KEESLER FEDERAL CREDIT UNION

I. KEESLER FEDERAL CREDIT UNION MEMBERSHIP AND ACCOUNT AGREEMENT

This Agreement covers your and our rights and responsibilities concerning account Keesler Federal Credit Union (Credit Union) offers. In this Agreement, the words "you" and "yours" mean anyone who signs a Membership Application or Account Status Change Card (Account Card). The words "we," "us," and "our" mean the Credit Union. The word "account" means any one or more share or other accounts you have with the Credit Union.

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

1. **Membership Eligibility–**To join the Credit Union you must meet the membership requirements including purchase and maintenance of at least one (1) share ("membership share") as set forth in the Credit Union's Bylaws. You authorize us to check your account, credit, and employment history, and obtain reports from third parties, including credit reporting agencies, to verify your eligibility for the accounts and services you request.

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

3. **Multiple Party Accounts–**An account owned by two or more persons is a multiple party account.

a. Rights of Survivorship. Unless otherwise stated on the Account Card, a multiple party account includes rights of survivorship. This means when one owner dies, all sums in the account will pass to the surviving owner(s). For a multiple party account without rights of survivorship, the deceased owner's interest passes to his or her estate. A surviving owner's interest is subject to the Credit Union's statutory lien for the deceased owner's obligations, and to any security interest or pledge granted by a deceased owner, subject to the surviving owners prior consent.

b. Control of Multiple Party Accounts. Any owner is authorized and deemed to act for any other owner(s) and may instruct us regarding transactions and other account matters. Each owner guarantees the signature of any other owner(s). Any owner may withdraw all funds, stop payment on items, transfer, or pledge to us all or any part of the shares without the consent of the other owner(s). We have no duty to notify any owner(s) about any transaction. The Credit Union reserves the right at any time to require written consent of all account owners to pledge funds in the account to the Credit Union, or for a change of ownership or termination of a multiple party account. If we receive written notice of a dispute between owners or inconsistent instructions from them, we may suspend or terminate the account and require a court order or written consent from all owners to act.

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

4. **POD/Trust Account Designations–**A Payable on Death (POD) account or trust account designation is an instruction to the Credit Union that a single or multiple party account so designated is payable to the owner(s) during his, her or their lifetimes and, when the last account owner dies, payable to any named and surviving POD or trust beneficiary/payee. Accounts payable to more than one surviving beneficiary/payee are owned jointly by such beneficiaries/payees without rights of survivorship. Any POD or trust beneficiary/payee designation shall not apply to Individual Retirement Accounts (IRAs) which are governed by a separate beneficiary/payee designation. We are not obligated to notify any beneficiary/payee of the existence of any account or the vesting of the beneficiary/payee's interest in any account, except as otherwise provided by law.

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

6. **Uniform Transfers/Gifts to Minors Account–**A Uniform Transfers/Gifts to Minors Account (UTTMA/UGMA) is an individual account created by a custodian who deposits funds as an irrevocable

gift to a minor. The minor to whom the gift is made is the beneficiary of the custodial property in the account. The custodian has possession and control of the account for the exclusive right and benefit of the minor and barring a court order otherwise, is the only party entitled to make deposits, withdrawals, or close the account. We have no duty to inquire about the use or purpose of any transaction. If the custodian dies, we may suspend the account, until we receive instructions from any person authorized by law to withdraw funds or a court order authorizing withdrawal.

7. **Agency Designation on an Account–**An agency designation on an account is an instruction to us that the owner authorizes another person to make transactions as agent for the account owner regarding the accounts designated. An agent has no ownership interest in the account(s) or Credit Union voting rights. We have no duty to inquire about the use or purpose of any transaction made by the agent.

8. **Deposit of Funds Requirements–**Funds may be deposited to any account, in any manner approved by the Credit Union in accordance with the requirements set forth on the Rate and Fee Schedule.

a. Endorsements. We may accept transfers, checks, drafts, and other items for deposit into any of your accounts if they are made payable to, or to the order of, one or more account owners even if they are not endorsed by all payees. You authorize us to supply missing endorsements of any owners if we choose. If a check, draft or item that is payable to two or more persons is ambiguous as to whether it is payable to either or both, we may process the check, draft or item as though it is payable to either person. If an insurance, government, or other check or draft requires an endorsement as set forth on the back of the check or draft, we may require endorsement as set forth on the item. Endorsements must be made on the back of the share draft or check within 1 inch from the top edge, although we may accept endorsements outside this space. However, any loss we incur from a delay or processing error resulting from an irregular endorsement or other markings by you or any prior endorser will be your responsibility.

b. Collection of Items. We act only as your agent and we are not responsible for handling items for deposit or collection beyond the exercise of ordinary care. Deposits made by mail or at unstaffed facilities are not our responsibility until we receive them. We are not liable for the negligence of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. We may send any item for collection. Items drawn on an institution located outside the United States are handled on a collection basis only. You waive any notice of nonpayment, dishonor, or protest regarding items we purchase or receive for credit or collection to your account.

c. Final Payment. All items or Automated Clearing House (ACH) transfers credited to your account are provisional until we receive final payment. If final payment is not received, we may charge your account for the amount of such items or ACH transfers and impose a return item charge on your account. Any collection fees we incur may be charged to your account. We reserve the right to refuse or return any item or funds transfer.

d. Direct Deposits. We may offer preauthorized deposits (e.g., payroll checks, Social Security or retirement checks, or other government checks) or preauthorized transfers from other accounts. You must authorize each direct deposit or preauthorized transfer by filling out a separate form. You must notify us at least thirty (30) days in advance to cancel or change a direct deposit or transfer option. Upon a bankruptcy filing, unless you cancel an authorization we will continue making direct deposits in accordance with your authorization on file with us. If we are required to reimburse the U.S. Government for any benefit payment directly deposited into your account, we may deduct the amount returned from any of your accounts, unless prohibited by law.

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

9.Account Access

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

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

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

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

10. **Account Rates and Fees–**We pay account earnings and assess fees against your account as set forth in the Rate and Fee Schedule. We may change the Rate and Fee Schedule at any time and will notify you as required by law.

11.**Transaction Limitations**

a. Withdrawal Restrictions. We permit withdrawals only if your account has sufficient available funds to cover the full amount of the withdrawal or you have an established overdraft protection plan. Drafts or other transfer or payment orders which are drawn against insufficient funds may be subject to a service charge set forth in the Rate and Fee Schedule. If there are sufficient funds to cover some, but not all, of your withdrawal, we may allow those withdrawals for which there are sufficient funds in any order at our discretion.
We may refuse to allow a withdrawal in some situations, and will advise you accordingly; for example: (1) a dispute between account owners (unless a court has ordered the Credit Union to allow the withdrawal); (2) a legal garnishment or attachment is served; (3) the account secures any obligation to us; (4) required documentation has not been presented; (5) you fail to repay a Credit Union loan on time. We may require you to give written notice of seven (7) days to sixty (60) days before any intended withdrawals.

b. Transfer Limitations. For share savings and money market accounts, if applicable, you may make up to six (6) preauthorized, automatic, telephonic, electronic or audio response transfers to another account of yours or to a third party during any calendar month. A preauthorized transfer includes any arrangement with us to pay a third party from your account upon oral or written orders including orders received through the automated clearing house (ACH). You may make unlimited withdrawals in person, by mail, or at an ATM. However, we may refuse or reverse a transfer that exceeds these limitations and may assess fees against, suspend or close your account.

12. **Certificate Accounts–**Any time deposit, term share, or share certificate allowed by state law (Certificate Account), whichever we offer, is subject to the terms of this Agreement, the Rate and Fee Schedule and Account Deposit Receipt for each account the terms of which are incorporated herein by reference.

13. **Overdrafts**

a. Overdraft Liability. If on any day, the funds in your share account are not sufficient to cover drafts, fees or other items posted to your account, those amounts will be handled in accordance with our overdraft procedures or an overdraft protection plan you have with us. The Credit Union's determination of an insufficient account balance may be made at any time between presentation and the Credit Union's midnight deadline with only one review of the account required. We do not have to notify you if your account does not have funds to cover drafts, fees or other posted items. Whether the item is paid or returned, your account may be subject to a charge as set forth in the Rate and Fee Schedule. Except as otherwise agreed in writing, we, by covering one or any overdraft, do not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time without notice. If we pay a draft or impose a fee that would otherwise overdraw your account, you agree to pay the overdrawn amount immediately. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payor bank extra time beyond any midnight deadline limits.

b. Overdraft Protection Plan. If we have approved an overdraft protection plan for your account, we will honor drafts drawn on insufficient funds by transferring funds from another account under this Agreement or a loan account, as you have directed, or as required under the Credit Union's overdraft protection policy. The fee for overdraft transfers, if any, is set forth on the Rate and Fee Schedule. This Agreement governs all transfers, except those governed by agreements for loan accounts.

14. **Postdated and Stale dated Drafts–**We may pay any draft without regard to its date unless you notify us of a postdating. The notice must be given to us in time so that we can notify our employees and reasonably act upon the notice and must accurately describe the draft, including the exact number, date, and amount. You understand that the exact information is necessary for the Credit Union's computer to identify the draft. We are not responsible if you give us an incorrect or incomplete description, or untimely notice. You may make an oral notice which lapses in fourteen (14) calendar days unless confirmed in writing. You agree not to deposit checks, drafts, or other items before they are properly payable. We are not obligated to pay any check or draft drawn on your account which is presented more than six (6) months past its date.

15. **Stop Payment Orders**

a. Stop Payment Order Request. You may request a stop payment order on any draft drawn on your account. To be binding an order must be dated, signed, and describe the account and draft number and the exact amount. The stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order and you state the number of the account, number of the draft, and its exact amount. You understand that the exact information is necessary for the Credit Union's computer to identify the draft. If you give us incorrect or incomplete information, we will not be responsible for failing to stop payment on the draft. If the stop payment order is not received in time for us to act upon the order, we will not be liable to you or to any other party for payment of the draft. If we recredit your account after paying a draft over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer to us all of your rights against the payee or other holders of the draft and to assist us in any legal action.

b. Duration of Order. You may make an oral stop payment order which will lapse within fourteen (14) calendar days unless confirmed in writing within that time.

c. Liability. Fees for stop payment orders are set forth on the Rate and Fee Schedule. You may not stop payment on any certified check, cashier's check, teller's check, or any other check, draft, or payment guaranteed by us. Although payment of an item may be stopped, you may remain liable to any item holder, including us. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney's fees, damages or claims related to our refusing payment of an item, including claims of any multiple party account owner, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

16. **Credit Union Liability–**If we do not properly complete a transaction according to this Agreement, we will be liable for your losses or damages not to exceed the amount of the transaction, except as

otherwise provided by law. We will not be liable if: (1) your account contains insufficient funds for the transaction; (2) circumstances beyond our control prevent the transaction; (3) your loss is caused by your or another financial institution's negligence; or (4) your account funds are subject to legal process or other claim. We will not be liable for consequential damages, except liability for wrongful dishonor. We exercise ordinary care if our actions or nonactions are consistent with applicable state law, federal reserve regulations and operating letters, clearinghouse rules, and general banking practices followed in the area we serve. You grant us the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Account Agreement. Any conflict between what you or our employees may say or write will be resolved by reference to this Agreement.

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

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

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

20. **Notices**

a. Name or Address Changes. You are responsible for notifying us of any address or name change. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided to us. We may accept oral notices of a change in address and may require any other notice from you to us be provided in writing. If mail is returned to us by the USPS due to a change of address that we were not notified of, we may impose a service fee as set forth on the Rate and Fee Schedule.

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

c. Effect of Notice. Any written notice you give us is effective when we receive it. Any written notice we give to you is effective when it is deposited in the U.S. Mail, postage prepaid and addressed to you at your statement mailing address. Notice to any account owner is considered notice to all account owners.

21. **Taxpayer Identification Numbers and Backup Withholding.–** Your failure to furnish a correct Taxpayer Identification Number (TIN) or meet other requirements may result in backup withholding. If your account is subject to backup withholding, we must withhold and pay to the Internal Revenue Service (IRS) a percentage of dividends, interest, and certain other payments. If you fail to provide your TIN, we may suspend opening your account until a TIN is provided.

22. **Statements**

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

b. Examination. You are responsible for examining each statement and reporting any irregularities to us. We will not be responsible for any forged, altered, unauthorized or unsigned items drawn on your account if: (1) you fail to notify us within thirty-three (33) days of the mailing date of the earliest statement regarding any forgery, alteration or unauthorized signature on any item described in the statement; or (2) any items are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of a facsimile signature machine.

c. Notice to Credit Union. You agree that the Credit Union's retention of drafts does not alter or waive your responsibility to examine your statements or the time limit for notifying us of any errors. The statement will be considered correct for all purposes and we will not be liable for any payment made or charge to your account unless you notify us in writing within the above time limit for notifying us of any errors. If you fail to receive a periodic statement you agree to notify us within fourteen (14) days of the time you regularly receive a statement.

23.**Inactive Accounts–**If your account falls below any applicable minimum balance and you have not made any transactions over a period specified in the Rate and Fee Schedule, we may classify your account as inactive. We may charge a service fee set forth on the Rate and Fee Schedule for processing your inactive account. You authorize us to transfer funds from another account of yours to cover any service fees, if applicable. To the extent allowed by law, we reserve the right to transfer the account funds to an account payable and to suspend any further account statements. If a deposit or withdrawal has not been made on the account and we have had no other sufficient contact with you within the period

specified by state law, the account will be presumed to be inactive. Funds in inactive accounts will be reported and remitted in accordance with state law. Once funds have been turned over to the state, we have no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state agency.

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

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

26. **Termination of Membership–**You may terminate your membership by giving us notice. You may be denied services or expelled for any reason allowed by applicable law, including causing a loss to the Credit Union.

27. **Death of Account Owner–**We may continue to honor all transfer orders, withdrawals, deposits and other transactions on an account until we are notified of a member's death. Once we are notified of a member's death, we may pay drafts or honor other payments or transfer orders authorized by the deceased member for a period of ten (10) days after that date unless we receive instructions from any person claiming an interest in the account to stop payment on the drafts or other items. We may require anyone claiming a deceased owner's account funds to indemnify us for any losses resulting from our honoring that claim. This Agreement will be binding upon any heirs or legal representatives of any account owner.

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

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

30. **Governing Law–**This Agreement is governed by the Credit Union's Bylaws, federal laws and regulations, the laws, including applicable principles of contract law, and regulations of the state in which the Credit Union's main office is located, and local clearinghouse rules, as amended from time to time. As permitted by applicable law, you agree that any legal action regarding this Agreement shall be brought in the county in which the Credit Union is located.

II. Check Clearing Policies

Availability of Funds and Collection of Checks

The following provisions of our Funds Availablility Policy are applicable only to deposits made to checking accounts. Deposits made to accounts other than checking, such as your savings account may be held for longer periods than stated in this policy, subject to reasonable collection practices and applicable law.

1. **Your Ability to Withdraw Funds–**Our policy is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

2. **Longer Delays May Apply–**In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. However, the first $200 of your deposits will be available on the first business day.

If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

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

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

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be

available. They will generally be available no later than the seventh business day after the day of your deposit.

3. **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 (and you may have to use a special deposit slip). The excess over $5,000 will be available on the second business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first $5,000 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the seventh business day after the day of your deposit.

4. **Holds On Other Funds–**If we cash a check for you that is drawn on another bank; 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.

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

5. **Deposits at Automated Teller Machines–**Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we do not own or operate will not be available until the fifth business day after the day of your deposit. This rule does not apply at ATMs that we own or operate. All ATMs that we own or operate are identified as our machines.

III. Safety Notice for ATM and Night Deposit Facilities

The Credit Union has provided for your information a list of safety precautions regarding the use of Automated Teller Machines (ATM) and Night Deposit Facilities.

1. Be aware of your surrounding, particularly at night.

2. Consider having someone accompany you when the ATM or night deposit facility is used after dark.

3. If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction.

4. Refrain from displaying your cash at the ATM or night deposit facility. As soon as your transaction is completed, place your money in your purse or wallet. Count the cash later in the safety of your car or home.

5. If you notice anything suspicious at the ATM or night deposit facility, consider using another ATM or night deposit facility or coming back later. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, take your ATM access device or deposit envelope, and leave.

6. If you are followed after making a transaction, go to the nearest public area where people are located.

7. Do not write your personal identification number or code on your ATM card.

8. Report all crimes to law enforcement officials immediately.

IV. DISCLOSURE STATEMENT: Preauthorized Electronic Funds Transfer TONI, Keesler Online, Keesler Mobile

Preauthorized Electronic Funds Transfer

1. **Documentation of Transfers–**If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can find out if the deposit has been made by (1) calling us at (228) 385-5500 or 1-888-533-7537, (2) Use TONI, (3) Use Keesler Online, or (4) Use Keelser Mobile

2. **Types of Preauthorized Transfers–** We can transact any electronic funds transfer to or from your account that is transmitted through the Automated Clearing House (ACH) System. The most common types of ACH transfers to an account are: employee payroll, Social Security, Veteran's Administration, and other federal government payments. The most common types of ACH transfers from an account are: insurance premiums, mortgage and utility payments.

TONI, Keesler Online, Keesler Mobile

3. **Account Access–**You may call TONI, connect to Keesler Online or Keesler Mobile for the following services: Balance Inquiries, Account Transfers, Request Withdrawals by Check, Account History Inquiries, Rate Information, Checking, Savings and Loan Account Information.

4. **Electronic Check Conversion–**Electronic Check Conversion is a process where your check is used as a source of information—for the check number, your account number, and the number that identifies your financial institution. The information is then used to make a one-time electronic payment from your account—an electronic fund transfer. The check itself is not the method of payment.

5. **Periodic Statements–**We will send you a monthly share account statement unless there are no transfers in a particular month in which event we will send you a statement at least quarterly unless we consider the account inactive. Transaction account holders will get a monthly statement regardless of whether or not a transfer occurred in a particular month.

6. **Your Liability–**Tell us AT ONCE if you believe your Personal

Identification Number (PIN) has been lost, stolen or compromised. Telephoning is the best way of keeping your possible losses down. If you tell us within 2 business days after you learn of the loss or theft, you can lose no more than $50 if someone used your PIN without your permission.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your PIN and we can prove we could have stopped someone from using your PIN without your permission if you had told us, you could lose as much as $500.00. Also, if your statement shows transactions that you did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 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 hospital stay) kept you from telling us, we will extend the time periods.

7. **To Report Lost or Stolen Personal Identification Number (PIN) –**If you believe your PIN has been lost, stolen or compromised or that someone has or may make an unauthorized transfer, loan advance, or withdrawal from your account, call (228) 385-5500 or 1-888-533-7537, or write Keesler Federal Credit Union, P.O. Box 7001, Biloxi, MS 39534-7001, Attention: Electronic Services Department.

8. **Business Days–**Our business days are Monday through Friday. Holidays are not included.

9. **Liability For Failure To Make Transfers and/or Withdrawals–** If we do not complete a transfer, loan advance, or withdrawal 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, 1) If through no fault of ours, YOU do not have enough money to make the transfer and/or Withdrawal, 2) If the transfer and/or withdrawal would go over the credit limit on your KreditLine, 3) If the system was not working properly and you knew about the breakdown when you started the transfer and/or withdrawal., 4) If TONI, Keesler Online or Keesler Mobile fails to perform your transaction due to a mechanical malfunction beyond our control, 5) If you had previously reported a lost or stolen PIN or unauthorized transaction on the account, 6) If circumstances beyond our control, such as, fire or flood, prevent the transfer and/or withdrawal, despite reasonable precautions we have taken, 7) If the funds are subject to legal process or other incumbents restricting such transfer and/or withdrawal, 8) Any other exceptions stated in other agreements we may have with you.

10. **Varying Amount–**In accordance with Standard ACH rules, if regular preauthorized transfers out of your account may vary in amount, the person or company you are going to pay will tell you 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. You hereby agree to hold us harmless and at no fault due to the failure if the person or company to whom the payment is going to provide you with such notice.

11. **Stop Payment–**You can request a stop payment on any draft through Keesler Online or TONI. You can request a stop payment on any preauthorized transfer out of your account by calling us at (228) 385-5500 or 1-888-533-7537 or write to: Member Services, Keesler Federal Credit Union, P.O. Box 7001, Biloxi, MS 39531-7001, in time for us to receive your request three business days or more before the payment is scheduled to be made. We will charge you the current charges for each stop payment order you give.

12. **Failure to Stop Payment–**If you order us to Stop payment on one of these preauthorized transfers out of your account three business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

13. **Account Information–**We will disclose information to third parties about your account or the transfers you make: (1) where it is necessary for completing transfers, or (2) in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant, or (3) in order to comply with government agency or court orders, or (4) if you give us your written permission.

14. **Error or Questions About Your Electronic Transfers–** Telephone us at: (228) 385-5500 or 1-888-533-7537, or write to us at Keesler Federal Credit Union, Attention: Member Service, P.O. Box 700l, Biloxi, MS 39531-7001 as soon as you can, if you think your statement is wrong or if you need more information about a transfer listed on the statement. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared. Provide us with the following information: (1) tell us your name and account number (if any), (2) describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information, and (3) tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days. We will determine whether an error occurred within 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 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have 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 10 business days, we may not credit your account.
We will tell you the results within three 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.

15. **Termination or Amendments–**Access to TONI - The Touch Tone Teller and/or Keesler Online and Keesler Mobile may be denied or terminated at any time. If your access to either is denied or terminated, you will be notified in writing as to the reason. We may amend the terms of this agreement after required written notification. (Notices will be mailed at least 21 days prior to any changes.)

You may cancel this agreement at any time by notifying the credit union in writing. In that event, all rights and obligations for any transaction(s) that occurs before the credit union receives notice

of cancellation shall be determined by this agreement.

16. **Miscellaneous–**All credits for items are provisional and accepted subject to the provisions of the Uniform Commercial Code. Except as governed by federal law, This agreement shall be construed and governed in accordance with the laws of the state of Mississippi.

17. **Transfer Charges–**We will not charge you any special fees for using TONI - The Touch Tone Teller, Keesler Online or Keesler Mobile or for any electronic funds transfer services other than normal service charges for share and deposit accounts. We, however, do reserve the right to institute charges in the future.

18. **Limitations–** This institution has the right to limit the frequency or amount of withdrawals.

19. **A Word About Security–**Your account cannot be accessed without a valid account number (TONI) or username (Keesler Mobile / Keesler Online) and access code. Do not give out your access code. When an invalid access code is attempted several times, Keesler Federal's data processing system disables both TONI - The Touch Tone Teller, Keesler Online and Keesler Mobile access to your account. For your protection, you will need to call Keesler Federal to reactivate service. Regulation E limits your liability on unauthorized electronic transactions.

KEESLER FEDERAL
CREDIT UNION

Federally insured by NCUA.

www.kfcu.org
US: 1-888-KEESLER (533-7537)| UK: 0-800-585-765