

ACCOUNT AGREEMENT AND DISCLOSURE

JSC Federal Credit Union
Main Office
1330 Gemini, Houston, TX 77058

This disclosure contains information about terms, fees and dividend rates for some of the accounts we offer.

REGULAR SHARES

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield may change. At our discretion, we may change the dividend rate on the account. The dividend rate and annual percentage yield may change every quarter. We may change the dividend rate for your account, as determined by the credit union board of directors. Dividends begin to accrue on the business day you deposit items (for example, checks). Dividends will be compounded quarterly and will be credited to the account quarterly.

Dividend Period: For this account type, the dividend period is Quarterly, for example, the beginning date of the first dividend period of the calendar year is 01-01-2010. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the above example is 03-31-2010.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$5.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$5.00 to open this account. You may make six (6) transfers from your account each four (4) week or similar period, if by preauthorized or automatic transfer, or telephone (including data transmission) agreement, order or instruction. Transfers and withdrawals made in person, by messenger, by mail or at an ATM are unlimited. If you exceed the transfer or withdrawal limitations set forth above in any statement period, fees may apply.

STAR TEAM SAVINGS ACCOUNT

This account is available to children 12 years of age or younger. You will receive a \$5 deposit to your account as a cash reward for reaching the first \$250 savings deposit goal on the Galaxy Goal Chart.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield may change. At our discretion, we may change the dividend rate on the account. The dividend rate and annual percentage yield may change every quarter. We may change the dividend rate for your account, as determined by the credit union board of directors. Dividends begin to accrue on the business day you deposit items (for example, checks). Dividends will be compounded quarterly and will be credited to the account quarterly.

Dividend Period: For this account type, the dividend period is Quarterly, for example, the beginning date of the first dividend period of the calendar year is 01-01-2010 and the ending date of such dividend period is 03-31-2010. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the above example is 03-31-2010.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$5.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$5.00 to open this account. You may make six (6) transfers from your account each four (4) week or similar period, if by preauthorized or automatic transfer, or telephone (including data transmission) agreement, order or instruction. Transfers and withdrawals made in person, by messenger, by mail or at an ATM are unlimited. If you exceed the transfer or withdrawal limitations set forth above in any statement period, fees may apply.

CLAIM YOUR YOUTH SAVINGS ACCOUNT

This account is available to children 13 to 17 years of age.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield may change. At our discretion, we may change

the dividend rate on the account. The dividend rate and annual percentage yield may change every quarter. We may change the dividend rate for your account, as determined by the credit union board of directors. Dividends begin to accrue on the business day you deposit items (for example, checks). Dividends will be compounded quarterly and will be credited to the account quarterly.

Dividend Period: For this account type, the dividend period is Quarterly, for example, the beginning date of the first dividend period of the calendar year is 01-01-2010 and the ending date of such dividend period is 03-31-2010. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the above example is 03-31-2010.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$5.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$5.00 to open this account. You may make six (6) transfers from your account each four (4) week or similar period, if by preauthorized or automatic transfer, or telephone (including date transmission) agreement, order or instruction. Transfers and withdrawals made in person, by messenger, by mail or at an ATM are unlimited. If you exceed the transfer or withdrawal limitations set forth above in any statement period, fees may apply.

CHRISTMAS SAVINGS ACCOUNT

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield may change. At our discretion, we may change the dividend rate on the account. The dividend rate and annual percentage yield may change every quarter. We may change the dividend rate for your account, as determined by the credit union board of directors. Dividends begin to accrue on the business day you deposit items (for example, checks). Dividends will be compounded quarterly and will be credited to the account quarterly.

Dividend Period: For this account type, the dividend period is Quarterly, for example, the beginning date of the first dividend period of the calendar year is 01-01-2010 and the ending date of such dividend period is 03-31-2010. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the above example is 03-31-2010.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$5.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$5.00 to open this account. You may make six (6) transfers from your account each four (4) week or similar period, if by preauthorized or automatic transfer, or telephone (including date transmission) agreement, order or instruction. Transfers and withdrawals made in person, by messenger, by mail or at an ATM are unlimited. If you exceed the transfer or withdrawal limitations set forth above in any statement period, fees may apply.

SECONDARY SAVINGS ACCOUNT

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield may change. At our discretion, we may change the dividend rate on the account. The dividend rate and annual percentage yield may change every quarter. We may change the dividend rate for your account, as determined by the credit union board of directors. Dividends begin to accrue on the business day you deposit items (for example, checks). Dividends will be compounded quarterly and will be credited to the account quarterly.

Dividend Period: For this account type, the dividend period is Quarterly, for example, the beginning date of the first dividend period of the calendar year is 01-01-2010 and the ending date of such dividend period is 03-31-2010. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the above example is 03-31-2010.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$5.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$5.00 to open this account. You may make six (6) transfers from your account each four (4) week or similar period, if by

preauthorized or automatic transfer, or telephone (including date transmission) agreement, order or instruction. Transfers and withdrawals made in person, by messenger, by mail or at an ATM are unlimited. If you exceed the transfer or withdrawal limitations set forth above in any statement period, fees may apply.

RIGHT PATH SAVINGS

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield may change. At our discretion, we may change the dividend rate on the account. The dividend rate and annual percentage yield may change every quarter. We may change the dividend rate for your account, as determined by the credit union board of directors. Dividends begin to accrue on the business day you deposit items (for example, checks). Dividends will be compounded quarterly and will be credited to the account quarterly.

Dividend Period: For this account type, the dividend period is Quarterly, for example, the beginning date of the first dividend period of the calendar year is 01-01-2010. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the above example is 03-31-2010.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$5.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$5.00 to open this account. You may make six (6) transfers from your account each four (4) week or similar period, if by preauthorized or automatic transfer, or telephone (including data transmission) agreement, order or instruction. Transfers and withdrawals made in person, by messenger, by mail or at an ATM are unlimited. If you exceed the transfer or withdrawal limitations set forth above in any statement period, fees may apply. Shared branching is not permitted on this account. Verification of employment is required to avoid any holds on payroll checks.

Account Fees: There is a \$10 monthly fee.

IRA VARIABLE

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield may change. At our discretion, we may change the dividend rate on the account. The dividend rate and annual percentage yield may change every month. We may change the dividend rate for your account, as determined by the credit union board of directors. Dividends begin to accrue on the business day you deposit items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly.

Dividend Period: For this account type, the dividend period is Monthly, for example, the beginning date of the first dividend period of the calendar year is 01-01-2010 and the ending date of such dividend period is 01-31-2010. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the above example is 01-31-2010.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day.

Limitations: You must deposit \$25.00 to open this account. You may make six (6) transfers from your account each four (4) week or similar period, if by preauthorized or automatic transfer, or telephone (including date transmission) agreement, order or instruction. Transfers and withdrawals made in person, by messenger, by mail or at an ATM are unlimited. If you exceed the transfer or withdrawal limitations set forth above in any statement period, fees may apply.

EXPRESS CHECKING

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield may change. At our discretion, we may change the dividend rate on the account. The dividend rate and annual percentage yield may change every month. We may change the dividend rate for your account, as determined by the credit union board of directors. Dividends begin to accrue on the business day you deposit items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly.

Dividend Period: For this account type, the dividend period is Monthly, for example, the beginning date of the first dividend period of the calendar year is

01-01-2010 and the ending date of such dividend period is 01-31-2010. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the above example is 01-31-2010.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$750.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$25.00 to open this account.

EXPRESS YOUTH CHECKING

This account is available to members 14 years of age or older. Enrollment in eBanking and eStatements is required for all Express Youth checking account holders.

Rate Information: This Account is a non-dividend bearing account.

Limitations: You must deposit \$10.00 to open this account.

HORIZON EXPRESS CHECKING

This account is available to adults age 55 and over who have direct deposit with the credit union. You will be allowed free ATM transactions at non-JSC FCU ATMs (surcharges by machine owners may apply). You will receive two free boxes of checks per year.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield may change. At our discretion, we may change the dividend rate on the account. The dividend rate and annual percentage yield may change every month. We may change the dividend rate for your account, as determined by the credit union board of directors. Dividends begin to accrue on the business day you deposit items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly.

Dividend Period: For this account type, the dividend period is Monthly, for example, the beginning date of the first dividend period of the calendar year is 01-01-2010 and the ending date of such dividend period is 01-31-2010. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the above example is 01-31-2010.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$750.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$25.00 to open this account.

MONEY MARKET CHECKING

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield will depend upon the daily balance in the account as shown on the Rate Chart. The dividend rate and annual percentage yield may change. At our discretion, we may change the dividend rate on the account. The dividend rate and annual percentage yield may change every month. We may change the dividend rate for your account, as determined by the credit union board of directors. Dividends begin to accrue on the business day you deposit items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly.

Dividend Period: For this account type, the dividend period is Monthly, for example, the beginning date of the first dividend period of the calendar year is 01-01-2010 and the ending date of such dividend period is 01-31-2010. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the above example is 01-31-2010.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$1,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$1,000.00 to open this account. During any month, you may not make more than six withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized or

automatic transfer, telephonic order or instruction, or computer transfer. If you exceed the transfer limitations set forth above in any statement period, your account will be subject to closure by the credit union.

Account fees: The following fees apply to this account: Money Market Per item fee: An excessive transaction fee of \$24.00 will be charged for each debit transaction (withdrawal, draft paid, automatic transfer or payment out of this account) in excess of the above transaction limits.

RIGHT PATH CHECKING

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield may change. At our discretion, we may change the dividend rate on the account. The dividend rate and annual percentage yield may change every month. We may change the dividend rate for your account, as determined by the credit union board of directors. Dividends begin to accrue on the business day you deposit items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly.

Dividend Period: For this account type, the dividend period is Monthly, for example, the beginning date of the first dividend period of the calendar year is 01-01-2010 and the ending date of such dividend period is 01-31-2010. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the above example is 01-31-2010.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$750.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$25.00 to open this account. Shared branching is not permitted on this account. Written verification from employer stating direct deposit will be set up on this account is required to receive an ATM Card/Debit Card.

Account Fees: There is a \$5 monthly fee.

90 DAY REGULAR CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 90 days. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$500.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$500.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 90 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 90 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

90 DAY MINI-JUMBO CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 90 days. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual

percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$50,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$50,000.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 90 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 90 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

90 DAY JUMBO CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 90 days. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$100,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$100,000.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 90 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 90 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

6 MONTH REGULAR CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 6 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$500.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$500.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 182 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 90 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless

otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

6 MONTH MINI-JUMBO CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 6 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$50,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$50,000.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 182 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 90 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

6 MONTH JUMBO CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 6 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$100,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$100,000.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 182 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 90 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

12 MONTH REGULAR CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 12 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A

withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$500.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$500.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 365 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 90 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

12 MONTH MINI-JUMBO CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 12 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$50,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$50,000.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 365 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 90 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

12 MONTH JUMBO CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 12 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$100,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$100,000.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 365 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 90 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to

withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

EZ START SHARE CERTIFICATE BUILDER - 12 MONTH CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 12 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$100.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$100.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 365 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 90 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

18 MONTH REGULAR CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 18 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$500.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$500.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 547 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 180 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

18 MONTH MINI-JUMBO CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 18 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends

on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$50,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$50,000.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 547 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 180 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

18 MONTH JUMBO CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 18 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$100,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$100,000.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 547 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 180 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

24 MONTH REGULAR CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 24 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$500.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$500.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 730 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 180 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

24 MONTH MINI-JUMBO CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 24 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$50,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$50,000.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 730 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 180 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

24 MONTH JUMBO CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 24 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$100,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$100,000.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 730 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 180 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

36 MONTH REGULAR CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 36 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the

principal in the account each day. You must maintain a minimum balance of \$500.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$500.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 1094 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 180 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

36 MONTH MINI-JUMBO CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 36 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$50,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$50,000.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 1094 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 180 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

36 MONTH JUMBO CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 36 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$100,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$100,000.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 1094 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 180 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

48 MONTH REGULAR CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 48 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$500.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$500.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 1459 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 180 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

48 MONTH MINI-JUMBO CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 48 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$50,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$50,000.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 1459 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 180 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

48 MONTH JUMBO CERTIFICATE

All share certificates with joint account ownership are set up with rights of survivorship, unless otherwise noted on the share certificate request form.

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield will not change for the term of the account. The dividend rate will be in effect for 48 months. Dividends begin to accrue on the business day you deposit noncash items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly. The annual percentage yield assumes dividends will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of

\$100,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$100,000.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 1459 days. If you withdraw any of the principal or dividends before the maturity date, we will impose a penalty of 180 days dividends on the amount withdrawn subject to penalty, whether earned or not. This account will automatically renew unless otherwise requested. You will have 5 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

BASIC BUSINESS CHECKING

Rate Information: This Account is a non-dividend bearing account.

Limitations: You must deposit \$50.00 to open this account.

BUSINESS PLUS CHECKING

Rate Information: This Account is a dividend bearing account. The dividend rate and annual percentage yield are included in the Rate Chart. The dividend rate and annual percentage yield may change. At our discretion, we may change the dividend rate on the account. The dividend rate and the annual percentage yield may change every month. We may change the dividend rate for your account, as determined by the credit union board of directors. Dividends begin to accrue on the business day you deposit items (for example, checks). Dividends will be compounded monthly and will be credited to the account monthly.

Dividend Period: For this account type, the dividend period is Monthly, for example, the beginning date of the first dividend period of the calendar year is 01-01-2010 and the ending date of such dividend period is 01-31-2010. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the above example is 01-31-2010.

Balance Information: We use the daily balance method to calculate the dividends on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$1,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit \$50.00 to open this account.

Account Fees: Minimum Balance Fee: \$10 monthly if balance falls below \$1000 minimum during the month.

MISCELLANEOUS ACCOUNT FEES AND CHARGES

Please see Fee Schedule - available separately in person or online at www.jsfcu.org.

FUNDS AVAILABILITY POLICY DISCLOSURE

YOUR ABILITY TO WITHDRAW FUNDS AT JSC FEDERAL CREDIT UNION. Our policy is to make funds from your cash and check deposits available to you on the same business day as the day we receive your deposit. Once the funds are available, you can withdraw them in cash and/or we will use them 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 6:00pm 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 6:00pm or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

Reservation of Right to Hold. In some cases, we will not make all of the funds that you deposit by check available to you on the same business day as 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. The first \$200 of your deposit, however, may be available on the first 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 same 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 if we decide to take this action after you have left the premises, we will mail you the notice by the

business day after we receive your deposit. If you need the funds from a deposit right away, you should ask us when the funds will be available.

Longer Delays May Apply. We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:

- You deposit checks totaling more than \$5,000 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- We believe a check you deposit will not be paid.
- There is an emergency, such as failure of computer or communications equipment.

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

Holds On Other Funds. If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

Special Rules For New Accounts. If you are a new member, the following special rules will apply during the first 30 days your account is open:

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and 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. The excess over \$5,000 will be available on the ninth 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 deposits of checks drawn on JSC Federal Credit Union will be available on the same business day as the day of your deposit.

Funds from all other check deposits will be available not later than the ninth business day after the day of your deposit.

Deposits at Shared Branch Service Centers, ATMs and Foreign Checks.

Funds from check deposits made at a Shared Branch Service Center may not be available until the second business day depending on the type of check. However, the first \$200 will be made available the next business day. Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we own or operate will be available on the second business day after the day of deposit, except that U.S. Treasury checks that are payable to you will be available on the first business day after the day of deposit. Also, the first \$200 dollars of a deposit will be available on the first business day after the day of deposit. Checks drawn on JSC Federal Credit Union will be available on the first business day after the day of deposit if the deposit is made at an ATM located on our premises.

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

**ELECTRONIC FUNDS TRANSFER AGREEMENT
AND DISCLOSURES**

This Agreement and Disclosure is made in compliance with federal law regulating electronic funds transfer (EFT) services. Electronic funds transfers are electronically initiated transfers of money involving an account at the Financial Institution. The following disclosures set forth your and our rights and responsibilities concerning the electronic funds transfers. In this Agreement, the words "you" and "your" mean those who sign as applicants or any authorized user(s). The words "we", "us" and "our" mean the Financial Institution. The abbreviation "PIN" or word "code" means a personal identification number.

ONLINE / MOBILE BANKING AND TELEPHONE BANKING

Types of Transactions: You may access certain account(s) you maintain with us by computer using your assigned user ID and password by accessing the online banking service. You may use the online banking service to perform the following functions:

- Transfer Funds Between Eligible Accounts.
- Obtain Balance Information on Eligible Accounts.
- Review Transactions on Eligible Accounts.
- Make Loan Payments.
- Stop Payment Requests.
- Advance Funds From Credit Line.
- Request Withdrawal From Savings Account.
- Request Withdrawal From Credit Line.
- Online Bill Payment.
- Obtain Copy of Statement.
- Request to Open a New Account.
- Request a Loan.
- Order Checks.
- Allow Export of Transaction History to Personal Finance Manager.
- You may access your account 24 hours a day by telephone at (281)488-0708 or through the internet at www.jscfcu.org by using your member number and personal identification number:
 - o make payments from checking or regular share accounts to third parties using Bill Payer
 - o use of the bill payer service has a monthly fee of \$2.00, which includes twenty bill payments per month, with a charge of \$0.30 for each bill payment in excess of twenty per month
 - o request a check withdrawal from your checking or regular share accounts
 - o there is a charge of \$1.00 per check; 2 free per month
 - o there is a charge of \$15.00 per check for express check withdrawals

Limitations on Frequency and Amount:

- By completing and signing the eBanking application, I apply for a JSC Federal Credit Union confidential Personal Identification Number (PIN) for use with the eBanking Audio Response System, and eBanking Home Banking System.

I understand that I cannot use eBanking without a PIN and that I must apply for it in writing and that the credit union will not keep a record of it. It is my understanding that my PIN may be used for transfers between my accounts, information regarding my accounts, check withdrawals made out in my name on my accounts (except individual Retirement Accounts and Certificates of Deposit) and for such other transactions as may become available, of which this agreement is made a part by reference. I am responsible for the safekeeping of my PIN and for all transactions by use of eBanking.

I will notify the Credit Union immediately and send written confirmation if my PIN is disclosed to anyone other than a joint on my account. If I disclose my PIN to anyone, however, I understand that I have given them access to my accounts via eBanking and that I am responsible for such transactions.

I further understand that my PIN is not transferable and I will not disclose the PIN or permit any unauthorized use thereof.

If I default on any amounts I owe under this agreement, I agree to pay all attorney fees and collection costs incurred by the Credit Union to the extent allowed by law.

Transactions made after the normal business hours each day may be posted to the appropriate account on the next business day after the date of such transactions.

- For security purposes, there are limits on the frequency and amount of transfers you may make using this Online Banking Service.

Fees and Charges for Online Service:

- There is no charge for banking online with us.

GOVERNMENT DIRECT DEPOSIT

Types of Preauthorized Transfers: You may arrange for us to complete the following preauthorized transfers to your accounts:

- Accept direct deposits from the U.S. Treasury Department to your draft, checking or share account.

Fees and Charges:

- We do not charge for any preauthorized EFTs.
- We will charge \$25.00 for each stop-payment order for preauthorized transfers.

DIRECT DEPOSIT (NON-GOVERNMENT)

Types of Preauthorized Transfers: You may arrange for us to complete the following preauthorized transfers to your accounts:

- Accept direct deposits from your employer or other financial institutions to your draft, checking or share account.

Fees and Charges:

- We do not charge for any preauthorized EFTs.
- We will charge \$25.00 for each stop-payment order for preauthorized transfers.

PRE-AUTHORIZED DEBIT

Types of Preauthorized Transfers: You may arrange for us to complete the following preauthorized transfers to or from your accounts:

- Pay certain recurring bills from your draft, checking or share account.

Fees and Charges:

- We do not charge for any preauthorized EFTs.
- We will charge \$25.00 for each stop-payment order for preauthorized transfers.

Limitations on Frequency: For some accounts (see account terms) you may make six (6) transfers from your account each four (4) week or similar period, if by preauthorized or automatic transfer, telephone agreement, order or instruction. Three (3) of these transfers may be made by check, draft, debit card or similar order, if applicable, made by the account owner(s) and payable to third parties.

ATM CARD

This card is used for ATM and POS Transactions.

Types of Transactions/Transfers: You may use the card and PIN issued you to pay for purchases from merchants who have agreed to accept the card at Point of Sale (POS) terminals within the networks identified on your card and such other terminals as the Credit Union may designate from time to time. Point of Sale (POS) transactions will be deducted from your Primary Account. Point of Sale (POS) transactions involving a refund will be credited to your Primary Account. You may use the automated teller machine (ATM) card and personal identification number (PIN) issued to you to initiate transactions at ATMs of ours, ATMs within the networks identified on your card and such other facilities as we may designate from time to time. Unless you specify a different account during Automated Teller Machine (ATM) transactions, your Primary Account will be used for your transactions. Your Primary Account number and information may be obtained from the Combined ATM/POS Request Form. At present you may use your card to (some of these services may not be available at all ATMs):

- Deposit funds to your draft or checking account.
- Withdraw cash from your draft or checking account.
- Deposit funds to your share account.
- Withdraw cash from your share account.
- Transfer funds between your draft or checking and share accounts.

- Obtain balance information on your accounts.
- Make loan payments from your accounts.

Limitations on Frequency and Amount:

- You may make 9 cash withdrawals from ATMs per day.
- You may withdraw up to a maximum of \$500.00 (if there are sufficient funds in your account) per day.
- For security purposes, there are limits on the frequency and amount of transfers you may make using ATMs.
- You may purchase up to a maximum of \$500.00 worth of goods and services per day, inclusive of ATM withdrawals.

Fees and Charges:

- There is no charge for ATM withdrawals at machines owned by us.
- There is a \$0.50 charge for each ATM withdrawals at machines we do not own.
- There is no charge for ATM deposits at machines owned by us.
- The first 4 ATM withdrawals at non-JSC Federal Credit Union ATMs per month, per account are free.
- Horizons accounts receives all ATM withdrawals at non-JSC Federal Credit Union ATMs free (surcharges by machine owners may apply).
- There is a \$0.25 charge for each ATM inquiry at machines we do not own.
- We do not charge for any POS transactions.

ATM Fees. When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer).

VISA DEBIT CARD

Types of Transactions/Transfers: You may use the card and PIN issued you to pay for purchases from merchants who have agreed to accept the card at Point of Sale (POS) terminals within the networks identified on your card and such other terminals as the Credit Union may designate from time to time. Point of Sale (POS) transactions will be deducted from your Primary Account. Point of Sale (POS) transactions involving a refund will be credited to your Primary Account. You may also use the card to pay for purchases from merchants that accept the POS debit card with a VISA symbol. VISA is a registered trademark of Visa International. You may use the automated teller machine (ATM) card and personal identification number (PIN) issued to you to initiate transactions at ATMs or ours, ATMs within the networks identified on your card and such other facilities as we may designate from time to time. Unless you specify a different account during Automated Teller Machine (ATM) transactions, your Primary Account will be used for your transactions. Your Primary account number and information may be obtained from the Combined ATM/POS/Debit Card Request Form. At present you may use your card to (some of these services may not be available at all ATMs):

- Deposit funds to your draft or checking account.
- Withdraw cash from your draft or checking account.
- Deposit funds to your share account.
- Withdraw cash from your share account.
- Transfer funds between your draft or checking and share accounts.
- Obtain balance information on your accounts.
- Make loan payments from your accounts.

Limitations on Frequency and Amount:

- You may make 9 cash withdrawals from ATMs per day.
- You may withdraw up to a maximum of \$500.00 (if there are sufficient funds in your account) per day.
- For security purposes, there are limits on the frequency and amount of transfers you may make using ATMs and this Point of Sale Service.
- You may purchase up to a maximum of \$500.00 worth of goods and services per day, inclusive of ATM withdrawals.

- Signature purchases limited to \$2,500.00 per day.

Fees and Charges:

- There is no charge for ATM withdrawals at machines owned by us.
- There is a \$0.50 charge for each ATM withdrawals at machines we do not own.
- There is no charge for ATM deposits at machines owned by us.
- The first 4 ATM withdrawals at non-JSC Federal Credit Union ATMs per month, per account are free.
- Horizons accounts receives all ATM withdrawals at non-JSC Federal Credit Union ATMs free (surcharges by machine owners may apply).
- There is a \$0.25 charge for each ATM inquiry at machines we do not own.
- We do not charge for any POS transactions.

ATM Fees. When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer).

Other EFT Transactions. You may access certain account(s) you maintain with us by other EFT transaction types as described below.

Electronic Draft Conversion. You may authorize a merchant or other payee to make a one-time electronic payment from your account using information from your draft to pay for purchases or pay bills. Electronic draft conversions is a payment process in which a merchant or other payee (after obtaining your authorization) used your draft to gather routing, account, and draft number information to initiate a one-time EFT. When information from your draft is used to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day you make your payment. This type of EFT transaction involving a consumer account is covered by the Electronic Funds Transfer Act and this disclosure. A description of the transaction will appear on your statement.

Re-presented Draft Transactions and Fees. You may authorize a merchant to electronically collect a fee associated with the re-presentation of a draft that is returned due to insufficient or unavailable funds. The resulting fee transaction if debited as an EFT from a consumer account is covered by the Electronic Funds Transfer Act and this disclosure. When a merchant re-presents a draft electronically, that transaction is not covered by the Electronic Funds Transfer Act or this disclosure. A description of the transaction will appear on your statement.

In addition to the limitations set forth above, the following limitations may be applicable to your accounts:

Liability for Unauthorized Transfers. Tell us AT ONCE if you believe your card, ATM PIN, POS card or PIN, or online banking 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 draft. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within two (2) business days after you learn of the loss or theft of your card or code, you can lose not more than \$50.00 if someone used your card or code 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 code, and we can prove that we could have stopped someone from using your card or code without your permission if you had told us, you could lose as much as \$500.00. Also, if your statement shows transfers that you did not make, including those made by card, code or other means, tell us at once. If you do not tell us within 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 that your card or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call (281) 488-7070, or write us at JSC Federal Credit Union, P.O. Box 58346, Houston, TX 77258. You should also call the number or write this address if you believe a transfer has been made using the information from your draft without your permission.

Business Days. For purposes of these electronic funds transfer disclosures, our business days are Monday through Friday. Holidays are not included.

Stop Payments on ATM, POS, or Debit Card Transactions. You may not place a stop payment order on any ATM, POS, or debit card transaction.

Documentation.

Periodic Statement. You will get a monthly account statement from us, unless there are not transactions in a particular month. In any case you will get a statement quarterly. You will get a quarterly statement from us on your savings account if this is the only account you maintain and the only possible electronic transfer to or from the account is a preauthorized deposit.

Terminal Receipt. You can get a receipt at the time you make any transfer to or from your account using one of our ATMs or a POS terminal.

Direct Deposits. If you have arranged to have direct deposits made to your account at least once every sixty (60) days from the same person or company, you can call us at (281)488-7070 to find out whether or not the deposit has been made.

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:

- If, through no fault of ours, you do not have enough money in your account to make the transfer.
- If the money in your account is subject to legal process or other claim restricting such transfer.
- If the transfer would go over the credit limit on your overdraft line.
- If the ATM where you are making the transfer does not have enough cash.
- If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transaction, despite reasonable precautions that we have taken.
- There may be other exceptions stated in our agreement with you.

In Case of Errors or Questions About Your Electronic Transfers. Telephone us at (281) 488-7070, or write us at **JSC Federal Credit Union, P.O. Box 58346, Houston, TX 77258** as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and account number (if any).
- 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.
- 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 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.

If a notice of error involves an electronic fund transfer that occurred within thirty (30) days after the first deposit to the account was made, the error involves a new account. For errors involving new accounts, point of sale debit card transactions, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error.

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.

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

- To complete transfers as necessary;
- To verify the existence and condition of your account upon the request of a

third party, such as a credit bureau or merchant; or

- To comply with government agency or court orders; or
- If you give us your written permission.

Personal Identification Number (PIN). The ATM PIN or POS PIN issued to you is for your security purposes. The numbers are confidential and should not be disclosed to third parties or recorded on the card. You are responsible for safekeeping your PIN(s). You agree not to disclose or otherwise make your ATM PIN or POS PIN available to anyone not authorized to sign on your accounts

Notices. All notices from us will be effective when we have mailed them or delivered them to your last known address on our records. Notices from you will be effective when received by us at the telephone number or the address specified in this Agreement. We reserve the right to change the terms and conditions upon which this service is offered. We will mail notice to you at least twenty one (21) days before the effective date of any change, as required by law. Use of this service is subject to existing regulations governing your account and any future changes to those regulations.

Enforcement. In the event either party brings a legal action to enforce this Agreement or collect amounts owing as a result of any Account transaction, the prevailing party shall be entitled to reasonable attorneys' fees and costs, including fees on any appeal, subject to any limits under applicable law.

Termination of ATM and POS Services. You agree that we may terminate this Agreement and your use of the ATM Card or POS services, if:

- You or any authorized user or your ATM PIN or POS card or PIN breach this or any other agreement with us;
- We have reason to believe that there has been an unauthorized use of your ATM PIN or POS card or PIN;
- We notify you or any other party to your account that we have cancelled or will cancel this Agreement. You or any other party to your account can terminate this Agreement by notifying us in writing.

Termination of service will be effective the first business day following receipt of your written notice. Termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

Preauthorized Electronic Fund Transfers.

Stop Payment Rights. If you have told us in advance to make regular electronic fund transfers out of your account(s), you can stop any of these payments. Here's how: Call us at (281)488-7070, or write us at JSC Federal Credit Union, P.O. Box 58346, Houston, TX 77258 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 you \$25.00 for each stop payment order you give.

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

Liability for Failure to Stop Payment of Preauthorized Transfers. If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we not do so, we will be liable for your losses or damages.

Other Provisions. There may be a delay between the time a deposit is made and when it will be available for withdrawal. You should review our Funds Availability Policy to determine the availability of the funds deposited at ATMs. We reserve the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account.

ATM SAFETY PRECAUTIONS

As issuers of Automated teller Machine (ATM) access devices, we have provided for your information a list of safety precautions regarding the use of automated teller machines. Please read the following safety precautions:

- Be aware of your surroundings, particularly at night.
- Consider having someone accompany you when the automated teller

machine is used after dark.

- Refrain from displaying your cash at the ATM. As soon as your transaction is completed, place your money in your purse or wallet. Count the cash later in the safety of your car or home. Do not leave your receipt at or near the ATM.
- It is appropriate to politely ask someone who is uncomfortably close to you to step back before you complete your transaction.
- Consider using another automated teller machine or coming back later if you notice anything suspicious. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, pocket your ATM access device and leave.
- Go to the nearest public area where people are located if you are followed after making a transaction.
- Do not reveal your Personal Identification Number (PIN) to others. Avoid allowing others to view your PIN entry into an ATM. Memorize your PIN and do not write your personal identification number or code on your ATM access device.
- Report all crimes to law enforcement officials immediately.

SUBSTITUTE CHECK POLICY DISCLOSURE

Substitute Checks and Your Rights

What is a substitute check?

To make check processing faster, federal law permits credit unions and banks to replace original share drafts (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 share drafts 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 an interest-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 \$2,500.00 of your refund (plus interest if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim.

We may reverse the refund (including any interest of 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 us at JSC Federal Credit Union, 1330 Gemini Ave., Houston, TX 77058, (281)488-7070. You must contact us within 40 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
- Both a copy of the Substitute Check and the following information: Copy of statement showing cleared item

ACCOUNT AGREEMENT AND DISCLOSURE

INTRODUCTION. In this Membership Account Agreement and Disclosure, each and all of the members are referred to as “you” and “your.” The Credit Union is referred to as “we,” “our,” and “us.” This Membership and Account Agreement contains terms and conditions governing certain share, share draft, money market, term share, and share certificate accounts with us. As used in this document, the term “Agreement” means this document, the signature card, a rate and fee schedule (which may be in the form of a Rate and Fee Schedule, Share Certificate, or Confirmation of Term Share Account, hereinafter called the “Schedule”), Truth in Savings disclosures, a Funds Availability Policy Disclosure, and an Electronic Funds Transfer Agreement and Disclosure, if applicable. Each of you signing the signature card for an account acknowledges receipt of this Agreement, as amended from time to time. You agree that we may waive, in our sole discretion, any fee, charge, term, or condition set forth in this Agreement at the time the Account is opened or subsequent thereto, on a one-time basis for any period or duration, without changing the terms of the Agreement or your obligation to be bound by the Agreement, and we are not obligated to provide similar waivers in the future or waive our rights to enforce the terms of this Agreement.

MEMBERSHIP ELIGIBILITY. To be eligible for membership in the Credit Union you must be an individual or entity qualifying within the Credit Union’s field of membership and must purchase and maintain at least one share (the “membership share”) in the Credit Union, pay any applicable membership fee and meet any other conditions as required by the Credit Union Bylaws.

ACCOUNTS. From time to time, we may offer or you may open a variety of share accounts. Each such share account (the “Account”) is subject to the general terms and conditions and any specific terms and conditions relating to that type of account that may be set forth in this Agreement. If you open multiple Accounts, you may receive Schedule information for each Account, but this Agreement will cover all your Accounts with us. Each of you will be jointly and severally liable to us for debit balances in the Account, including without limitation overdrafts and Account charges, and jointly and severally promise to pay, upon demand, any and all debit balances, all fees and charges, and our reasonable attorneys’ fees and costs and expenses of collection, including but not limited to those incurred at trial and on any appeal.

DIVIDENDS. If your Account earns dividends, the following information applies: **(A) Dividends.** DIVIDENDS ARE BASED ON THE CREDIT UNION’S EARNINGS AT THE END OF A DIVIDEND PERIOD AND CANNOT BE GUARANTEED. Dividends paid on a Credit Union account represent a distribution of Credit Union earnings to members. The Board of Directors authorize dividends based on available current and prior earnings, after provisions for required reserves. In no event may dividends be paid in excess of available earnings. The specified rate for each reflect rates the Credit Union anticipates will be available for dividend distribution. However, these are not guaranteed rates. **(B) Payment of Dividends.** We will pay dividends at the annual rate specified on the Schedule, which does not reflect compounding (“Interest Rate”). The Schedule also sets forth the frequency of dividend payments, the frequency of any compounding and crediting, the dividends accrual basis, the balance on which dividends will be paid, and any minimum balance requirements. **(C) Minimum Balance Requirements.** The Schedule may specify a minimum balance that you are required to maintain in your Account. If the minimum balance is not maintained during a specified period, we, at our option, may not pay dividends on your Account and/or may charge a fee for that period. You should review any minimum balance requirements on the Schedule. **(D) Initial Dividend Rate.** The initial dividend rate is the current annual rate of dividends that we will pay on the specified balance in your **ACCOUNT.** We reserve the right to pay dividends at different rates, depending on the amount in the Account and/or the type of member. **(E) Dividend Compounding and Accrual.** The Schedule will indicate the dividend compounding and crediting frequency for your Account (if any). Compounding generally means that dividends are being accrued on earned dividends. Dividends may be compounded more frequently than dividends are credited to your Account. **(F) Dividend Accrual.** We may accrue dividends on your Account more frequently than we pay or credit dividends. The dividends that have been calculated, but not paid to the Account, are called accrued unpaid dividends. Your disclosures will indicate compounding and accrual information. **(G) Changes.** Except for any share certificates or Account in which the rate is expressly fixed until maturity, we do not guarantee any particular rate or method for more than one (1) month. We reserve the right to change any rate, term or condition upon

reasonable notice to you.

BYLAW REQUIREMENTS. If you fail to complete payment of one share within at least six (6) months of your admission to membership, or within at least six (6) months from the increase in the par value in shares, or you reduce your share balance below the par value of one share and do not increase the balance to at least the par value of one share within at least six (6) months of the reduction, you may be terminated from membership at the end of a dividend period. Termination of membership shall not relieve you from liability to the Credit Union. Shares may be transferred only from one member to another, by written instrument in such form as the Credit Union may prescribe. The Credit Union reserves the right, at any time, to require members to give, in writing, not more than sixty (60) days notice of intention to withdraw the whole or any part of the amounts so paid in by them. Shares paid in under an accumulated payroll deduction plan may not be withdrawn until credited to the member's account. No member may withdraw shareholdings that are pledged as required security on loans without the written approval of the credit committee or a loan officer, except to the extent that such shares exceed the member's total primary and contingent liability to the Credit Union. You may not withdraw any shareholdings below the amount of your primary or contingent liability to the Credit Union if you are delinquent as a borrower, or if borrowers for who you are comaker, endorser, or guarantor are delinquent, without the written approval of the credit committee or loan officer.

FEES AND CHARGES. Subject to applicable law, you agree to pay us, or have deducted from your Account, the fees and charges shown in the Schedules as are applicable to your Account or for other services performed by us. You agree the fees and charges may be changed by us from time to time and authorize us to charge your account for their payment whether or not each charge results in an overdraft of your account. Existing and future charges may be based upon the overall costs of providing account services and may or may not be based upon the direct cost or expense associated with providing the particular service involved. The charges may be based on consideration of profit, competitive position, deterrence of misuse of account privileges by members, and the safety and soundness of the Credit Union. We will notify you of the changes, to the extent required by law.

BALANCE METHODS. As used in this Agreement, the "average daily balance" method means "the application of a periodic rate to the average daily balance in the account for the period, determined by adding the full amount of principal in the account for each day of the period and dividing that figure by the number of days in the period." The "daily balance" method means "the application of a daily periodic rate to the full amount of principal in the account each day."

DEPOSIT RULES. The following terms apply to deposits made to your Account:

(A) Endorsements. You authorize us, in our discretion, to accept transfers, drafts, checks, and other items for deposit into any of your Accounts if they are made payable to, or to the order of, any one or more of you, whether or not they are endorsed by you. You authorize us to supply missing endorsements, and you warrant that all endorsements are genuine. All drafts, checks and other items deposited to your Account should be endorsed payable to the order of us for deposit only, followed by your signature and Account number. All endorsements must appear on the back of the drafts, check or other item within the first 1-1/2 inches from the left side of the item when looking at it from the front. Endorsements should be in black ink. While we may accept non-conforming endorsements, you will be responsible for any loss incurred by us due to the delay in processing or returning the item for payment.

(B) Final Payment. All non-cash items (for example, drafts or checks) deposited to your Account are provisional and subject to our receipt of final payment by the payor bank. Upon receipt of final payment, the item becomes a collected item. If final payment is not received or if any item you have deposited or cashed is charged back to us for any reason, you authorize us to charge any of your Accounts, without prior notice and at any time, for the amount of the returned item, our returned item fee, any dividends paid on that item, and any other fee we pay or incur. If an item to be charged back is lost in the process of collection or unavailable for return, we may rely upon a photocopy of the item or upon any other generally accepted notification of return of the item, in charging you or any of your Accounts for the amount of the returned item. We reserve the right to refuse any item for deposit into your Account.

(C) Direct Deposits. If we offer direct deposit services for automatic preauthorized deposits to your Account of Social Security payments or automatic transfers from your other accounts with us, you must notify us at least 30 days prior to the next scheduled direct deposit or preauthorized transfer if you wish to cancel the direct deposit or transfer service. If any amount deposited must be returned to the government for any reason, you authorize us to deduct the amount from your Account as provided in the Final Payment paragraph above.

(D) Crediting of Deposits. The Funds Availability Policy Disclosure provided to you reflects our policies relating to the availability of deposited funds.

(E) Substitute Checks and Electronic Files Pertaining to Original Checks. If you deposit a "substitute check" (as defined in Regulation CC § Section 229.2(aaa)) or a purported substitute check into your Account, you agree to

reimburse us for losses, costs and expenses we may pay or incur associated with the item not meeting applicable substitute check standards and/or from duplicate payments associated with the item. If you provide us with an electronic representation of a substitute check for deposit into your account instead of an original check, you agree to reimburse us for losses, costs and expenses we may pay or incur associated with the substitute check resulting from the electronic representation not meeting applicable substitute check standards and/or from duplicate payments associated with the item.

WITHDRAWAL RULES. The following terms apply to withdrawals from your Account: **(A) Manner of Withdrawal.** You may make withdrawals from your Account in any manner that is permitted by us for the type of Account that you have opened. Withdrawals by mail will be posted to your Account as of the day the transaction is processed by us. We may refuse to accept any draft or check other than standard drafts or checks provided by us, or approved by us in advance. Withdrawals and transfers from your Account may be restricted as provided in the Agreement, or in the Schedule, or by applicable law. **(B) Withdrawals Restrictions and Overdrafts.** We do not have to allow you to make a withdrawal from your Account if you do not have sufficient available funds in the Account to cover the full amount of the withdrawal. If there are available funds to cover some, but not all, of the withdrawals or other debits to your Account on a single business day, we will post the drafts for which there are sufficient available funds in sequential order by draft number, from the lowest draft number to the highest. We may pay other withdrawals or debit items (such as charges) prior to paying any drafts, and we may post those other withdrawals or debit items in any order we may choose at our sole discretion. If there are insufficient available funds to cover some of the withdrawals or debits presented against your Account, such items will be handled in accordance with our overdraft procedures or in accordance with any other agreement you may have with us (such as an overdraft protection program). Even if we choose to pay one or more overdrafts, we are not obligated to cover any future overdrafts. We may determine the balance of your account in connection with determining whether payment of an item will create an overdraft at any time between the time we receive the item and the deadline for us to take action on the item. We are not required to determine your account balance more than one (1) time during this period. A service charge may be assessed on any withdrawal created by draft, in-person withdrawal, ATM withdrawal, or other electronic means, that will overdraw the available account balance, regardless of whether we pay or dishonor (return) the item. You agree, immediately upon notice from us, to deposit funds sufficient to cover any overdraft plus service charges, if required. We will not be liable for the dishonor of any item when the dishonor occurs because we setoff a debt against your account. We also may refuse to allow a withdrawal if there is a dispute about the Account (unless a court has ordered us to allow the withdrawal), the Account is garnished or attached, the Account has been pledged as collateral for a debt, the availability of the funds in the Account cannot be verified, any required documentation has not been presented, or you fail to repay an obligation to us on time.

(C) Notice Requirements. Federal regulations require us to reserve the right to require you to give at least seven (7) days notice in writing prior to any intended withdrawal from a share, negotiable order of withdrawal ("NOW"), or money market account. Although we usually pay withdrawals or drafts without notice on these accounts, doing so does not mean we give up this right. **(D) Postdated Items.** You agree that when you write a draft, you will not date the draft in the future. If you do and the draft is presented for payment before the date of the draft, we may pay it or return it unpaid. You agree that if we pay the draft, the draft will be posted to your Account on the date we pay the draft, even though the posting date is prior to the date of the draft. You further agree that we are not responsible for any loss to you in doing so. If we are required by state law not to honor a postdated draft after advance notice from you, you agree to give us advance notice early enough for us to act on it, to do so in writing, and to specify the date, exact amount, and number of the draft, along with the name of the payee. You agree that we may return a postdated draft to the presenter. **(E) Power of Attorney.** The person executing a power of attorney will be referred to as the principal and the person acting for the principal as the agent. We may refuse to comply with a power of attorney for reasonable cause, or until we receive an affidavit from the agent stating that the Power of Attorney presented is a true copy and that, to the best of the agent's knowledge, the principal is alive and that the relevant powers of the agent have not been altered or terminated.

(F) Signatures. You recognize that we have adopted automated collection and payment procedures so that we can process the greatest volume of items at the lowest possible cost to our customers. In light of this, you agree that we do not fail to exercise ordinary care in paying an item solely because our procedures do not provide for the sight examination of items with a face amount below an amount specified by us from time to time. You authorize us to store and use Signature Card information in any reasonable form we deem necessary, including any digitized signature capture process. If you use a facsimile signature or other form of mechanically reproduced signature (such as, but not limited to, desktop publishing, digitized, or computer software generated signature), you agree you shall have the sole responsibility for maintaining security of the facsimile or mechanically reproduced signature and the device by which the facsimile or

mechanically reproduced signature is affixed and you shall bear the entire risk for unauthorized use thereof whether or not you are negligent. You agree that no facsimile or mechanically reproduced signature we have been authorized to honor may be considered a forgery or an unauthorized signature, but that such facsimile or mechanically reproduced signature shall be effective as your signature or endorsement whether or not you have been negligent. You further agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure (including reasonable attorney's fees) we or you may suffer or incur as a result of the unlawful use, unauthorized use, or misuse by any person of any such facsimile or mechanically reproduced signature or the device by which it is affixed. If you use any form of facsimile or mechanically reproduced signature device, you agree to deliver a sample to us if we request it. **(G) Preauthorized Drafts.** If we are unable to enforce presentment and transfer warranties on remotely created checks under Regulation CC, then if you voluntarily give information about your Account (such as our routing number and your account number) to a party who is seeking to sell you goods or services, and you do not physically deliver a draft to the party, any debit to your account initiated by the party to whom you gave the information is deemed authorized by you. **(H) Electronic Draft Conversion.** You may authorize a merchant or other payee to make a one-time electronic payment from your account using information from your draft to pay for purchases or pay bills. The merchant or other payee uses the draft information, along with the transaction amount, to initiate an ACH debit transaction. The transaction is electronically transferred through the ACH system and the funds will be debited directly from your account and deposited automatically into the merchant or payee's account. When information from your draft is used to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day you make your payment. A description of the transaction will appear on your statement from us. Drafts used in these types of transactions will not be returned with your statement. This type of electronic funds transfer from a consumer account is governed by the Electronic Funds Transfer Act and subject to the Electronic Funds Transfer Agreement and Disclosure(s). **(I) Re-presented Drafts.** If a merchant electronically re-presents a draft returned due to insufficient or uncollected funds, that transaction is not covered by the Electronic Funds Transfer Act. Drafts involved in this type of transaction will not be included with your statement. You may authorize a merchant to electronically collect a fee associated with the re-presentation of a draft. If a merchant electronically collects a fee associated with the re-presentation of a draft, the fee transaction is covered by the Electronic Funds Transfer Act and subject to the Electronic Funds Transfer Agreement and Disclosures if the fee is debited as an electronic funds transfer from a consumer account. A description of the transaction will appear on your statement. **(J) Legends.** We may disregard information on any check, draft or item other than the signature of the drawer, the identification of the drawee financial institution and payee, the amount, the endorsements, and any other information that appears on the MICR line. In addition, we are not responsible to take action on, or for failure to notify you of restrictive language placed on checks or other items, including but not limited to terms such as, "Void after 90 Days," "Paid in Full," "Two Signatures Required," "Void over \$100" or similar statements. In accordance with reasonable banking standards, most checks and other items are processed through automated processing and, except in limited circumstances and in our discretion, most items are not individually examined. You agree that we act within reasonable banking standards by processing most checks and other items through automated processing systems. We may agree to adhere to extraneous legends if you notify us of such legends and we have agreed in writing to honor such legends. **(K) Non-Member Draft/Share Draft Cashing Identification.** If a person who is not a member of our credit union presents a draft drawn against one of your accounts for payment over the counter, we may require identification that meets our standards including a thumbprint or fingerprint from the person. You agree that if the person refuses to comply with our identification standards, we may not cash the draft and we have no liability to you for refusing to cash the draft.

STALE DRAFTS. We reserve the right to pay or dishonor a draft more than six (6) months old without prior notice to you.

SHARE DRAFT ACCOUNTS. If your account is a share draft account, the following terms may apply. No interest will be paid on any demand deposit share draft account with us. If we offer NOW (dividend bearing share draft) accounts, the account must consist solely of funds in which the entire beneficial interest is held by one or more individuals in an individual capacity, a sole proprietor, or a governmental unit, but not professional corporations or business partnerships. A NOW account may also be held by a for profit organization serving in a fiduciary or trustee capacity for an entity that is itself permitted to hold a NOW account. Otherwise, an organization may hold a NOW account only if it is operated primarily for religious, philanthropic, charitable, educational, or other similar purpose.

SHARE ACCOUNTS. If your account is an dividend earning account and is not a NOW account or share certificate, the following terms may apply. **(A) Transfers and Withdrawals.** If your Account is a share or money market account, federal

law requires that an Account Owner may make no more than six (6) transfers and/or withdrawals during any one (1) calendar month or statement cycle (the period from one statement to the next) or similar period of at least four weeks, to another of your accounts with us or to a third party by means of a preauthorized or automatic transfer, or telephonic (including data transmission) agreement, order or instruction. No more than three (3) of the six (6) transfers may be made by check, draft, debit card, or similar order made by you and payable to third parties. If you exceed more than three (3) such transfers, we need not honor the item. A "preauthorized transfer" includes any arrangement by us to pay a third party from your account upon written or oral instructions (including an order received through an automated clearing house (ACH) or any arrangement by us to pay a third party from your account at a predetermined time or on a fixed schedule.) **(B) Excess Transactions.** In accordance with federal law, if you have more than the allowable preauthorized transfers or preauthorized checks or drafts (for money market accounts) in any one period, your Account may be subject to closure by us and the funds placed in another account that you are eligible to maintain, or we may take away the transfer and draft capabilities of the account. In addition to the above preauthorized transfers, you may make unlimited withdrawals (payments directly to you or transfers of funds from your Account to any of your other accounts or loan accounts with us), either in person at our locations, by mail, messenger, telephone (via draft or check mailed to you), or use of an ATM card (if applicable).

TERM SHARE ACCOUNTS. If your Account is a term share account, you have agreed to keep the funds on deposit until the maturity of your Account. If your Account has not matured, any withdrawal of all or part of the funds from your Account may result in an early withdrawal penalty. We will consider requests for early withdrawal and, if granted, the penalty provided in the Schedule will apply. **(A) Penalty.** The early withdrawal penalty is calculated as a forfeiture of part of the accrued dividends that have or would be earned on the Account. If your Account has not yet earned enough dividend so that the penalty can be deducted from earned dividend, or if the dividends already have been paid, the difference will be deducted from the principal amount of your Account. For fixed rate Accounts, we will use the rate in effect for your account. **(B) Exceptions.** We may let you withdraw money from your Account before the maturity date without an early withdrawal penalty: (1) when one or more of you dies or is determined legally incompetent by a court or other administrative body of competent jurisdiction; or (2) when the Account is an Individual Retirement Account (IRA) established in accordance with 26 USC 408 and the money is paid within seven (7) days after the Account is opened; or (3) when the Account is a Keogh Plan (Keogh), if you forfeit at least the dividends earned on the withdrawn funds; or (4) if the term share account is an IRA or Keogh Plan established pursuant to 26 USC 408 or 26 USC 401, when you reach age 59 ½ or become disabled; or (5) within an applicable grace period (if any).

STOP PAYMENT ORDERS. Subject to certain limitations, you may order us to stop payment on any draft or other item payable from your Account, whether drawn by you or any other account owner. The stop payment request will be effective if we receive the order at such time and in such manner as to afford us a reasonable opportunity to act upon the order. Stop payment orders must be received in writing to be effective. The stop payment order is effective for six (6) months. A stop payment order may be renewed for additional six (6) month periods if a written renewal is given to the bank during a period within which the stop payment order is effective. We will require you to provide the date, the exact amount, and the number of the item, together with the name of the payee. If you give us incorrect information, we will not be liable for failing to stop payment on the item. Our acceptance of a stop payment order will not constitute a representation that the item has not already been paid or that we have a reasonable opportunity to act upon the order. You may not stop payment on an official, certified, cashier's, or teller's check issued by us, or request us to stop payment if we have otherwise become accountable for the item. In addition, you may not stop payment on drafts or checks governed by separate agreement, such as a draft or check guaranty agreement. Further, you may not stop payment on an item after acceptance of the item by us.

Based upon the type of account ownership that you have designated, the following terms and conditions apply.

NOTICE: THE TYPE OF ACCOUNT YOU SELECT MAY DETERMINE HOW PROPERTY PASSES ON YOUR DEATH. YOUR WILL MAY NOT CONTROL THE DISPOSITION OF FUNDS HELD IN SOME OF THE FOLLOWING ACCOUNTS. You may select some of the following accounts by placing your initials next to the account you select on the Texas Uniform Single or Multiple-Party Account Selection Form.

INDIVIDUAL ACCOUNTS. An Individual ("Single-Party") Account is an account in the name of one member only.

SINGLE-PARTY ACCOUNT WITHOUT P.O.D. (PAYABLE ON DEATH) DESIGNATION. The party to the account owns the account. On the death of the

party, ownership of the account passes as a part of the party's estate under the party's will or by intestacy.

SINGLE-PARTY ACCOUNT WITH P.O.D. (PAYABLE ON DEATH)

DESIGNATION. The party to the account owns the account. On the death of the party, ownership of the account passes to the P.O.D. beneficiaries of the account. The account is not a part of the party's estate. Note, a sole proprietorship may be considered a Single-Party Account and may contain a payable on death (P.O.D.) designation.

MULTIPLE-PARTY ACCOUNTS. Our rights and liabilities for payment of any sums on deposit in this account shall be governed by the Texas Probate Code, as amended from time to time.

This section pertains to multiple-party accounts:

(A) Joint Account Ownership. An account with two or more Account Owners is a joint ("multiple-party") account.

Multiple-Party Account Without Right of Survivorship. The parties to the account own the account in proportion to the parties' net contributions to the account. The financial institution may pay any sum in the account to a party at any time. On the death of a party, the party's ownership of the account passes as a part of the party's estate under the party's will or by intestacy.

Community Property Without Right of Survivorship. If you have designated your Account as a community property account without right of survivorship, the money in your Account is the community property of the named parties who are husband and wife. You will need to select the Multiple-Party Account Without Right of Survivorship designated on the Texas Uniform Single or Multiple-Party Account Selection Form according to Section 439A of the Texas Probate Code. The ownership of the community property account during the lifetime and after death of a spouse is determined by state law and may be affected by a will.

Multiple-Party Account With Right of Survivorship. The parties to the account own the account in proportion to the parties' net contributions to the account. The financial institution may pay any sum in the account to a party at any time. On the death of a party, the party's ownership of the account passes to the surviving parties.

Community Property With Right of Survivorship. Texas law allows a husband and wife to agree in writing that community property funds in an account shall become the property of the surviving spouse on the death of either spouse. If the parties to the account have community property funds and desire to have right of survivorship in those funds, they will not only need to choose the Multiple-Party Account With Right of Survivorship designation on the Texas Uniform Single or Multiple-Party Account Selection Form according to Section 439A of the Texas Probate Code, but will also need to execute an additional agreement signed by both the husband and wife regarding the disposition of the community property funds. We will furnish a written survivorship agreement to be placed on file with us for community property accounts with right of survivorship, however, you should consult your own attorney if you have any questions regarding community property laws and the division of property at the death of either spouse.

Multiple-Party Account With Right of Survivorship and P.O.D. (Payable on Death) Designation. The parties to the account own the account in proportion to the parties' net contributions to the account. The financial institution may pay any sum in the account to a party at any time. On the death of the last surviving party, the ownership of the account passes to the P.O.D. beneficiaries.

(B) Convenience Account. The parties to the account own the account. One or more convenience signers to the account may make account transactions for a party. A convenience signer does not own the account. On the death of the last surviving party, ownership of the account passes as a part of the last surviving party's estate under the last surviving party's will or by intestacy. The financial institution may pay funds in the account to a convenience signer before the financial institution receives notice of the death of the last surviving party. The payment to a convenience signer does not affect the parties' ownership of the account.

(C) Totten Trust Account. The party or parties named trustee(s) to the account own the account in proportion to the party's or parties' net contributions to the account. A trustee may withdraw funds from the account. A beneficiary may not withdraw funds from the account before all trustees are deceased. On the death of the last surviving trustee, the ownership of the account passes to the beneficiary. The trust account is not part of a trustee's estate and does not pass under the trustee's will or by intestacy, unless the trustee survives all of the beneficiaries and all other trustees.

Each joint ("multiple-party") Account Owner, without the consent of any other Account Owner, may, and hereby is authorized by every other joint Account Owner, to make any transaction permitted under the Agreement, including without limitation: to withdraw all or any part of the account funds; to pledge

the account funds as collateral to us for any obligation, whether that of one or more Account Owners or of a third party; to endorse and deposit checks and other items payable to any joint Account Owner; to give stop payment orders on any check or item, whether drawn by that Account Owner or not; and, to close the account, with the disbursement of account proceeds as instructed by the joint Account Owner. Each joint Account Owner is authorized to act for the other Account Owner(s) and we may accept orders and instructions regarding the account from any joint Account Owner. If we believe there to be a dispute between joint Account Owners or we receive inconsistent instructions from the Account Owners, we may suspend or close the account, require a court order to act, and/or require that all Account Owners agree in writing to any transaction concerning the account.

Your obligations under the Agreement are joint and several. This means that each joint Account Owner is fully and personally obligated under the terms of the Agreement, including liability for overdrafts and debit balances as set forth above, irrespective of which joint Account Owner benefited from the withdrawal. If you establish a joint account without the signature of the other joint Account Owner(s), you agree to hold us harmless for our reliance upon your designation of the other joint Account Owner(s) listed on our documents. Further, the Account is subject to the right of setoff as set forth below.

ADDITIONAL ACCOUNT TYPES. This section applies to other account types:

(A) Formal Trust Account. A Formal Trust Account is an account held by one or more trustees for the benefit of one or more beneficiaries according to a written trust agreement. Upon our request, the trustee(s) will supply to us a copy of any trust agreement or a Certification of Trust covering the account. To the extent permitted by law, we may require additional information and documentation. We may require the trustee(s) to provide additional certifications and documentation to support any change in the trust agreement or the opening of additional accounts by the trust. We act only as custodian of the trust funds and are under no obligation to act as a trustee or to inquire as to the powers or duties of the trustee(s). The trustee(s) and/or any person opening the Account, in their individual capacity and jointly and severally, agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any beneficiary or other trustee with respect to the authority or actions taken by the trustee(s) in handling or dealing with the Account.

(B) Uniform Transfer to Minors. If you have established the account as a custodian for a minor beneficiary under our state version of the Uniform Transfers to Minors Act or the Uniform Gifts to Minors Act, your rights and duties are governed by the Act. You will not be allowed to pledge the account as collateral for any loan to you. Deposits in the account will be held by us for the exclusive right and benefit of the minor. The custodian and/or any person opening the Account, in their individual capacity, agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any beneficiary or other custodian with respect to the authority or actions taken by the custodian in handling or dealing with the Account.

(C) Representative Payee Accounts. Subject to applicable law, a Representative Payee Account is a type of fiduciary account in which a representative payee (appointed by the Social Security Administration) manages Social Security and Supplemental Security funds received on behalf of a beneficiary. Upon our request, the representative payee will provide sufficient documentation from the Social Security Administration indicating his or her appointment as a representative payee for the Account Owner. We may require additional documentation from the representative payee indicating his or her authority to act on behalf of the Account Owner. The representative payee does not have an ownership interest in the funds in the Account. The representative payee does not have right of survivorship in the Account on the death of the Account Owner. We act only as custodian of the funds and are under no obligation to act as a trustee or to inquire as to the powers or duties of the representative payee. The representative payee agrees to indemnify, and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorneys' fees, we may suffer or incur arising out of any action or claim by the beneficiary, a government entity or by any other party regarding the authority or actions taken by the representative payee in handling or dealing with the Account.

(D) Agency Account. An Agency Account is an account to which funds may be deposited and withdrawals made by an Agent designated by the owner of the funds. An Agent has full authority with regard to the Account but does not have an ownership interest in the account. An Agency Account is revocable at any time by notifying us in writing. An Agency designation may be combined with one of the other forms of account ownership.

(E) Business Account. If the Account is not owned by a natural person (for

example, it is owned by a corporation, partnership, limited liability company, sole proprietorship, unincorporated association, etc.), then the Account Owner must provide us with a copy of the business entity's certificate of incorporation or other comparable organizational document, and evidence to our satisfaction of the authority of the individuals who sign the signature card to act on behalf of the Account Owner. On any transaction involving the Account, we may act on the instructions of the person(s) authorized in the resolutions, banking agreement, or certificate of authority to act on behalf of the Account Owner. If you operate as a sole proprietorship, you agree to notify us at least annually of any change in the name of the business owner, in the physical address of the business, in the home address of the business owner, in the driver's license number of the business owner, or in the business owner's personal identification card number issued by the Department of Public Safety. You further agree to notify us in writing of any changes in the person(s) authorized to act on behalf of the Account Holder, any change in the business entity's certificate of incorporation or other organizational document, or the form of ownership. If we receive conflicting instructions or a dispute arises as to authorization with regard to the handling of the Account, you agree we may place a hold on the Account until such conflict or dispute is resolved to our satisfaction and we will not be liable for dishonored items as a result of such hold.

(F) Fiduciary Accounts. With respect to all fiduciary accounts, including but not limited to estate accounts, guardianship accounts, representative payee accounts, and conservatorship accounts, and any Formal Trust Account, Uniform Transfers to Minors Act Account, or Agency Account, we reserve the right to require such documents and authorizations as we may deem necessary or appropriate to satisfy that the person(s) requesting or directing the withdrawal of funds held in the Account have the authority to withdraw such funds. This applies at the time of account opening and at all times thereafter.

(G) Attorney Client Trust. Subject to applicable law, an Attorney Client Trust is an account set up by an attorney or law firm to hold client or third party funds in trust, separate from the attorney's or law firm's funds. Upon our request, the authorized signers for an Attorney Client Trust will provide documentation required by applicable state law and applicable bar association (or similar entity) rules. We act only as custodian of the trust funds and are under no obligation to act as a trustee or to inquire as to the powers or duties of the attorney or law firm as trustee(s). The attorney, law firm, or any authorized individual on the account agrees to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any beneficiary or third party with respect to the authority, actions, or inaction taken by the trustee(s) or authorized individuals in handling or dealing with the account. Additional account terms are governed by a separate agreement.

(H) Real Estate Broker Client Trust Accounts. Subject to applicable law, a real estate broker may open account(s) to hold client or third party funds in trust, separate from the broker's funds. We act only as custodian of the funds. We are under no obligation to act as a trustee or to inquire as to the powers or duties of the broker or other authorized signer(s) as trustee(s). The broker and any authorized individual on the account in their individual capacity and jointly and severally, agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any client or third party with respect to the authority, actions or inaction taken by the broker or authorized signer(s) in handling or dealing with the Account. Upon our request, the authorized signer(s) for this type of account will provide to us any documents required by applicable law and/or real estate professional rules.

(I) Government/Municipal/Public Funds Accounts. This type of account is owned by a government or public entity. For this type of account, you agree to provide us with authorization document(s) (in a form acceptable to us) stating that we are designated as a depository for the funds of the government or public entity and such documentation shall state the individual(s) authorized to act on behalf of the government or public entity and the extent of their authority. We may rely upon such documentation until we receive written notice of a change and new authorization documents. We are not responsible for any transaction conducted by a previously authorized individual until we actually receive written notice that the authorized individual's authority has been revoked. Unless specifically stated otherwise in the authorization document(s), we can rely on one authorization for all accounts owned by the government or public entity. If required by law, you agree to enter into a Collateral Security Agreement regarding this type of account.

ASSIGNABILITY. The account established under this Agreement is not assignable or transferable except with our consent. We must approve any pledge of the Account and any such pledge remains subject to any right we have under the Agreement and applicable state and federal law. If ownership is proposed to be transferred, we may require the Account be closed and a new account opened in the name of the transferee or pledgee.

CREDIT UNION LIABILITY. You agree that if we do not properly complete a transaction according to the Agreement, we will not be liable in any event for losses or damages in excess of the amount of the transaction, and we will not be liable if circumstances beyond our control prevent the transaction, or the funds in your Account are or may be subject to legal process or other claim. In no event will we be liable for consequential damages. In receiving items from you for withdrawal or deposit, we act only as your agent. You are responsible for the condition of a check or item when you issue it. If a check or item is returned or payment is delayed as a result of any writing or marking that you or a prior endorser placed on the front or back of the check or item, you will be responsible for any cost and liabilities associated with such return or delay. We reserve the right to refuse any item for deposit or to reverse credit for any deposited items or to charge your Account for items should they become lost in the collection process.

STATUTORY LIEN. We have the right to impress and enforce a lien on all funds in accounts that you have at our credit union. The statutory lien applies to any and all accounts (except as prohibited by law) that you have at our credit union including joint accounts that you hold with another person. This statutory lien applies to the extent of your financial obligations to us. Shares and deposits in an Individual Retirement Account and any other account that would lose special tax treatment under state or federal law if given as security are not subject to the statutory lien. We may enforce this lien (without any further notice to you) if you are in default on a financial obligation with us.

DORMANT ACCOUNTS. If you have not made a withdrawal from, or a deposit to, your Account for an extended period of time and we have been unable to contact you, your Account may be classified by us as dormant. Subject to applicable law, we may charge a dormant account fee on the Account, and the Account will be presumed to be abandoned. In accordance with state law, funds in abandoned accounts will be remitted to the custody of the applicable state agency, and we will have no further liability to you for such funds. We reserve the right not to send statements on accounts we consider dormant, subject to applicable law.

ACCOUNT STATEMENTS. You are responsible for promptly examining your statement each statement period and reporting any irregularities to us. Each account statement will be considered to correctly reflect your transactions, such as deposits, withdrawals, credits, refunds, imposition of fees, interest or dividends, and other additions and subtractions to your Account, unless you notify us in writing within certain time limits after the statement that incorrectly reflects your transactions is made available to you. We will not be liable for any draft that is altered or any signature that is forged unless you notify us within Thirty (30) calendar days after the statement and the altered or forged item(s) are made available. Also, we will not be liable for any subsequent items paid, in good faith, containing an unauthorized signature or alteration by the same wrongdoer unless you notify us within Ten (10) calendar days after the statement and first altered or forged items were made available. You must report any other Account problem including encoding errors, and errors involving additions or subtractions (debits and credits) not otherwise covered herein, including electronic transactions not covered by the Electronic Fund Transfer Act, within Sixty (60) calendar days. If the suspected account problem involves a substitute check that you receive, you may (under some circumstances) be entitled to make a claim for an expedited refund. Such a claim may be subject to different notification timeframes. See the Substitute Check Policy Disclosure (if applicable) for further information. If you have requested us to hold your Account statements, we have the right to mail your statements if you have not claimed them within Thirty (30) calendar days. If we truncate your drafts, you understand that your original drafts will not be returned to you with your statement. You agree that our retention of drafts does not alter or waive your responsibility to examine your statements or change the time limits for notifying us of any errors.

WHOLESALE WIRE AND ACH TRANSACTIONS. With respect to wire transfers or other transfers of funds not governed by the Electronic Funds Transfer Act, you agree to enter into and comply with our wire transfer (if applicable) agreement and to comply with our security procedures and this section. We advise you that any receiving financial institution (including us) is entitled to rely on any account or credit union number you have provided even though that account or credit union number may identify a party different from the person or entity you have described by name in any transfer order.

(A) Provisional Payment. Credit given by us to you with respect to an ACH credit or wholesale (wire) funds transfer entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to your Account in connection with such entry, and the party (the originator of the entry) making payment to you via such entry shall not be deemed to have paid you the amount of such entry.

(B) Notice of Receipt. We will notify you of the receipt of payments in the

periodic account statements we provide to you. You acknowledge that we will not give next day notice to you of receipt of an ACH or wholesale (wire) funds transfer item.

NOTICES. The following terms apply to notices relating to your Account. **(A) Notice of Amendments.** You agree that the terms and conditions of the Agreement, including without limitation all rates, fees, and charges, may be amended by us from time to time. We will notify you of amendments as required by applicable law. Your continued use of the Account evidences your agreement to any amendment. Notices will be sent to the most recent address shown on our records for your Account. Only one notice will be given in the case of joint account owners. **(B) Account Changes.** Any account owner or person authorized to sign on an account is required to notify us in writing if any account owner or other person authorized to sign on an account dies or is declared incompetent by a court. It is your responsibility to notify us of any change in your address or name. We are required to honor items drawn only on the listed Account name. Further, we are required to attempt to communicate with you only at the most recent address provided to us.

ACCOUNT TERMINATION. You and we agree that either of us may close your Account and terminate this Agreement at any time with or without cause. We will provide written notice to you in advance if we decide to terminate your Account relationship for any reason other than abuse of the account relationship or to prevent a loss. You agree that advance written notice from us will be reasonable if it is mailed to your statement mailing address immediately upon account closure. You agree that in instances of account abuse or to prevent a loss, notice is reasonably given by us if mailed immediately upon account closure. You may close any of your accounts by notifying us in writing. When a dividend bearing account is closed, there may be accrued dividends that have not been credited to the account. In that case, we will pay you the dividends UNLESS we have told you otherwise. Further, for security reasons, we may require you to close your Account and to open a new account if: there is a change in authorized signers; there has been a forgery or fraud reported or committed involving your Account; any Account drafts are lost or stolen; you have too many transfers from your Account; or, any other provision of our Agreement with you is violated. After the Account is closed, we have no obligation to accept deposits or pay any outstanding drafts. You agree to hold us harmless for refusing to honor any draft drawn on a closed account. In the event that we close your Account, we may mail you a Cashier's Check for the applicable remaining Account balance. The termination of this Agreement and closing of an account will not release you from any fees or other obligations incurred prior to the date upon which this Agreement is terminated and an account closed, any fees assessed by us in the process of closing an account, or from your responsibility to maintain sufficient funds in an account to cover any outstanding drafts or other debit items.

GOVERNING LAW. This Agreement shall be governed by and construed in accordance with all applicable federal laws and all applicable substantive laws of the State of Texas in which we are located, and the Bylaws of the Credit Union as they now exist or may be hereafter amended. In addition, we are subject to certain federal and state regulations and local clearing house rules governing the subject matter of the Agreement. You understand that we must comply with these laws, regulations, and rules. You agree that if there is any inconsistency between the terms of the Agreement and any applicable law, regulation, or rule, the terms of the Agreement will prevail to the extent any such law, regulation, or rule may be modified by agreement.

SYSTEMS AND SOFTWARE. We shall not be responsible to you for any loss or damages suffered by you as a result of the failure of systems and software used by you to interface with our systems or systems and software utilized by you to initiate or process banking transactions whether such transactions are initiated or processed directly with our systems or through a third party service provider. You acknowledge that you are solely responsible for the adequacy of systems and software utilized by you to process banking transactions and the ability of such systems and software to do so accurately.

IMPORTANT INFORMATION ABOUT PROCEDURE FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

CREDIT VERIFICATION. You authorize us to request and obtain one or more credit reports about you from one or more credit reporting agencies for the purpose of considering your application for the Account, reviewing or collecting any Account opened for you, or for any other legitimate business purpose. You authorize us to disclose information about your account to a credit reporting agency if your Account was closed because you have abused it.

MISCELLANEOUS PROVISIONS. If you or your Account becomes involved in any legal proceedings, your use of the Account may be restricted. You agree not to use the Account in any illegal activity. We shall be entitled to act upon any legal process served upon us which we reasonably believe to be binding, with no liability to you for doing so. You understand that supervisory personnel may randomly monitor customer service telephone conversations to ensure that you receive accurate, courteous, and fair treatment. If you ask us to follow instructions that we believe might expose us to any claim, liability, or damages, we may refuse to follow your instructions or may require a bond or other protection, including your agreement to indemnify us. You agree to be liable to us, to the extent permitted by law, for any loss, costs, or expenses that we may incur as a result of any dispute or legal proceeding involving your Account. You authorize us to deduct any such loss, costs, or expenses from your Account without prior notice to you or to bill you separately. This obligation includes disputes between you and us involving your Account and situations where we become involved in disputes between you and an authorized signer, a joint owner, or a third party claiming an interest in your Account. It also includes situations where any action taken on your Account by you, an authorized signer, a joint owner, or a third party causes us to seek the advice of an attorney, whether or not we actually become involved in a dispute. Any action by us for reimbursement from you for any costs or expenses may also be made against your estate, heirs and legal representatives, who shall be liable for any claims made against and expenses incurred by us. If a court finds any provision of the Agreement to be invalid or unenforceable, such finding shall not make the rest of the Agreement invalid or unenforceable. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of the Agreement in all other respects shall remain valid and enforceable.

ADDITIONAL TERMS AND AMENDMENTS.

Discretionary Privilege Pay Overdraft Policy

It is the policy of JSC Federal Credit Union to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards.

The Deposit Account Agreement and Disclosure provided to you at the time you opened your account with us controls the duties, obligations and rights of the Depositor, the Authorized Signatories and JSC Federal Credit Union with regard to your checking account. The Deposit Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Discretionary Privilege Pay Overdraft Policy and the Deposit Account Agreement and Disclosure. A copy of the Deposit Account Agreement and Disclosure is available to you on request from any JSC Federal Credit Union employee.

Privilege Pay Overdraft is not a line of credit. However, if you overdraw your account, we will have the discretion to pay the overdraft, subject to the limit of your privilege Pay Overdraft and the amount of the overdraft fee. JSC Federal Credit Union is not obligated to pay any item presented for payment if your account does not contain sufficient available funds. Any discretionary payment by JSC Federal Credit Union of an overdraft check (or item, such as an ACH debit) does not obligate JSC Federal Credit Union to pay any other overdraft check (or item) or to provide prior notice of its decision to refuse to pay such check (or item).

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

A) Depositing an amount equal to the amount of discretionary privilege pay overdraft extended to you or more in your account within each thirty (30) day period and bringing your account balance to a positive balance within every thirty (30) day period;

B) You are not in default on any loan or other obligation to JSC Federal Credit Union and

C) You are not subject to any legal or administrative order or levy. JSC Federal Credit Union will have the discretion to pay overdrafts within the Overdraft Privilege limits, but payment by JSC Federal Credit Union is a discretionary courtesy and not a right of the member or an obligation maximum of \$300, \$500 or \$750 overdraft (negative) balances. Of course, any and all fees and charges, including without limitation the non-sufficient funds fees (as set forth in our fee schedules and deposit account agreement and disclosure), will be included as part of this maximum amount.

The total of the discretionary privilege pay overdraft (negative) balance, including any and all fees and charges, including all non-sufficient funds/overdraft fees is due and payable upon demand, and Depositor and each Authorized Signatory

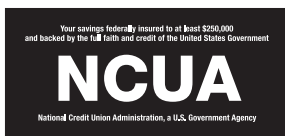
will continue to be liable, jointly and severally, for all such amounts, as described in the Deposit Account Agreement and Disclosure with a maximum repayment period of 30 days.

Again, while JSC Federal Credit Union will have the discretion to pay overdrafts on accounts in good standing (as described above) any such payment is a discretionary courtesy, and not a right of the member or an obligation of JSC Federal Credit Union and JSC Federal Credit Union in its sole and absolute discretion, can cease paying overdrafts at any time without prior notice of reason or cause.

Member Conduct Policy

Any member who engages in abusive conduct will be subject to sanctions at the discretion of credit union management. Specific sanctions are, but not limited to: reduction of credit union services (excluding the right to maintain a share account and the right to vote) and exclusion from credit union premises. Abusive conduct may include but is not limited to: physical abuse, assault, verbal abuse or harassment of employees or members, or intentional destruction or damage of credit union property.

Member NCUA



COMMON FEATURES

Bylaw Requirements. You must complete payment of one share in a Savings (Share) account as a condition of admission to membership.

Par Value of Shares. The par value of a share in the credit union is \$5.00

Nature of Dividends. Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period. Not applicable to term share or share certificate accounts.

National Credit Union Share Insurance Fund. Member accounts in this credit union are federally insured by the National Credit Union Share Insurance Fund.

