that have posted to your Account, but not transactions that have been authorized and are pending. While the term “actual” may sound as though the number you see is an up-to-date indication of what is in your Account that you can spend, that is not always the case. Your actual balance will not reflect any purchases, holds, fees, other charges, or deposits made on your Account that have not yet posted. For example, if you have a $50 actual balance, but you just wrote a check for $40, then your actual balance is $50 but it does not reflect the pending check transaction. So at that point, you have an actual balance of $50, but you have already spent $40.
Your available balance is the amount of money in your Account that is available to you to use without incurring an overdraft fee. The available balance takes into account factors such as holds placed on deposits and pending transactions (such as pending debit card purchases) that the Credit Union has authorized but that have not yet posted to your Account. For example, assume you have an actual balance of $50 and an available balance of $50. If you were to use your debit card at a restaurant to buy lunch for $20, then that merchant could ask us to pre-authorize the payment in that amount (or even a different amount). Under this example, if the merchant requested preauthorization in the amount of $20, we will place a “hold” on your Account for $20 (referred to as an “authorization hold”). Your actual balance would still be $50 because this transaction has not yet posted, but your available balance would be $30 because of the restaurant’s preauthorization request that resulted in an authorization hold on $20 in your Account. When the restaurant submits its bill for payment (which could be a few days later and for a different amount than the amount of the authorization hold), we will post the transaction to your Account and your actual balance will be reduced by the amount of the posted transaction.

We use your available balance to determine when your Account is overdrawn. The following example illustrates how this works:

Assume your actual and available balance are both $50, and you use your debit card at a restaurant for $20. If the restaurant requests preauthorization in the amount of $20, an authorization hold is placed on $20 in your Account, so your available balance is only $30. Your actual balance would remain $50. Before the restaurant charge is sent to us for payment, a check that you wrote for $40 clears. Because your available balance is only $30 (due to the authorization hold of $20), your Account will be overdrawn by $10, even though your actual balance is $50. In this case, we may pay the $40 check, but you will be charged a Paid Non-Sufficient Funds Fee of $25. That fee will be deducted from your Account, further increasing the overdrawn amount.

Your Account is considered overdrawn when the available balance in your Account is negative (less than $0). YOU ACKNOWLEDGE THAT YOU MAY STILL OVERDRAW YOUR ACCOUNT EVEN THOUGH THE AVAILABLE BALANCE APPEARS TO SHOW THERE ARE SUFFICIENT FUNDS TO COVER A TRANSACTION THAT YOU WANT TO MAKE. This is because your available balance may not reflect all your outstanding checks, automatic bill payments that you have authorized, or other outstanding transactions that have not yet been paid from your Account. In the example above, the outstanding check will not be reflected in your available balance until it is presented to us and paid from your Account.

In addition, your available balance may not reflect all of your debit card transactions. For example, if a merchant obtains our prior authorization but does not submit a one-time debit card transaction for payment within three (3) business days of authorization, we must release the authorization hold on the transaction. The available balance will not reflect this transaction once the hold has been released, which generally occurs when the transaction has been received by us and paid from your Account. Refer to the section entitled “Preauthorization Holds” in our Electronic Fund Transfers Agreement and Disclosure below for information about how authorization holds affect your available balance.

Finally, your available balance may not reflect the most recent deposits to your Account. Refer to our Funds Availability Policy for information regarding the availability for withdrawal of your deposits.

(b) Automatic Overdraft Authorization. We offer optional overdraft protection plans that you may apply for, such as a personal Line of Credit or Overdraft Protection Line of Credit where your credit account is used for overdraft protection, and an overdraft transfer service where funds from a linked Primary or Secondary Savings Account are used for overdraft protection. If you qualify for these optional services, we will look first to these services for overdraft protection before applying our discretionary Overdraft Protection Program(s) when your Account is overdrawn. These optional automatic overdraft protection plans may save you money on the total fees you pay us for overdraft protection.

In the event that you write a check or take any other action which would result in an Account becoming overdrawn, and if you have requested and been approved for automatic overdraft protection, such check or action taken shall be deemed to be a request by you to us to transfer available funds from your Primary or Secondary Savings Accounts or any other Account you may designate, or to make an advance under your Line of Credit or Overdraft Protection Line of Credit with us, in increments which we deem sufficient to pay such check or otherwise remedy the overdraft. If you authorize an advance under your Line of Credit or Overdraft Protection Line of Credit, you must repay what you have borrowed in full according to the terms of the applicable credit agreement, including applicable fees and finance charges.

We will use reasonable care to transfer funds to your Checking Account from your Primary or Secondary Savings Accounts or other designated Account, or to make an advance under your Line of Credit or Overdraft Protection Line of Credit, in the manner in which you have directed in the Application. A fee may be charged for overdraft protection as set forth in the TIS Rate and Fee Schedule. If sufficient funds are not available in your designated Account, or if you do not have sufficient credit available under your Line of Credit or Overdraft Protection Line of Credit, then any such item presented may be returned due to insufficient funds and a charge will be made to your Account in such amounts as we may establish from time to time, or the amount may be paid under our Overdraft Protection Program(s) described below.
We may terminate optional automatic overdraft protection services at any time with or without notice to you. Any owner of the Checking Account, any owner of a linked Savings Account used for overdraft protection, or any borrower on a Line of Credit or Overdraft Protection Line of Credit used for overdraft protection may cancel overdraft protection in person or in writing. Cancellation will be effective after we have received notice and have had a reasonable time to act on it.

(c) Overdraft Protection Program(s) (or “Bounce Protection” and “Bounce Protection Plus”). If you choose to opt-in or are eligible to participate in a Credit Union’s Overdraft Protection Program(s), items such as ATM withdrawals, everyday Visa Debit Card transactions, ACH or checks drawn off your Checking Account may be paid when there are insufficient available funds in the Account. The Bounce Protection Plus service is not available for one-time debit card transactions or ATM transactions, unless you opt-in, as described below.

If you would like to include ATM and one-time debit card transactions in the Overdraft Protection Program(s), you are required to “opt-in” (in other words, you must provide us with your affirmative consent). Choosing not to opt-in may result in ATM and/or debit card transactions being declined.

You understand and agree that we do not require you to authorize the Overdraft Protection Program(s) for your ATM and one-time debit card transactions as a condition of us providing the Overdraft Protection Program(s) to you for your checks, ACH transactions or other transactions. If you want the Credit Union to authorize and pay overdrafts for ATM and one-time debit card transactions, you must provide us with your consent by: (1) visiting any branch and speaking with a Member Service Representative; (2) visiting our website at bpp.aacreditunion.org; or (3) opt-in during the online account opening process.

The Overdraft Protection Program is not a credit product and requires no application or credit approval process; it is a feature that is automatically included with eligible Checking Accounts. The Bounce Protection Overdraft Protection Program is available for Checking Accounts for which the primary Account owner is 18 years of age or older, provided that: (a) a minimum of $5 is maintained in the Account owner’s Primary Savings Account; (b) no loan on the account is over 30 days delinquent; and (c) no share account has been negative for a period of 30 days.

We pay overdrafts at our discretion and do not guarantee that we will always authorize and pay any type of transaction. If we do not authorize and pay an overdraft, your transaction will be returned or declined. A fee per overdraft item may be charged if you participate in an Overdraft Protection Program. Applicable fees are set forth in the TIS Rate and Fee Schedule.

In our sole discretion, we may notify you by mail, or, if you have agreed to receive notices from us in an electronic format, you may be notified electronically, of any insufficient funds checks, items or other transactions that have been paid or returned; however, we are not required to so notify you. You also acknowledge and agree that we have no obligation to notify you before we pay or return any check, item or other transaction. We may refuse to pay any overdrafts without first notifying you even though your Account is in good standing and even if we have paid previous overdrafts.

Your participation in an Overdraft Protection Program is voluntary and may be terminated by you with prior notification, provided that the Credit Union has sufficient time to act upon such notification, or the Credit Union can terminate the Program and notify you upon termination.

4. Signatures and Account Records. You authorize us to recognize any of the signatures set forth on the Application in the payment of funds or the transaction of any business for your Accounts. You authorize us to pay a check presented for payment even though the signature or signatures thereon do not correspond exactly with the signatures on the Application. We are not obligated to honor a check unless the signature or signatures do correspond exactly with the signatures on the Application. We may recognize facsimile signatures, signatures imprinted by mechanical devices, or any other method of authentication, including orders to pay that are received electronically or telephonically. You agree to indemnify and hold us harmless from any losses resulting from our honoring an item which bears or purports to bear a facsimile signature resembling a facsimile signature on file with us, regardless by whom or by what means the actual or purported signature was affixed to the item. You agree that we may act upon and rely upon documentation, correspondence, or other instructions with respect to your Accounts which we receive by way of electronic or facsimile transmission including Account Agreements, Requests to Modify Accounts, Loan Agreements, and any other order with respect to your Accounts, and you agree to such verification procedures as we may implement from time to time. You agree that we may maintain copies of Account records, including copies maintained electronically, in lieu of any original and that any such copy will be considered an original record for any purpose including admissibility in evidence as an original record before any court or administrative agency.

5. Postdated, Incomplete and Conditional Items. You agree to hold us harmless from any and all loss and liability which you may incur due to our inadvertent payment of incomplete or postdated items, items endorsed "without recourse," or conditional items. You agree that we will not have any duty to discover or comply with postdated, incomplete, or conditional items, nor will we have any duty to comply with any notice of postdating we receive. You agree that we may disregard any information on any check or draft other than the amount of the item, the identity of the drawee bank, the signature of the drawer, and magnetic encoded information, whether or not that information is consistent with any other information on the item.

(a) Governing Regulations. If you send or receive a funds transfer, Fedwire may be used. Federal Reserve Board Regulation J is the law which covers transactions made over Fedwire. If you are a party to an ACH entry, you acknowledge and agree that any such entry will be governed by the National Automated Clearing House Association (NACHA) Operating Rules, the Rules of any local ACH, and the Rules of any other system through which the entry was made. Other payment orders you make may be governed by Article 4A of the Texas Business & Commerce Code.

(b) Notification. Under NACHA Rules, we are not required to give you next-day notice of the receipt of an ACH entry and we will not do so, nor will we give you next-day notice of the receipt of a funds transfer. However, we will notify you of any such transfers in your Account Statement.

(c) Provisional and Final Payment. If we credit your Account for an ACH entry or funds transfer, the credit is provisional until we receive final settlement for the payment order. If we do not receive final settlement, or if we credit your Account by mistake, we are entitled to a refund of the amount credited and you agree that, at our option, we may reverse the credit or require that you reimburse us by way of direct payment.

(d) Identifying Account Numbers. You agree that we can rely upon any identifying Account number given to us in connection with any ACH or funds transfer, even if the number identifies a person different than the named beneficiary or a financial institution different from the named financial institution. You agree that neither we nor any other institution involved in the transaction has a duty to determine whether the number given matches the intended beneficiary or the named financial institution. If we receive a payment order for you that does not specify an Account share ID, you agree that we may deposit the payment into any Account of yours with the same base Account number, including a Multiple-Party Account.

(e) Liability: Interest Payable. We will not be responsible under any circumstances for any special, indirect, exemplary, or consequential damages of any kind arising out of a funds transfer transaction even if we have been advised of the possibility of such damages. We are not required to pay interest on any amount we may owe to you due to an unauthorized funds transfer arising out of our error unless you exercise ordinary care to discover the unauthorized transfer and promptly advise us of the relevant facts. Any rate of interest that we might be obligated to pay to you as a matter of law for a delay or incorrect transfer arising out of our error will be the lower of the federal funds rate at the time of the correction, or the dividend rate which we pay on the Account to or from which the funds transfer should have occurred.

(f) Security Procedures. You agree that we may verify the authenticity of payment orders using our security procedures in place at the time of any such order which may include completing a Funds Transfer Agreement, signature verification, call back procedures, the use of identifying words or numbers and identification via employee ID badge, valid driver's license, or other photo identification document. You agree that these procedures are commercially reasonable in view of your particular circumstances and the type and frequency of payment orders contemplated by you. If you do not agree to these procedures you must notify us in writing, and you may not conduct payment order transactions until you and the Credit Union have agreed in writing on an alternate security procedure.

(g) Cutoff Times. Transfers, payment orders, and communications canceling or amending payment orders received after 1:30 p.m. Central Time on each weekday we are open which is not a holiday may be treated as having been received on the next banking day and processed accordingly. If you request that we send a funds transfer, the funds transfer may not be processed until the next business day following the business day of your request.

(h) Force Majeure. We are not liable for a failure to execute a payment order according to your instructions if an interruption in communication facilities or some other circumstance beyond our control such as fire or flood prevents the transfer, despite reasonable precautions we have taken.

(i) General. You agree that only our forms, methods, and procedures may be utilized. You also agree that in the event of an error, we may correct any such error without prior approval by you. Any authorization you make to initiate paperless debit or credit entries will remain in effect until we receive written notice from you that your authorization has been revoked, in a manner and in time to provide us with a reasonable opportunity to act on it. If we are required to reimburse the government for a direct deposit payment made into your Account, you agree that we may charge the reimbursement amount to any Owner's Account, unless prohibited by law.

7. Stop Payment. You may stop payment on items drawn from your Accounts. You agree to hold us harmless from any claim, loss, damage or expense which we may suffer or incur, including attorneys' fees, by virtue of our refusing payment of any item on which you have stopped payment, as well as for payment of any item after your stop payment order has expired. A stop payment order will be effective for six (6) months and may be renewed upon a request made in writing to us. We are not obligated to notify you when a stop payment order expires. A stop payment order, a renewal of any such order, or a revocation of any such order shall not be effective unless it is delivered to us in writing during regular
business hours or as otherwise permitted by us. Further, a stop payment order, renewal or revocation shall not be effective until we have had a reasonable opportunity to act on any such order, renewal or revocation. In addition, we will not be liable for the payment of an item over a stop payment order if the order is received after 10:00 a.m. Central Time on the next banking day after the banking day on which we received the item. A stop payment order must state the precise amount, date, check number, name of payee and any other information that we may reasonably require. If that information is not provided exactly as it appears on the item, we will not be responsible if we are unable to stop payment. If the order is made orally, we have no obligation to honor it. If we do honor an oral stop payment order, it will only be binding for ten (10) business days or fourteen (14) calendar days after which it must be renewed in writing. Any stop payment order, renewal, or revocation will incur a charge which is set forth on the TIS Rate and Fee Schedule. You agree that we may honor a stop payment order, revocation, or renewal if made by the person who signed the check to be stopped or any other person who has signed the Application or is otherwise authorized to transact business relating to the Account. You agree that we will not be liable for any inadvertent payment of any item, notwithstanding a stop payment order, if we have used ordinary care and followed our usual practices in handling such an order. If an item is inadvertently paid over a valid stop payment order, due to our failure to exercise ordinary care, we will be liable to you for any loss you suffer as a result. You agree, however, that it will be your responsibility to establish any such loss. You agree that we will never be liable for more than your actual loss and that we will not be liable for any incidental, special or consequential damages. If we do recredit your Account after paying an item over a valid stop payment order, you will take whatever action we deem necessary to transfer to us all of your rights against the payee or holder of the item and to assist us if we take legal action against the payee or any other person. For additional information concerning your right to stop payment of pre-authorized electronic fund transfers, please refer to the Electronic Funds Transfer Agreement and Disclosure. You may not stop payment of certified checks, cashier’s checks, or Credit Union teller’s checks issued by us at your request. You may not stop payment of transactions initiated through the use of an ATM card, VISA Debit Card or similar device used at an ATM or a point of sale transaction.

8. Credit Union Liability: Indemnity. Except for losses caused by our failure to exercise ordinary care or our failure to act in good faith, you agree that we will not be liable for any action or inaction regarding the payment or non-payment of items, collection of items, other withdrawals, or the transfer of funds in satisfaction of overdrafts. “Ordinary care” means observance of banking industry practices that do not vary unreasonably from the general banking practices prevailing in the area we service. SUBJECT TO APPLICABLE LAW, YOU AGREE THAT WE WILL NEVER BE LIABLE FOR ANY INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATED TO ANY OF OUR OBLIGATIONS UNDER THIS AGREEMENT, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. If we pay an item over a forged drawer’s signature, we will not be liable for more than the face amount of the item, unless required by law. Except for our acts and omissions caused by our (a) failure to exercise ordinary care (b) willful misconduct or (c) breach of this Agreement, you will indemnify and hold us, our officers, employees, and agents harmless from and against any losses, claims, or expenses, including attorney’s fees and costs of litigation, arising out of or related to the services provided under this Agreement. You will also indemnify and hold us and our officers, employees, and agents harmless from any and all claims, expenses, losses, and damages arising out of our reliance in good faith on any instructions provided by you. We will not be liable for the acts or omissions of a third party not within our control, and we will not be liable for any failure or delay in performance under this Agreement that is related to or caused by circumstances beyond our control.

9. Refusal to Follow Your Instructions. We may refuse to follow any of your instructions that in our sole judgment are illegal or would expose us to potential liability. Alternatively, we may require adequate security or invoke other security measures to protect us from all losses and expenses incurred if we follow your instructions. You agree to reimburse us for any damages, losses, liabilities, expenses, and fees (including, but not limited to, reasonable attorneys’ fees) that we incur in connection with your Account if we take an action in accordance with your or what purports to be your oral, written, or electronic instructions.

DEPOSIT OF ITEMS

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

We may re-present a returned check for payment by the financial institution upon which it is drawn if there were insufficient available funds to initially pay the item, but we are not required to do so. If we choose to re-present the check, we may do so without telling you the check was not paid or that we are presenting it again. We may charge a fee for each deposited or cashed check charged back to your account. We may, at our option, notify you, by telephone or in writing, if a check has been returned unpaid and the fee charged.

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

2. Endorsement Standards. The area from the trailing edge of a check to 1.5 inches from the trailing edge of a check is reserved for the payee’s endorsement. The trailing edge of a check is defined as the left side of the check looking at it from the front. You and all other endorsers must make your endorsement within this prescribed area. If any endorsement or other writing which you or any other endorser makes causes any error or delay in the processing of the item, you agree that you will be liable for any loss which we incur as a result of that delay or error, and you agree to hold us harmless from any such loss.

3. Right to Refuse Deposit. If you request that we accept for deposit a substitute check not created by a financial institution or a check that has already been deposited at a financial institution but returned, we are under no obligation to accept that check for deposit. If we do, however, you agree to hold us harmless from any loss or liability, including consequential damages, attorney’s fees, and expenses which may arise because of our acceptance of the item. In any event, at our discretion, we may refuse any deposit, limit the amount which may be deposited, accept all or any part of a deposit for collection only, return all or any part of any deposit, or close the Account subject to applicable regulations.

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

GENERAL PROVISIONS

1. Account Security. You agree to exercise precautions to safeguard your identity, your Accounts, and your Account information. You agree never to give your personal information or Account information to anyone you do not know or whose identity you cannot verify. If you give your personal information to someone and that person uses your information to access your Account, you agree that such use will be deemed an authorized use for which you will be responsible. We will never contact you by telephone, e-mail, or text messaging and ask you to give us your Account information, including user names, personal identification numbers, and Account numbers. You agree not to disclose your personal information and Account information to unknown persons through these mediums for any reason. You agree to remain vigilant for phishing and other fraudulent scams and notify us promptly if you become aware of or suspect fraudulent activity involving your identity, your Accounts, or the Credit Union. If you fail to exercise reasonable care to protect your identity and safeguard your Accounts, we will not be liable except as required by law.

2. Confidentiality. Certain EFT Services such as ATM and Visa Debit Cards, and CALL-24 may allow a user to obtain certain information about the Primary Member and all of the Primary Member’s Credit Union Accounts, including all share and loan Account information, even if the user is not an Owner or is not otherwise authorized on a particular Account. The Primary Member acknowledges and agrees that any user authorized to use a Card or PIN to access the EFT Services will have full access to all of the Primary Member’s Account information available through the EFT services, and we are not responsible for access by such persons.

3. Taxpayer Identification Number and Backup Withholding. The Internal Revenue Service (IRS) requires most recipients of dividend, interest, or other payments to give taxpayer identification numbers to credit unions and other payers who must report the payments to the IRS. The IRS uses the numbers for identification purposes. Credit unions and other payers must be given the numbers whether or not recipients are required to file tax returns. Credit unions and other payers must generally withhold a percentage of taxable interest,
within ten (10) days of that time, if you fail to receive your statement. Savings Accounts at least quarterly. It is important that you make note of the time that you regularly receive your statement, and you agree to notify us immediately, and in every event be responsible for the loss or theft of your statements. You agree to notify us immediately if you fail to receive a statement for your Checking Accounts monthly or a statement for your Fiduciary Account agrees to notify us promptly if you change your name, address, or any other contact information such as your telephone number or e-mail address. Only the Primary Member or the authorized Account signer for a Fiduciary Account (collectively, “Fiduciary Account”). The Primary Member or the authorized Account signer for a Fiduciary Account agrees to notify us promptly if you change your name, address, or any other contact information such as your telephone number or e-mail address. Any objection that you may have respecting any unauthorized withdrawal, any payment order (including a domestic funds transfer), or any item or deposit shown on a statement will be waived unless made in writing to us, and received on or before the sixtieth (60th) day following the date the statement is mailed or is otherwise delivered to you, subject to applicable law. We must receive notifications of problems related to substitute checks within sixty (60) days. Please refer to the substitute check disclosure in Part II of this Agreement for more information. You agree that we will not be liable for any unauthorized withdrawal, any payment order, any forged, unauthorized, or altered item drawn on or deposited to your Account, any item with missing signatures or endorsements, any missing or diverted deposit, or any other error or discrepancy if you fail to notify us within that sixty (60) day period, nor will we be liable for any forged or altered item if the forgery or alteration is not readily ascertainable upon inspection. We also will not be liable for subsequent unauthorized withdrawals by the same wrongdoer if you fail to notify us of the first unauthorized withdrawal within the sixty (60) day period, even if the subsequent unauthorized withdrawals are reported promptly. You agree that no legal action may or will be instituted by you against us seeking the recovery of any alleged loss as a result of the payment of a forged, unauthorized or altered item, or as a result of any missing or diverted deposit, or due to any other error or discrepancy unless you have provided us with the notice within the time period prescribed above and any such legal action shall have been instituted within two (2) years after the date that the statement containing any such error was mailed or otherwise made available to you. Refer to our Electronic Funds Transfer Agreement and Disclosures to determine your rights and obligations in the event of unauthorized electronic fund transfers or other errors in connection with such transfers.

Unless we adopt alternative procedures from time to time, checks drawn on your Account will not be returned to you and copies of checks will be made available to you upon your request, subject to any fee disclosed on the TIS Rate and Fee Schedule. You agree that your duty to examine statements promptly, and your obligation to notify us in the event of any error is not waived or diminished in any respect by our retention of checks drawn on your Account.

You will receive an Account statement monthly for your Checking Accounts. You will receive an Account statement at least quarterly for your Savings Accounts. The Primary Member is responsible for providing Account statements and other Account information and communications to any Joint Owners. Because your Account statement may include multiple Accounts with different Account Owners, you acknowledge and agree that any person your Account statement is provided to will have access to the Account information for all of your Accounts. Unless we have agreed otherwise, we will mail your Account statement to the last address of record we have on file for the Primary Member or the authorized Account signer for a Trust, Uniform Transfers to Minors, or Guardianship or Estate Account (collectively, “Fiduciary Account”).

6. Legal Process. You authorize us to recognize and honor legal process issued against you from any jurisdiction or state. You agree that we may debit your Account for charges and costs including attorneys’ fees in connection with review, negotiations, responses, appearances, and the production of statements, items, or other documents pursuant to subpoenas, court orders, levies, garnishments, or other instruments of legal process to the extent not otherwise prohibited by law. You agree that any levy, attachment, or garnishment against your Account will be subject to our statutory and contractual liens set forth below, and you authorize us to exercise that contractual lien whether or not any outstanding obligation is in default, subject to applicable law.
7. **Statutory Lien.** If you fail to satisfy any outstanding financial obligation with us, federal law gives us the right to apply the balance of shares and dividends in your Account(s) to satisfy that obligation and we may exercise this right at any time without further notice to you. Federal law grants us the right to impress a lien on all funds in any Account that you have with us if you are in default or otherwise fail to satisfy a financial obligation with us. We may exercise this right without further notice to you. This lien applies to all Accounts that you have with us, to the extent permitted by law, including Accounts that you hold jointly with another person. Notwithstanding anything herein to the contrary, any loan subject to the federal Military Lending Act made to a “Covered Borrower” will not be subject to this statutory lien unless allowed by law.

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

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

10. **Power of Attorney.** You agree that we shall be under no obligation to recognize and honor any power of attorney which authorizes someone to deal with your Account on your behalf. If we accept a power of attorney, an agent may not add a joint owner, make a survivorship or a payable-on-death beneficiary designation on behalf of the principal.

11. **Withdrawal of Services.** In the event that any Credit Union member causes a loss to the Credit Union, or makes known his/her intention to cause a loss to the Credit Union, whether by loan default, Account overdraft, or otherwise, or in the event that any Credit Union member has been abusive in the conduct of his/her affairs with the Credit Union, it is the policy of the Credit Union to limit member services provided to that member, including but not limited to, the right to maintain Accounts at the Credit Union (except a Primary Savings Account), the right to payment of dividends (except on a Primary Savings Account), and the availability of electronic fund transfer services including pre-authorized transfers, telephone and computer access services, VISA Debit Card, and ATM services. Unless expelled from membership, members have a right to maintain a Primary Savings Account, to receive payment of dividends on this Account, and to vote in annual and special meetings. Under certain circumstances, services may be reinstated if any loss caused to the Credit Union is subsequently cured.
12. **Closing the Account.** Any Owner of an Account may close the Account at any time upon providing verbal or written notice to us in such form as we may require; provided, however, that no Joint Owner may close the Primary Savings Account of the Primary Member or reduce the balance of any such Account below the par value of one share. The Primary Member has the authority to close the Primary Savings Account of the Primary Member, upon the Primary Member providing verbal or written notice to us in such form as we may require. Your right to close an Account is subject to any statutory or contractual lien existing in the Credit Union’s favor and any legal process levied against any such Account. 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.

If any surviving Joint Owner is a member of the Credit Union, we may require that the Account be closed and the funds transferred to the surviving Joint Owner's Account.

13. **Death or Incompetence of Account Owner.** We may continue to accept deposits to an Account, to pay items drawn against an Account, to pay other payment orders against an Account, and allow any other transactions with respect to an Account until we are notified of an Account Owner’s death or of an adjudication of incompetence and we have a reasonable opportunity to act upon any such notice. Subject to our policies and procedures, and subject to any separate agreement we may enter into with any surviving Owner of the Account, once we are notified of an Owner’s death or adjudicated incompetence, we may pay items drawn against the Account or other payment orders authorized by the deceased Account Owner for a period of ten (10) days after the Account Owner’s death unless we are ordered to stop payment by a person claiming an interest in the Account. We may require any person claiming an interest in the Account to indemnify us against any losses arising out of the payment of any such claim, and this Account Agreement will be binding upon the Account Owner for a period of ten (10) days after the Account Owner's death unless we are ordered to stop payment by a person claiming an interest in the Account. We may continue to pay dividends on an Account following the death of an Account Owner. If any surviving Joint Owner is a member of the Credit Union, we may require that the Account be closed and the funds transferred to the surviving Joint Owner’s Account.

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

15. **Amendment.** You agree that we may amend, supplement, or add to this Agreement, the TIS Rate and Fee Schedule, and any notice agreement or policy made a part of this Agreement, from time to time in our sole discretion, subject to applicable law.

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

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

18. **Governing Law.** This Agreement shall be governed by the Federal Credit Union Act, the Rules and Regulations of the National Credit Union Administration, the Credit Union’s Bylaws, and, solely to the extent not pre-empted by federal law, the laws of the State of Texas. You acquiesce and submit to personal jurisdiction in the State of Texas. Venue is proper in Tarrant County, Texas.

19. **Credit Reports.** You agree and 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 application for related financial services, as well using such information to consider your eligibility for additional financial products we may offer to you in the future. We may report information about your share and loan Accounts to credit bureaus as allowed by law. Late payments, missed payments, or other defaults on your Accounts may be reflected in your credit report. If you believe that information we have reported or may report to a credit bureau is inaccurate or incomplete, please notify us in writing.

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.

20. **Direct Disputes of Information Appearing in Credit Reports.** You may dispute directly to us any information contained in a credit report that pertains to an Account or other relationship we have or have had with you. We will investigate such disputes if you notify us in writing at any address for us that appears in the credit report or at the following address:
In your letter, you must include sufficient information for us to identify the account or other relationship in dispute, (i.e. include your name, address, contact telephone number and account number) and you must identify the specific information you are disputing and explain your basis for the dispute. You also must provide all supporting documentation or other information we may reasonably require to substantiate your dispute. If you do not comply with these requirements, we may decline to investigate your dispute.

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

22. Notices. If you provide us with your email address, you agree to accept notices from us electronically. Even if you do provide your email address, in some cases we may choose to provide notices in paper form at our discretion. Unless we have provided otherwise in any agreements or disclosures provided to you, any notice you provide to us must be in writing and will not be effective until we have actually received it and have had a reasonable opportunity to act on it. Unless we specify otherwise in any notice we provide to you, notices from us will be effective when mailed or otherwise delivered or made available to you.

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

24. Monitoring Communications. In order to ensure that we carry out your instructions accurately and to ensure quality member service, we may monitor and record telephone conversations and any other communications we have with you.

25. Assignment. You may not assign your Account or this Agreement, or any of your rights under this Agreement, without our express written consent, which may be withheld in our sole and absolute discretion.
PART II

YOUR ABILITY TO WITHDRAW FUNDS
FROM YOUR AMERICAN AIRLINES
FEDERAL CREDIT UNION TRANSACTION ACCOUNTS

A transaction account does not include savings deposit accounts.

Our policy is to make funds from deposits made at our branch location available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Checks deposited at shared branch locations will be available on the second business day after the day of the deposit. Deposits into non-transaction accounts will be made available upon determination by us in our sole discretion. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before 3:00 p.m. Central Time on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 3:00 p.m. Central Time or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

Please remember that even after we have made funds available to you and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit. If you have any questions, be sure to ask us.

1. **Longer Delays May Apply.** In some cases, we will not make all the funds that you deposit by check at our branches available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. However, the first $200 of your deposits will be available on the first business day after the day of deposit. In addition, cash deposits at automated teller machines (ATMs) and checks deposited at ATMs we own may not be available until the second business day after the day of your deposit. If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

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

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than $5,000.00 on any one day.
- You re-deposit a check that has been returned unpaid.
- You have overdrawn your Account repeatedly in the last six months.
- There is an emergency, such as a failure of communications or computer equipment.

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

2. **Holds on Other Funds.** If we accept for deposit a check that is drawn on another institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another Account with us. The funds in the other Account would then not be available for withdrawal during the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

3. **Special Rules for New Accounts.** If you are a new member, the following special rules will apply during the first thirty (30) days your Account is open.
Funds from electronic direct deposits to your Account will be available on the day we receive the deposit. Funds from deposits of cash, funds transfers, and the first $5,000 of a day’s total deposits of cashier’s, certified, teller’s, traveler’s, federal, state and local government checks will be available on the first business day after the day of your deposit, if the deposit meets certain conditions. For example, the checks must be payable to you and you may have to use a special deposit slip. The excess over $5,000 will be available on the seventh business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first $5,000 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available no later than the seventh business day after the day of your deposit.

4. Deposits at Non-Proprietary Automated Teller Machines. Funds from any deposits made at ATMs we do not own or operate will not be available until the fifth business day after the date of your deposit. This rule does not apply at ATMs that we own or operate. All ATMs that we own or operate are identified as our machines.

5. Substitute Checks and Your Rights. Important Information about Check 21 and Your Credit Union Share Accounts.

Note: The following information only applies to consumer accounts opened for personal, family, or household purposes.

Substitute Checks and Your Rights

What Is a Substitute Check?
To make check processing faster, a federal law called Check 21 permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your Account. However, you have rights under other law with respect to those transactions.

What Are My Rights Regarding Substitute Checks?
In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your Account (for example, if you think that we withdrew the wrong amount from your Account or that we withdrew money from your Account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your Account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is a dividend-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to $2,500 of your refund (plus interest if your account earns dividends) within ten (10) business days after we received your claim and the remainder of your refund (plus interest if your account earns dividends) not later than forty-five (45) calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

How Do I Make a Claim for a Refund?
If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your Account, please contact our Member Contact Center at (800) 533-0035. You must contact us within sixty (60) calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the Account statement showing that the substitute check was posted to your Account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include—

• A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
• An estimate of the amount of your loss;
• An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
• A copy of the substitute check or the following information to help us identify the substitute check: identifying information, for example the check number, the name of the person to whom you wrote the check, the amount of the check.

PART III
ELECTRONIC FUND TRANSFERS AGREEMENT AND DISCLOSURE

Telephone Number for Notification of Lost or Stolen Card or Unauthorized Use: (800) 533-0035.
After Hours Number for Lost or Stolen VISA® Debit Card: (800) 754-4128.

This Electronic Fund Transfers Agreement and Disclosure (“Agreement”) is required by Regulation E, issued by the Bureau of Consumer Financial Protection pursuant to the Electronic Fund Transfers Act. In this Agreement, the words “you” “your” and “Party” refer to any person to whom a Credit Union ATM Card or Visa Debit Card (collectively, “Card”) is issued, any person to whom a Personal Identification Number or password (both of which are collectively referred to in this Agreement as a “PIN”) is issued in connection with any such Card or other electronic fund transfer service, any person authorized to use or given access to use to any such Card or PIN, and any owner on any Credit Union Account which may be accessed by the Card or the PIN. The words “we,” “us,” and “our” refer to the Credit Union. This Agreement establishes your rights, liabilities and responsibilities with regard to the use of your Credit Union automated teller machine card (ATM Card), Debit Card (“Visa Debit Card”), the Credit Union’s CALL-24 Automated Voice Response System (“CALL-24”), Online Banking, Mobile Banking and Mobile Deposit (collectively, “EFT Services”, Preauthorized Transfers, electronic check conversions and any other EFT Service you use involving transfers made to or from your account (“Account”). This Agreement does not apply to Wire Transfers and other payment orders that are not sent electronically (for example, in-person payment orders made to other Credit Union accounts). By using the Credit Union’s EFT Services, your Personal Identification Number or password (collectively, “PIN”) assigned to you, or by authorizing another person to use the Credit Union’s EFT Services or your PIN, you agree to be bound by this Agreement, the terms of your Account Agreement with us, and any other additional terms provided to you in connection with the EFT Services you have requested. Any terms used herein but not defined herein shall have the same meaning as in the Account Agreement. This Agreement shall be governed by the Federal Credit Union Act, the Rules and Regulations of the National Credit Union Administration, the Credit Union’s Bylaws and solely to the extent not pre-empted by federal law, the laws of the State of Texas. Venue is proper in Tarrant County, Texas.

1. General Terms: By using your EFT Services or any other EFT Services, you authorize us to withdraw cash or transfer funds from your share (Savings) Account or share draft (Checking) Account as applicable, or to make a loan advance as allowed by law. You agree to follow our security procedures to authenticate your identity when requesting Account access or transactions. All EFT Services are covered by the terms and conditions set forth in this Agreement. You understand and agree that this Agreement is only applicable to consumer accounts, and does not apply to business accounts. All Cards are nontransferable and you agree that the Cards are the property of the Credit Union.

We reserve the right to refuse any transaction for which you do not have sufficient available verified funds, which would exceed your credit limit, lower an Account below a required balance, or otherwise require us to increase the required reserve on the Account. We may set other limits on the amount of any transaction and you will be notified of those limits.

We may cancel, modify or restrict the use of any EFT Service at any time subject to notification required under applicable law if your Account is overdrawn or whenever necessary to maintain or restore security to your Account. You agree to return all Cards, and any other access devices in the event that your Account is closed and to promptly notify us if your Card, or other access device is lost or stolen or if you believe your PIN has become known to an unauthorized person.

2. EFT Services:
   A. ATM Card and Debit Card: You may use your Card to withdraw cash from your Savings or Checking Accounts, inquire to the current balance of your Savings or Checking Accounts, transfer funds between your Checking and Savings Accounts and make deposits to your Checking or Savings Accounts. With your Debit Card, you may additionally pay for purchases at participating regional network merchants that display the Visa logo and obtain cash advances at financial institutions displaying the Visa logo. Some of these services may not be available at all terminals or for all Accounts.
B. CALL-24: With a touch-tone telephone, you may use CALL-24 to obtain Account balances on your Savings, Checking, IRA, Share Certificate and Loan Accounts; obtain information about dividends earned on your Account, interest paid on your Loan Accounts, the most recent deposits and withdrawals, which checks have cleared, ATM transactions and other transfers and withdrawals made from your regular Savings Account, Checking Account or Line of Credit (LOC). This service may be interrupted periodically for system maintenance and in other circumstances beyond our control. Some of these services may not be available for all Accounts. Withdrawals may be made by check, which will be mailed to your statement address on the next business day following your CALL-24 transaction. You may also transfer funds between Savings or Checking Accounts, from Savings and/or Checking to Loan Accounts, and from your LOC to Savings or Checking. Transfers may also be made from one Account to another member Account as long as you are an owner on both Accounts. Once you are no longer a joint owner on a share account with cross-account access, we may remove access to this service without further notice to or instruction from you. You may also use CALL-24 to make a stop payment on a personal check and reorder checks. Some of these services may not be available for all Accounts.

C. Online Banking and Mobile Banking: With a personal computer or mobile Internet device, such as a mobile phone or tablet, you may use Online Banking and Mobile Banking to access your Accounts 24 hours a day. You may use these services to transfer funds between Savings and Checking Accounts, from Savings and/or Checking to Loan Accounts, and from your LOC to Savings or Checking. Transfers may also be made from one Account to another member Account as long as you are an owner on both Accounts. Once you are no longer a joint owner on an Account, we may remove access to this service without further notice or instruction from you. This service may be interrupted periodically for system maintenance and in other circumstances beyond our control, and some of these services may not be available for all Accounts. Access to this service will be denied after numerous unsuccessful attempts to enter the system, and there may be limits on the duration of each access. Your contractual arrangement for the Bill Payment system provides for additional terms, conditions, disclosures and transfer limitations, as set forth in the Bill Payment Service Additional Terms included within the Online Banking disclosures. With Online Banking, if you have a Checking Account, you may use the Bill Payment system to process Bill Payment transfer requests to pay third parties which you designate. Your contractual arrangements and any User Instructions for the Bill Payment service may provide for additional terms, conditions, disclosures, and limitations. Your Online Banking terms and conditions are set forth in this Agreement and the Online Banking Terms of Service included within the Online Banking disclosures.

D. Electronic Check Conversion/Electronic Returned Check Fees: You may authorize a merchant or other payee to make a one-time electronic payment from your Checking Account using information from your check to pay for purchases and/or pay bills. You may also authorize merchants or payees to electronically debit your Account for returned check fees. Your authorization occurs if you complete the transaction after you are notified that the transfer may be processed electronically or if you sign a written authorization.

E. Preauthorized EFTs:
   1. Direct Deposit. Upon instruction of (i) your employer or (ii) the Treasury Department, we will accept direct deposits of your paycheck or of federal recurring payments, such as Social Security, to your Savings or Checking Accounts.
   2. Preauthorized Debits. Upon instruction, we will pay certain recurring transactions from your Savings or Checking Accounts.
   3. Automatic Clearing House (ACH) Payments. Upon instruction from other financial institutions we will accept deposits to your Savings or Checking Accounts.
   4. Some of these services may not be available for all Accounts.

3. Limitation on Dollar Amount and Frequency of Transfers:
   A. With CALL-24, you may withdraw up to $25,000 per day or the balance available from your Savings Account, Checking Account or LOC, whichever is less.
   B. With your ATM Card, you may withdraw up to $1,100 per day or the balance available from your Savings Account or Checking Account whichever is less. For security reasons, there are limits on the number of transfers you can make using our terminals.
   C. In addition to the ATM limits described above, with your Debit Card you may purchase up to $3,500 worth of goods and services per day or the balance available from your Checking Account, whichever is less.
   D. With the Online Banking Bill Payment service, there is a dollar limit of the available balance in your Checking Account, plus your overdraft LOC available balance plus other overdraft protection sources whichever is less on any payment transfer request.

4. Card and PIN Security: You agree not to disclose or otherwise make your Card or PIN available to anyone without obtaining our prior written permission. If you authorize anyone to use your Card or PIN that authority shall continue until you notify us that it is revoked and we have had a reasonable time to act on your notification. You understand that any joint owner on your Accounts is authorized to use your Card and PIN and may withdraw or transfer funds from any of your Accounts. If you fail to maintain the security of your PIN and we suffer a loss, we may terminate your EFT services immediately. Do not keep your PIN with your Card or write your PIN on your Card. For maximum security, memorize your Online Banking password, CALL-24, and Card PINs. When using an ATM, if the wrong PIN is entered three (3) consecutive times, you will be unable to make a transaction. To restore Card access you must call (800) 533-0035 during the timeframes as listed in Section 10. While using CALL-24, if the wrong CALL-24 PIN is entered three (3) times, you will be “locked out” of the system and you must contact a Member Services representative to have your access restored.

5. Limitation on Electronic Transfers:
   A. During any statement period or calendar month (or similar period) of at least four weeks, you may not make more than SIX (6) withdrawals and transfers, or a combination of such transfers and withdrawals, from any Savings Account to another Credit Union Account of yours or to a third party by means of a preauthorized or automatic transfer (including
overdraft protection transfers) or a telephonic (including data transmission) agreement, order or instruction, or by way of a check, Debit Card transaction, draft or a similar order payable to a third party.

B. While ATM transactions are excluded from the limitation imposed, CALL-24 transfers, Online Banking transfers and preauthorized transfers from your Savings Account are included in determining whether your limitation has been exceeded. If you exceed the transfer limitations any transactions over the limit may be rejected and your Account will be subject to closure by the Credit Union. For all Savings Accounts, the Credit Union reserves the right to require at least seven (7) days notice prior to withdrawal/transfer of funds.

C. Your CALL-24 PIN or Online Banking password may be used to access only those Accounts we authorize in advance. If your CALL-24 PIN inadvertently permits you to withdraw funds from an Account you are not authorized to use, you authorize us to withdraw a corresponding amount involved from an Account you are authorized to use, or we may seek recovery of a corresponding amount directly from you to reimburse us when we re-credit the Account accessed.

D. You will not attempt to make a transfer when CALL-24 or Online Banking informs you, or when other circumstances give you reason to believe that the system is closed or is not operating properly due to a technical malfunction or is otherwise unable to initiate the transaction you desire.

6. Stop Payments on Preauthorized Transfers and Notice of Varying Amounts:
   A. If you have told us in advance to make regular payments out of your Account, you can stop any of these payments. Here’s how: Call the telephone number or write us at the address listed in this Agreement in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call. We will charge a fee as set forth in this disclosure for each stop payment order you give.
   B. If these regular payments vary in amount, the person you are going to pay will notify 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. If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled in accordance with paragraph A of this section, and we do not do so, we will be liable for your losses or damages directly related to this transaction.

7. Charges for Transactions or Right to Make Transactions: The use of any of our EFT Services and stop payment requests on preauthorized transfers are subject to our Schedule of Fees and Charges found at the end of this Agreement. When you use an ATM not owned by us, you may be charged a fee by the operator of the machine or any network used. The fee will be debited from your Account if you complete the transaction.
   A. Foreign Transactions: Debit Card purchases and cash withdrawals and ATM transactions made in foreign countries and foreign currencies will be debited from your Account in U.S. dollars. For Debit Card transactions, the rate of exchange between the transaction currency and the billing currency used for processing international transactions will be (i) a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or (ii) the government mandated rate in effect for the applicable central processing date. The exchange rate used on the processing date may differ from the rate that would have been used on the purchase date or statement posting date. A Foreign/International Transaction Fee as set forth in our Fee Schedule will be assessed on all Debit Card international purchase, credit voucher and cash disbursement transactions. A foreign transaction is any transaction that you complete or a merchant completes on your card outside of the United States, with the exception of U.S. military bases, U.S. embassies or U.S. consulates.

8. Your Right to Receive Documentation of Transactions: You will get a receipt at the time you make any transfer of more than $15 to or from your Account using your Card. You will also receive a monthly Account statement documenting your EFT Services transactions, preauthorized transactions, transfers, withdrawals and purchases made, unless there are no transfers in a particular month. In any case, you will receive a statement at least quarterly. If you have arranged to have direct deposits made to your Account at least once every sixty (60) days from the same person or company, the person or company making the deposit will notify you every time they send us the money. You may call us at the telephone number listed in Section 13 to find out whether or not the deposit has been made.

9. Disclosure of Account Information to Third Parties: We will disclose information to third parties about your Account or the transfers you make:
   A. Where it is necessary for completing transfers;
   B. In order to verify the existence and condition of your Account for a third party, such as a credit bureau or merchant;
   C. In order to comply with government agency or court orders; or
   D. If you give us your written permission.

10. Your Liability for Unauthorized Transfers: Notify us AT ONCE if you believe your Card or PIN, Online Banking password or CALL-24 PIN has been lost or stolen or if you believe that an electronic fund transfer has been made without your permission using information from your check. Calling is the best way of keeping your possible losses down. If your Debit Card is lost or stolen, your liability for unauthorized signature-based Visa transactions with the Debit Card after you notify us, is zero ($0). The Visa zero liability limit does not apply if you were grossly negligent or fraudulent in the handling of your VISA Debit Card, including failure to report loss or theft in a timely manner.
If we determine that the unauthorized use situation involving your Debit Card is not covered by the Visa zero liability limit or if the unauthorized use involves your ATM Card or other EFT Services, your liability is determined under this paragraph. You could lose all the money in your Account (plus your maximum overdraft LOC and/or funds in your overdraft protection target source[s], if you have them). If you believe your Card or PIN, or CALL-24 or Online Banking PIN or password has been lost or stolen, and you tell us within two (2) business days after you learn of the loss or theft, you can lose no more than $50 if someone used your Card, PIN or password 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 or PIN, or CALL-24 or Online Banking PIN or password, and we can prove we could have stopped someone from using your Card or your PIN or password without your permission if you had told us, you could lose as much as $500.

Also, if your statement shows electronic fund transfers that you did not make, including those made by Card, or CALL-24 or Online Banking PIN or password, or by other means, tell us at once. If you do not tell us within sixty (60) days after the first statement was mailed or delivered to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods. If you believe your Card, or CALL-24 or Online Banking PIN or password has been lost or stolen, or that someone has transferred or may transfer money from your Savings or Checking Account without your permission, or if you believe a transfer has been made using the information from your check without your permission, call or write us at the address or telephone number below.

**IF YOU KNOW OF OR SUSPECT UNAUTHORIZED USE, CONTACT US AS SOON AS YOU CAN.**

CALL (800) 533-0035 from 7:00 a.m. - 7:00 p.m. Central Time (CT) Monday through Friday; 7:00 am - 5:00 pm (CT) Saturday. ADDRESS: American Airlines Federal Credit Union, Payments Department, P.O. Box 619001 MD 2100, DFW Airport, TX 75261-9001 or you may contact us via our website at AACreditUnion.org and click on the support buttons located throughout the site.

For Lost or Stolen Debit Cards when you are unable to contact the Credit Union call the Lost and Stolen Card Center (800) 754-4128 (open 24 hours a day).

11. **Disclosure of Our 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 will be liable for your losses or damages. However, there are some exceptions. We will NOT be liable, for instance:

- **A.** If, through no fault of ours, you do not have enough money in your Account to make the transfer
- **B.** If your Account is subject to legal process, encumbrance or other claim
- **C.** If the transaction would exceed the unused portion of your LOC and/or overdraft protection target sources
- **D.** If you provided us with incorrect information
- **E.** If the ATM where you are making the transaction does not have enough cash
- **F.** If the equipment, ATM network, phone lines, or computer systems were not working properly or were temporarily unavailable and you knew about the breakdown when you started the transfer
- **G.** If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken
- **H.** If your Card has expired, your Card is damaged or has been retained by the ATM due to the entry of an incorrect PIN
- **I.** If you have closed the Account from which you have authorized automatic transfers
- **J.** The payee mishandles or delays a payment we sent
- **K.** You instruct us to make tax payments or court-ordered payments. You may not make these types of payments using the EFT Services
- **L.** You schedule your transmit date to occur during the grace period for that merchant/payee. We will not be responsible for any late fees associated with payments which have scheduled due dates after the due date on the bill. This is the case even if the vendor allows a “grace period.” You may schedule payments during the “grace period,” but any late charges associated with payments scheduled as such will be your responsibility regardless of the cause of the late payment
- **M.** There may be other exceptions in other agreements we have with you

12. **Changing or Terminating this Agreement:** We may change, add to or supplement this Agreement at any time by mailing or delivering a copy of any changes to you. Unless we are required to provide advance notice, the change is effective on the date it is mailed to you. Use of your Card, Online Banking, CALL-24 PIN, or any EFT Service after the effective date of any change will constitute your acceptance of that change. We may delay enforcing any of our rights under this Agreement without losing them. The fact that we do not enforce our rights in one instance does not mean that we cannot do so in another instance.

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 Cards and any access codes. You must return all Cards to us. You also agree to notify any participating merchants that you have revoked your authority to make Bill Payment transfers. We may also restrict EFT Services or 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. Any termination shall not affect your obligations under this Agreement for any EFTs made prior to termination.
13. Resolution of Errors or Questions: This Agreement governs the procedure you must use in case of errors or questions concerning any receipt you receive at an ATM or concerning your statement reflecting withdrawals from your Savings or Checking Accounts using your Card, CALL-24 or any other EFT Service.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS, CALL OR WRITE AS SOON AS YOU CAN.
CALL: (800) 533-0035 from 7:00 am - 7:00 pm CT Monday through Friday; 7:00 am - 5:00 pm (CT) Saturday. ADDRESS: American Airlines Federal Credit Union, Payments Department, P.O. Box 619001 MD 2100, DFW Airport, TX 75261-9001 or you may contact us via our website at AACreditUnion.org and click on the support buttons located throughout the site.

If you think your statement or receipt is wrong or if you need more information about a transfer listed on your statement or receipt, we must hear from you no later than sixty (60) days after we sent you the FIRST statement on which the problem or error appeared.

1. Tell us your name and Account number.
2. Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
3. Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days. We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will credit your Account within ten (10) business days (if the error you assert is an unauthorized signature-based Visa transaction, 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) 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.

For errors involving new Accounts, we may take up to ninety (90) days to investigate your complaint or question, and we may take up to twenty (20) business days to credit your Account for the amount you think is in error. For errors involving a point of sale transaction or a transaction initiated outside the United States, its possessions and territories, we may take up to ninety (90) days to investigate your complaint or question.

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

14. Business Days: For purposes of this Agreement, our business days are Monday through Friday. Holidays are not included.

15. Restricted Transactions: The Services may not be used for any illegal activity or transaction. You agree that you will not cause or allow our Services or your PIN to be used in any manner or for any transaction that we believe possess an undue risk of illegality and we may refuse to authorize any such use or transaction. Further, you may not use the Services for purchase of any goods or services on the Internet that involve gambling of any sort. Such transactions include, but are not be limited to, any quasi-cash or online gambling transaction, any electronic commerce transaction conducted over an open network and any betting transaction including the purchase of lottery tickets or casino gaming chips or off-track betting or wagering. However, in the event that a transaction described in this paragraph is approved and processed, you will still be responsible for such charges. If you use the Services or PIN for a transaction that is determined to be illegal, you will be liable for the transaction. You also waive any right to take legal action against the Credit Union for your illegal use of the Services or PIN and agree to indemnify and hold the Credit Union and VISA International, Inc. harmless from and against any lawsuits, other legal action, or liability that results directly or indirectly from such illegal use.

16. Preauthorization Holds: When you use your Debit Card at certain merchants such as self-service gas stations, restaurants, hotels, airlines, and rental car companies, the merchant may request a preauthorization hold to cover the final transaction amount. When we preauthorize the transaction, we commit to make the requested funds available when the transaction finally posts and as such, we generally place a temporary hold against some or all of the funds in the Account linked to your debit card, based on the amount of the preauthorization request from the merchant. We refer to this temporary hold as a “preauthorization hold,” and the amount of the preauthorization hold will be subtracted from your available balance as authorization requests are received by us throughout each day. Until the transaction finally settles or we otherwise remove the hold (for example, we may remove the hold because it exceeds the time permitted, as discussed below, or we determine that it is unlikely to be processed), the funds subject to the hold will not be available to you for other purposes. At some point after you sign for the transaction, it is processed by the merchant and submitted to us for payment. This can happen hours or sometimes days after you signed for it, depending on the merchant and its processing company. These payment requests are received in real time throughout the day and are posted to your Account as they are received.

The preauthorization hold may be in an amount greater than or less than the actual purchase amount and may be placed on your Account for up to three (3) business days. The preauthorization hold may differ from the transaction amount because the actual transaction amount is not yet known to the merchant at the time the authorization request is submitted after your debit card is swiped (such as a gas station purchase). This can happen at a restaurant or a gas station, where your debit card is swiped before your actual
transaction amount is known, because you may choose to add a tip to a restaurant transaction or because the amount of gas you pump is unknown when your card is swiped. In some cases, we may not receive an authorization request from the merchant, and there will be no authorization hold reflected in your available balance. We cannot control how much a merchant asks us to authorize, or when a merchant submits a transaction for payment.

You may not access funds that are subject to a preauthorization hold. Preauthorization holds may remain on your Account for up to three (3) business days, even after the transaction has been paid. In addition, even after a preauthorization hold is released, the transaction may be posted to your Account at any time, and we are required to honor the prior authorization, even if the preauthorization hold has been released. As a result, you must ensure that sufficient funds are available and remain in your Account to pay for your Debit Card transactions. Preauthorization holds affect the availability of funds to pay for checks drawn on your Account and other withdrawal transactions. You acknowledge and agree that we are not liable for any damages you may incur for dishonor of items or other transactions because of preauthorization hold placed on your Account funds.

17. **Confidentiality:** Certain EFT Services such as ATM and Debit Cards, CALL-24, Online Banking and Mobile Banking may allow a user to obtain certain information about the Primary Member and all of the Primary Member’s Credit Union Accounts, including all share and loan Account information, even if the user is not an Owner or is not otherwise authorized on a particular Account. The Primary Member acknowledges and agrees that any user authorized to use a Card or PIN to access the EFT Services will have full access to all of the Primary Member’s Account information available through the EFT Services, and we are not responsible for access by such persons.

**NOTICE:** IF YOU DO NOT AGREE TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS AGREEMENT, DESTROY YOUR CARD(S) AND PINS IMMEDIATELY BY CUTTING THEM IN HALF OR OTHERWISE DESTROYING THEM AND NOTIFY US IN WRITING. ANY USAGE OF CARD(S), PINS, PASSWORDS, OR ANY EFT SERVICES UNDER THIS AGREEMENT IS CONSIDERED ACCEPTANCE OF THE TERMS HEREIN.