



**HOUSTON BELT & TERMINAL
FEDERAL CREDIT UNION**

HB&T FCU
9810 FM 1960 BYP W STE 105
HUMBLE, TEXAS 77338
OFFICE: (281)548-3377
FAX: (281)548-0583
EMAIL: info@hbtfcu.com
www.hbtfcu.com

MEMBERSHIP AND ACCOUNT AGREEMENT

This Agreement covers your rights and responsibilities concerning your accounts and the rights and responsibilities of Houston Belt & Terminal Federal Credit Union providing this Agreement. In this Agreement, the words " you," "your," and " yours" mean anyone who signs an Account Card, Account Change Card, or any other account opening document, or for whom membership and/or service requests are approved through the Credit Union's online application and authentication process. 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 by you on your Account Card. By signing an Account Card, you agree to the terms and conditions of this Agreement, the Funds Availability Policy Disclosure, the Truth-in- Savings Disclosure, the Electronic Fund Transfers Agreement and Disclosure, the Privacy Disclosure, the Credit Union's bylaws and policies, and any amendments to these documents from time to time that collectively govern your membership and accounts.

MEMBERSHIP ELIGIBILITY- Potential members of HB&T FCU must be employed by Union Pacific Railroad, BNSF, Pileco or be an immediate family member of an existing member and maintain an account with funds on deposit at the par value as required by our bylaws. The current par value is \$25. Upon verification of eligibility, following submission of a completed membership application and a deposit of at \$30(par value + membership fee), a share savings account will be established in your name, indicating that you are a member of Houston Belt & Terminal Federal Credit Union. By signing your original membership application, you and your joint owner(s), if any, agree to abide by the adequately disclosed terms and conditions of all accounts or services that you may receive at HB&T FCU. You also agree to keep HB&T FCU informed of your current mailing address. The terms and conditions of these accounts and services are subject to change without notice to you unless prior notification is required by law. We may obtain and use reports from consumer reporting agencies to verify your eligibility for accounts and services you request.

REQUIRED IRS AND BANK SECRECY ACT (BSA) INFORMATION- Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account to help the government fight the funding of terrorism and money laundering activities. When you open an account, we will ask for your name, address, date of birth, copy of your driver's license and other information that will allow us to identify you. Federal law requires each individual becoming a member to certify under penalty of perjury that the Taxpayer Identification Number (TIN) furnished to HB&T FCU is the individual's correct number, and the person is not subject to backup withholding. Failure to provide a valid TIN and to complete and sign a membership application certifying your Social Security Number for this purpose could result in backup withholding being applied to all of your interest earnings at HB&T FCU. Anyone who fails to provide adequate identification information when requested will not be permitted to open an account, be added to an account, or continue to transact on an existing account. In compliance with the Bank Secrecy Act (BSA), the U.S. government now requires that we ask you to supply certain information about your employment and other sources of income.

SINGLE PARTY ACCOUNTS- An account payable to one party, the owner qualified for credit union membership. If the owner dies, the account is payable to Payable on Death (POD) beneficiary(ies), if so named, or as a part of the owner's estate under his or her will or by the applicable laws of intestacy. Payment of the account is subject to other provisions of this Agreement protecting the Credit Union for honoring transfer and withdrawal requests by the owner or by the owner's agent prior to notice of the owner's death, and to our statutory lien for the owner's obligations, and to any security interest or pledge granted by the owner.

JOINT MULTIPLE PARTY ACCOUNTS- A joint account is an account payable to any one of two or more parties, the owners. The owners of a joint multiple party account are presumed to own the account in equal undivided interests. Joint ownership means that the shares and accumulated dividends may be withdrawn or transferred by you or the joint owner, or pledged as collateral against a loan to you or the joint owner (if a member) at any time. HB&T FCU is not liable for carrying out any of these requested actions. If an item deposited in a joint multiple party account is returned unpaid, a joint multiple party 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 owner is indebted to us, we may enforce our rights against any account of the responsible owner, including all funds in a joint multiple party account, regardless of who contributed the funds. A joint owner cannot be removed from an account without his/her written permission. Like the owner, a joint owner may close the account. The owners' net contributions to a joint multiple party account are calculated in accordance to Sec. 125.104(b) of the Texas Finance Code and Sec. 436(6) of the Texas Probate Code, as amended from time to time.

***Rights of Survivorship-** For joint multiple party accounts with rights of survivorship, on the death of one party, all sums in the account on the date of the death vest in and belong to the surviving party as his or her separate property and estate. If there are two or more surviving owners, their respective ownerships during lifetime shall be in proportion to their previous net contributions to the account increased by an equal share for each survivor of any interest the decedent may have owned in the account immediately before his or her death. The rights of survivorship in the account continue until only one owner remains surviving. For a joint multiple party account without rights of survivorship, when one owner dies, the



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deceased owner's interest in the account passes as part of the deceased owner's estate under his or her will or by the applicable laws of intestacy. Payment of the account is subject to other provisions of this Agreement protecting the Credit Union for honoring transfer and withdrawal requests of an owner or by an owner's agent prior to notice of an owner's death, and to our statutory lien for the owner's obligations, and to any security interest or pledge granted by the owner.

*Control of Joint 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 or authenticated request of any other owner(s). Any owner may withdraw or transfer funds, pledge to us all or any part of the shares, or stop payment on items without the consent of the other owner(s). We have no duty to notify any owner(s) about any transaction. We reserve the right to require written consent of all owners for any change to or termination of an account. 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 in order to act.

*Joint Multiple Party Account Owner Liability- If an item deposited in a joint multiple party account is returned unpaid, a joint multiple party 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 owner is indebted to us, we may enforce our rights against any account of the responsible owner, including all funds in a joint multiple party account, regardless of who contributed the funds.

POD ACCOUNT- A single or joint multiple party account that is payable on request to the owners during their lifetimes and, upon the death of all owners, is payable to the surviving named POD beneficiaries. If there is more than one surviving POD beneficiary, the beneficiaries shall own the account jointly without rights of survivorship. We are not obligated to notify any beneficiary of the existence of any account nor the vesting of the beneficiary's interest in any account, except as provided by law.

ACCOUNTS FOR MINORS- We may require any account established by a minor to be a joint 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 parent is an account owner, the 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 the change is authorized in writing by all account owners.

ACCOUNT RATES AND FEES- We will pay account earnings and assess fees against your account as outlined in the Truth-in-Savings Disclosure and Schedule of Fees and Charges. We may change the Truth-in-Savings Disclosure or Schedule of Fees and Charges at any time and will notify you as required by law.

DEPOSIT OF FUNDS REQUIREMENTS- Funds may be deposited to any account, in any manner approved by the Credit Union by the requirements outlined in the Truth-in-Savings Disclosure. We reserve the right to refuse or to return any deposit.

*Collection of Items- We act only as your agent and are not responsible for handling items for deposit or collection beyond the exercise of ordinary care. We are not liable for the negligence of any correspondent or loss in transit, and each correspondent will only be liable for its own negligence. We may send any item for collection. You waive any notice of nonpayment, dishonor, or protest regarding items we purchase or receive for credit or collection to your account. We reserve the right to pursue collection of previously dishonored items at any time.

*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.

*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 notify us at least 30 days in advance to cancel or change a direct deposit or transfer option. If your account is overdrawn, you authorize us to deduct the amount your account is overdrawn from any deposit, including deposits of government payments or benefits. If we are required to reimburse the U.S. Government for any benefits payment directly deposited into your account, we may deduct the amount returned from any of your accounts, unless prohibited by law.

TRANSACTION LIMITATIONS- Federal Reserve Regulation D affects you by limiting certain withdrawals and transfers that may be made from your Savings and Money Market Accounts. The following transactions (or any combination thereof) are limited to 6 per month: audio response transfers, telephone transfers, It'sMe247 transfers, and It'sMe247 Mobile Banking transfers. There is no limit on the frequency or dollar amount of transfers for the purpose of repaying loans and associated expenses where the loan has been made to you by us or is serviced by us. There are no limitations on the number of transactions that you handle on any account in person, by mail, or through an ATM. We will refuse any transactions that are not in compliance with Regulation D. Fees may apply please consult your Truth-in-Savings Disclosure and Schedule of Fees and Charges.

We will permit withdrawals and make transfers from available funds in your account. The availability of funds in your account may be delayed as described in our Funds Availability Policy Disclosure. We may permit withdrawals, and make transfers from your account from insufficient available funds if you have established an overdraft protection plan or, if you do not have such a plan with us, in accordance with our overdraft payment policy.



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We may refuse to allow a withdrawal in some situations and will advise you accordingly if: (1) there is 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; or (5) you fail to repay a credit union loan on time. We may require you to give written notice of seven (7) to 60 days before any intended withdrawals. We may limit the dollar amount or the number of transfers from your account. Please consult your Truth-in-Savings Disclosure or your Electronic Fund Transfers Agreement and Disclosure.

ACCOUNT ACCESS-

*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 check or 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 party to whom you have given your account number even if you do not authorize a particular transaction.

*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, Internet access, automatic transfer, or telephone, as applicable). We may return as unpaid any check or draft drawn on a form we do not provide, and you are responsible for any loss we incur handling such a check or 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.

OVERDRAFTS- The owner and joint owner (if any) agree to be jointly and severally liable for negative balances on any accounts in which either or both owners have an ownership interest, including any overdrafts, regardless of the cause, and agree to deposit immediately sufficient funds to cover the negative amount of the overdraft. The owner and joint owner (if any) agree that HB&T FCU has the right to transfer funds from any accounts, in which either have an ownership interest, to correct a negative or overdrawn amount on any account on which either of their names appears. The right to transfer funds applies to all funds voluntarily deposited into HB&T FCU accounts as permitted by law. The owner and joint owner agree to reimburse HB&T FCU for all costs of collection, including reasonable attorney's fees. HB&T FCU pays overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any transaction. Fees for overdrawing your account may be imposed on each draft, ATM transaction, point of sale withdrawal or preauthorized automatic debit or any other electronic withdrawal. The entire balance in your account may not be available for withdrawal, transfer or paying a draft. You may consult the Funds Availability Policy for information regarding the availability of funds in your account. Fees for overdrawing your account may be imposed for each overdraft, regardless of whether we pay or return the draft, item or transaction. Please refer to the Schedule of Fees and Charges for current fee information.

You have the right to opt out of Overdraft Protection Service at any time by coming into our office or by mailing the request to:

HB&T FCU
9810 FM1960 BYP W STE105
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ORDER OF PAYMENTS- Drafts, transactions, and other items may not be processed in the order that you make them or in the order that we receive them. We may, at our discretion, pay a check, draft, or item, and execute other transactions on your account in any order we choose. The order in which we process checks, drafts, or items, and execute other transactions on your account may affect the total amount of overdraft fees that may be charged to your account. Please contact us if you have questions about how we pay drafts and process transfers and withdrawals.

STOP PAYMENT ORDERS- Any owner may request a stop payment order on any draft drawn on the owner's account. Also, we must receive sufficient advance notice of the stop payment order to allow us a reasonable opportunity to act on it. 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 assign to us all of your rights against the payee or other holders of the draft, and to assist us in any legal action. Fees for stop payment orders are outlined in the Schedule of Fees and Charges. 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 joint account owner, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

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 non-actions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearinghouse rules, and general financial institution 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 Agreement. Any conflict regarding what you and our employees say or write will be resolved by reference to this Agreement.

REMOTELY CREATED DRAFTS- A remotely created draft is a draft created by someone other than the person on whose account the check or draft is drawn. A remotely created check or draft is generally created by a third party payee as authorized by the owner of the account on which the draft is drawn.



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Authorization is usually made over the telephone or through on-line communication. The owner of the account does not sign a remotely created draft. In place of the owner's signature, the remotely created draft usually bears a statement that the owner authorized the draft or bears the owner's printed or typed name. If you authorize a third party to draw a remotely created draft against your account, you may not later revoke or change your authorization. It is your responsibility to resolve any authorization issues directly with the third party. We are not required to credit your account and may charge against your account any remotely created draft for which the third party has proof of your authorization.

SECURITY INTEREST- I/we acknowledge and pledge to HB&T FCU a security interest in the collateral securing loan(s) that I/we have with HB&T FCU now and in the future, including any type of change or increase, and any proceeds from the sale of such collateral and insurance thereon, not to exceed the unpaid balance of the loan.

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, as permitted by law. Any expenses or attorney fees we incur by responding to the 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.

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.

NOTICES-

- *Name or Address Changes- You are responsible for notifying us of any name or address change. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided to us. We require all name and address changes to be provided in writing. If we attempt to locate you, we may impose a service fee as outlined in the Schedule of Fees and Charges.
- *Notice of Amendments- Except as prohibited by applicable law, we may change the terms of this Agreement at any time. We will notify you of any change in terms, rates, or fees as required by law. We reserve the right to waive any terms of this Agreement. Any such waiver shall not affect our right to future enforcement.
- *Effect of Notice- Any written notice you give us is effective when we receive it. Any written notice we give to you is effective when it is deposited in the U.S. mail, postage prepaid and addressed to you at your statement mailing address. Notice to any account owner is considered notice to all account owners.
- *Electronic Notices- If you have agreed to receive notices electronically, we may send you notices electronically and discontinue mailing paper notices to you until you notify us that you wish to reinstate receiving paper notices.

STATEMENTS-

- *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 joint multiple party accounts. You understand and agree that statements are made available to you on the date they are sent to you.
- *Examination- You are responsible for promptly examining each statement upon receiving it and reporting any irregularities to us. If you fail to report any irregularities such as forged, altered, unauthorized, unsigned, or otherwise fraudulent items drawn on your account, erroneous payments or transactions, or other discrepancies reflected on your statement within 60 days of the date we sent the statement to you, we will not be responsible for your loss. We also will not be liable for any items that are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of a facsimile signature machine.
- *Notice to the Credit Union- The statement will be considered correct for all purposes, and we will not be liable for any payment made or charged 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 14 days of the time you regularly receive a statement.

INACTIVE ACCOUNTS- The share savings balance must not be reduced below the par value of \$25 at any given time. You will be considered an active member in HB&T FCU as long as you have had any activity (deposit or withdrawal) within the last six months, a share savings balance of \$100 or more, have a share draft account, a Money Market Account, a certificate, or a current loan. If you do not meet one of the above criteria, you will be considered an inactive member and may be subject to a monthly Inactive Member Fee in the amount listed on HB&T FCU's current Schedule of Fees and Charges. The fee will be assessed until you meet one of the criteria listed above or the membership/savings account is closed, thereby terminating your membership. Once this happens, you must be in Houston Belt & Terminal Federal Credit Union's field of membership to reopen the account. 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 abandoned. Funds in abandoned accounts will be reported and remitted in accordance with state law. Once funds have been turned over to the state, we have no further liability to you for such funds, and if you choose to reclaim such funds, you must apply to the appropriate state agency.



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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) there are excessive returned unpaid items not covered by an overdraft protection plan; (5) there has been any misrepresentation or any other abuse of any of your accounts; or (6) 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 joint multiple party account. We are not responsible for payment of any draft, withdrawal, transaction or other item after your account is terminated; however, if we pay an item after termination, you agree to reimburse us.

TERMINATION OF MEMBERSHIP- You may terminate your membership by giving us written notice or by withdrawing your minimum required membership share and closing all your accounts. You may be denied services for causing a loss to the credit union, or you may be expelled for any reason as allowed by applicable law.

DEATH OF ACCOUNT OWNER- We may continue to honor all transfer orders, withdrawals, deposits, and other transactions on an account until we know of an owner's death. Once we know of an owner's death, we may pay drafts or honor other payments or transfer orders authorized by the deceased owner for ten days after that date unless we receive instructions from any person claiming an interest in the account to stop payment on the checks, drafts, or other items. We may require anyone claiming funds from an account of a deceased owner 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.

UNLAWFUL INTERNET GAMBLING AND OTHER ILLEGAL ACTIVITIES- You agree that you are not engaged in unlawful Internet gambling or any other illegal activity. You agree that you will not use any of your accounts, access devices or services for unlawful Internet gambling or other illegal activities. We may terminate your account relationship if you engage in unlawful Internet gambling or other illegal activities.

SEVERABILITY- If any part of this Agreement or its application to any person or circumstance is declared void, illegal, or unenforceable, the rest of this Agreement is still valid and enforceable.

BYLAW REQUIREMENTS- The Credit Union reserves the right to require members to give, in writing, a 60-day notice of intention to withdraw the whole or any part of their regular shares, money market account or share certificate account. No member may withdraw shareholdings that are pledged as required as security on loans. No member may withdraw any shareholdings below the amount of his/her primary or contingent liability to the credit union if he/she is delinquent as a borrower, or if borrowers for whom he/she is co-maker, endorser, or guarantor are delinquent.

NATIONAL CREDIT UNION SHARE INSURANCE FUND- Member accounts in this credit union are federally insured by the National Credit Union share insurance fund up to \$250,000.

ENFORCEMENT- You are liable to us for any losses, costs, or expenses we incur resulting from your failure to follow this Agreement. You authorize us to deduct any such losses, 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 a payment of reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions.

GOVERNING LAW- This Agreement is governed by the Credit Union's bylaws, federal laws and regulations, the laws, including applicable principles of contract law, and regulations of the state of Texas, and local clearinghouse rules, as amended from time to time.

NEGATIVE INFORMATION NOTICE- We may report information about your loan, share, or deposit accounts to credit bureaus. Late payments, missed payments or other defaults on your accounts may be reflected in your credit report.