

# NOTICE OF CHANGE IN TERMS (“NOTICE”) – EFFECTIVE 5.1.2024

Thank you for being a valued A+ Federal Credit Union (A+FCU) member. This Notice highlights important changes to the terms of your A+FCU Membership and Account Agreement and Business Membership and Account Agreement (collectively, the “Agreements”) to be effective May 1, 2024.

Starting May 1, 2024, the Agreements will include these new and updated terms and conditions and will apply to you and your account(s). You can review the updated Agreements by visiting [aplusfcu.org/MembershipAgreement](https://aplusfcu.org/MembershipAgreement) for the consumer Membership and Account Agreement and [aplusfcu.org/BusinessAgreement](https://aplusfcu.org/BusinessAgreement) for the Business Membership and Account Agreement.

Please review this Notice and retain a copy with your important records. **Please note that continuing to maintain and use your account beyond the effective date of this Change in Terms Notice constitutes your acceptance of the Agreements with this Notice.**

If you have any questions, visit your local branch or call our member service professionals at 512.302.6800 or 1.800.252.8148.

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## CHANGES TO YOUR MEMBERSHIP AND ACCOUNT AGREEMENT EFFECTIVE MAY 1, 2024

Located at [aplusfcu.org/MembershipAgreement](https://aplusfcu.org/MembershipAgreement)

The A+FCU Membership and Account Agreement governs your account(s) and relationship with A+FCU. Please note that we have made important changes to this Agreement, which are as follows:

- 1) Modified section 21. *Account Access* to update excerpts addressing ACH & Wire Transfers and Payment Authorizations. The ACH & Wire Transfers language was revised to provide clarification pertaining to wire transfer requests and the extension of time granted to report unauthorized transactions. The Payment Authorization verbiage was amended to reflect that we will apply withdrawals in the order received when one or more items are presented to your account during a business day. The prior excerpts regarding ACH & Wire Transfers as well as Payment Authorizations were removed and replaced with the verbiage below:

**ACH & Wire Transfers.** If provided by the Credit Union, you may initiate or receive credits or debits to your account via wire transfer or ACH transfer. You agree that if you receive funds by a wire or ACH transfer, the Credit Union is not required to notify you at the time the funds are received. Instead, the Credit Union will notify you of the credit or debit to your account by indicating the amount on your periodic statement. The Credit Union may provisionally credit your account for an ACH transfer before it receives final settlement for the transfer. You agree that if the Credit Union does not receive final settlement for an ACH transfer, we may reverse the provisional credit to your account or you will refund the amount to the Credit Union. If the payment instruction does not specify an account, the Credit Union may deposit the payment into any share account which you maintain with us. No dividends will be paid on wire transfer payments deposited into your account unless the account otherwise pays dividends. 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. The Credit Union may refuse to accept or transmit a wire transfer request if any information provided is found to be incorrect, or if my account at the Credit Union does not contain sufficient funds to cover the wire transfer amount and applicable fee. If I provide information that causes the wire transfer to be refused, rejected, or returned, I may be charged additional fee(s) by the other financial institution. You may initiate a wire transfer any time during a Funds Transfer Business Day. A Funds Transfer Business Day is considered to be Monday-Friday (except legal holidays) from 9:00 a.m. to 3:30 p.m. Any amendment or cancellation of the wire transfer must be in writing and received by the Credit Union prior to the transmittal of

the wire transfer. When a wire transfer is cleared through the Federal Reserve, the wire transfer is governed by the Federal Reserve Regulation J. ACH transactions are governed by the rules of the National Automated Clearing House Association.

You are responsible for assisting the Credit Union's effort to protect your account from unauthorized access by third parties. You agree that we may verify the authenticity of payment orders using our security procedures in place at the time of any such order, which may include signature verification, requesting personal identifying documents or information, and/or calling you by phone. Except as otherwise limited by state or federal law, the Credit Union will hold you responsible for furnishing others with information that aids or enables them to access your account(s). You will also be held responsible for failing to notify the Credit Union in a timely manner no later than 60 days from the date of the statement on which the unauthorized transaction occurred of improper or unauthorized access to your account(s). To the extent permitted by law all costs, fees, and other liabilities that result from the Credit Union's inability to stop a payment or other transaction that was initiated (with or without your authorization) based upon account information you provided to a third party or due to your failure to timely notify the Credit Union of improper or unauthorized access to your account(s) are your responsibility. You are also responsible for reconciling your statement of account to confirm all transactions are accurate. In the event of any discrepancies, you must notify the Credit Union within a timely manner (not to exceed 60 days from the date of the statement). The Credit Union's liability shall be limited to the amount of the transaction and dividends on that amount based on the lowest dividend rate applicable at the time of the account affected by the erroneous transaction for the time period from the date of the error until corrective action is taken, or 60 days, whichever is less.

**Payment Authorization.** You authorize us to pay checks signed by you and charge the payments against the applicable account. In some circumstances, a person, merchant, or other entity can convert your check and/or check information to an electronic fund transfer (EFT) and debit your account. The conversion of your check to an EFT is covered by this Agreement and our Electronic Funds Transfer Disclosures. You authorize us to honor the EFT and debit your account just as if the original check were presented for payment. The law permits us to pay items (such as checks or drafts) drawn on your account in any order. The order in which items are paid is important if there is not enough money in your account to pay all of the items that are presented. We will generally process the checks in check number order. If the account has sufficient funds on deposit to cover one or more, but not all of the checks or other withdrawal orders presented during any given business day, we may honor those items and allow those withdrawals in the order received including withdrawal orders or checks payable to the Credit Union and dishonor or refuse any item or withdrawal order for which there are insufficient funds available thereafter. ACH and Check Card debits are posted upon receipt.

- 2) Amended and renamed section 24. *Transaction Limitations to Transaction Limitations/Withdrawal Restrictions*, removed the excerpt regarding Transfer Limitations and altered language to inform of A+FCU's standards for withdrawals, Saturday services and applicable limitations. The prior language is being modified and updated as follows:

**Transaction Limitations/Withdrawal Restrictions.** The fact that we may honor withdrawal requests which overdraw the finally collected account balance does not obligate us to do so, unless required by law. Withdrawals will first be made from collected funds, and we may, unless prohibited by law or our written policy, refuse any withdrawal request against uncollected funds, even if our general practice is to the contrary. We reserve the right to refuse any withdrawal or transfer request which is attempted by any method not specifically permitted or which exceeds any frequency limitation. Even if we honor a nonconforming request, repeated abuse of the stated limitations (if any) may eventually force us to close this account. We will use the date a transaction is completed by us (as opposed to the day you initiate it) to apply the frequency limitations. We reserve the right to require you to notify us of your intention to withdraw funds from this account as explained in our Bylaws. Withdrawals from a term share account prior to maturity or prior to the expiration of any notice

period may be restricted and may be subject to penalty. See your Truth-In-Savings Disclosure for penalties associated with these types of accounts and for early withdrawal.

The Credit Union may also refuse to allow a withdrawal in other cases including, but not limited to: any dispute between the owners about the account (unless a court has ordered the Credit Union to allow the withdrawal); a writ of garnishment, writ of attachment, levy or other similar legal process or notice affecting the account is properly served on the Credit Union; the account to be drawn on already secures an obligation to the Credit Union; any required documentation has not been presented; you appear to lack the capacity to conduct a transaction or if you fail to repay a Credit Union loan on time. Refer to the Fee Schedule for fees imposed for garnishments and levies. The Credit Union may place reasonable restrictions on any withdrawals. These restrictions may include, but are not limited to, requiring you to provide reasonable advance notice of not less than seven (7) days before any intended withdrawals in accordance with applicable law. Upon receipt of advance notice, we will provide funds within a reasonable timeframe.

Saturday services at branch locations may have limitations if the applicable account has restrictions imposed including, but not limited to, fraud or collections reasons. Additionally, an account owner may be limited to withdrawal amounts from an account not to exceed two thousand dollars (\$2,000.00) on weekends or at any time at the drive-up teller stations.

- 3) Revised and renamed section 25. *Overdraft and Overdraft Protection* section to *Overdraft (OD), Overdraft Protection (ODP) and Non-sufficient Funds (NSF)* as well as provide clarifying information regarding the aforementioned matters. The prior language is being modified and updated as follows:

**Overdraft (OD), Overdraft Protection (ODP) and Non-sufficient Funds (NSF).** The information in this section will help you understand what happens if your account is overdrawn. Understanding the concepts of overdrafts and non-sufficient funds (NSF) is important and can help you avoid being assessed fees or charges. This section also defines the terms related to overdraft and NSF transactions. Transactions or items include any of the following: debit card transactions, automated clearinghouse (ACH) transactions, online transfers, check transactions, our fees or charges, or other electronic transactions or withdrawals of any type. An overdrawn account will typically result in you being charged an overdraft fee or an NSF fee. Generally, an overdraft transaction occurs when there is not enough money in your account to pay for a transaction or item, as measured by the Available Balance at the time the transaction or item settles, but we pay the transaction or item anyway. An NSF transaction is slightly different. In an NSF transaction, a transaction would have caused your account to be overdrawn if we had paid it, but we do not pay the transaction. Instead, the transaction is rejected and the item or requested payment is returned. In either situation, we may charge you a fee.

**A. No Obligation to Pay.**

- i. We are under no obligation to pay any item or transaction including (i) the amount of which exceeds the Available Balance of the account upon which that item was drawn or (ii) which would exceed limitations imposed upon the applicable account under our policies or procedures or under applicable law.
- ii. If any item is presented without sufficient funds (NSF) in your account to pay it, we may, at our discretion, pay the item (creating an overdraft) or return the item (NSF). In the event we do pay any such item, we will not waive our right to dishonor any subsequent items presented.

- B. Member Agreement to Reimburse Us for Overdrafts.** If we do pay an item, the amount of which exceeds the Available Balance in your account upon which it is drawn, you agree to pay immediately the amount by which that account is overdrawn together with any fees which we may assess. You authorize us to deduct any overdraft from your next deposit, which may include deposited paper or electronic benefit payments such as Social Security and Supplemental Security Income, to withhold or to transfer funds from any other account to which you are a Party in amounts sufficient to cover any overdraft, or to use any other

collection remedy available to us by law.

- C. **Member Request to Not Pay Overdrafts.** While we reserve the right to pay or not pay any item presented without sufficient funds, you may request that we do not pay such items. In that case, we will return any item presented without sufficient funds (NSF) and charge an NSF fee. If you prefer that we not pay such items, you must contact us by visiting one of our branches, calling us at 512.302.6800 or 800.252.8148 or writing us at P.O. Box 14867, Austin, TX 78761 and informing us that you do not want us to pay any items presented without sufficient funds. If you do not notify us, we retain the right, in our discretion, to pay or not pay any item presented without sufficient funds.
- D. **Transaction Types Not Available for Overdraft.** We will not honor overdrafts of any type from an ATM.
- E. **Account Owner Liability.** Each Party to any of your accounts will be jointly and severally liable for actions caused by any other Party or Parties to such account. In the event that the Credit Union reasonably believes that use of your account is abusive, i.e., fraud or excessive transactions resulting in insufficient funds, activity, or otherwise, your account may be closed.
- F. **Settlement Processes.** In cases where we have authorized a one-time debit card transaction while your account has a sufficient Available Balance to pay the authorized amount, an NSF fee will not be charged. In cases where a one-time debit card transaction is presented to your account and your account reflects an insufficient Available Balance, an NSF fee will not be charged if at the time the transaction settles the Available Balance is sufficient to pay the authorized amount.
- G. **Account Overdraft Protection/Transfer Agreement.** In the event you issue a check or take any other action which would result in the account becoming overdrawn, and if you executed an Account Overdraft Protection Agreement, such check or action taken shall be deemed to be a request by you to us to transfer available funds from your Membership Savings Account, or any other account(s) you may designate, in \$50 increments as set forth in the Account Overdraft Protection Agreement, to pay such check, draft or other debit item, or otherwise remedy the overdraft, together with any service charge we may impose. We will use our best efforts to transfer funds to your checking account from your savings account(s) in the manner in which you have directed in the Account Overdraft Protection Agreement. If there are sufficient funds in your savings account, or other designated account, below the \$50 increment but still sufficient to pay the check, draft, or other debit item and any fee, we will do our best to transfer the funds to your checking account.
- H. **Overdraft Protection/Transfer Agreement Fees.** A fee may be charged for overdraft protection transfers as set forth in the Fee Schedule. While there is a charge for automatically moving funds from a share account or an overdraft line of credit, there is no charge if you move funds yourself to cover an overdraft either in person, via AUDI (Audio Response System) or thru the internet. This fee is imposed for any overdraft created by checks, ACH, debit cards, or by other electronic means. Additionally, more than one overdraft fee may be charged against the account per day, depending on the number of items or transactions presented, and other withdrawals made from the account.
- I. **Overdraft (OD) and Non-Sufficient Funds (NSF) Fees.** Assessment of OD and NSF fees are determined based on the account's Available Balance. We will not charge an OD or NSF fee if at the time of settlement, the item caused the Available Balance to become negative \$10.00 or less. If your Available Balance becomes negative more than \$10.00 at the time of settlement, you may be charged a fee and you can be charged OD fees for each time we pay an overdraft transaction. If we do not pay a transaction and return or reject it, an NSF fee may be charged.
- J. **Non-Sufficient Funds Fees for Represented Items.** Each time we return an item for insufficient funds, we will charge you a non-sufficient funds (NSF) fee in the amount shown in our Fee Schedule. A+FCU instituted reasonable measures to ensure that ACH and checks which are represented within 14 calendar days against your account with a

sufficient Available Balance which may settle negative are not charged a subsequent NSF or Returned Item Fee unless it is a recurring transaction established by you. If it appears you have been charged a subsequent NSF or Returned Item Fee for the same transaction, excluding recurring transactions established by you, please promptly contact us for a refund within ninety (90) calendar days. We reserve the right to pursue collection of previously dishonored items at any time and charge for services rendered to collect by us or third parties.

- K. **Understanding Account Balance Types.** To determine if a transaction may cause an overdraft or NSF, it is important to understand your account has two different balance types: Available Balance and Current Balance. Importantly, your Available Balance may not be the same as your account's Current Balance.
- i. **Available Balance:** Your account's Available Balance is calculated based on the funds available in your account to make payments. In other words, your account's Available Balance is the balance in your account after deducting (1) deposits that are not yet available for withdrawal under our Funds Availability Policy, (2) debit card or other transactions that we are legally obligated to pay or have already paid, (3) other pending transactions such as ACH transactions, and (4) any holds on your account, such as holds on funds to comply with court orders or other legal requirements. The Available Balance does not include holds or outstanding transactions such as checks that you have written that have not yet cleared. The available balance in your account is used to determine if there are sufficient funds to pay any items, including checks, ACH, debit cards and other electronic transactions. As defined above, the available account balance may contain preauthorized holds for pending transactions, such as debit card purchases. In some cases, the preauthorized hold amount placed on your account may be greater than the actual purchase amount. In order to better manage your account and avoid overdrafts, pending transactions are noted when accessing your transaction history within online banking. You can conveniently access your current available account balance anytime online, by phone, or at any of the credit union's ATMs.
  - ii. **Current Balance:** Your account's Current Balance (sometimes called the ledger or actual balance) only includes transactions that have settled to that point in time, that is, transactions (deposits and withdrawals) that have posted to your account. Certain deposit transactions included in your Current Balance may also be subject to "holds" as defined in our Funds Availability Disclosure. The Current Balance does not include outstanding transactions such as checks that have not yet cleared and electronic transactions that have been authorized but which are still pending and have not settled. The balance on your periodic statement is the Current Balance for your account as of the statement date.
- L. **Debit Card Overdraft Consent.** If a one-time debit card transaction is presented without sufficient funds in your account to cover the transaction, we will not pay the transaction unless you qualify for the Overdraft Program and authorize us to do so. If you do authorize us, then we may pay the one-time debit card transaction presented without sufficient funds in your account, which will create an overdraft and you will be charged a fee. If you do not authorize us for the one-time debit card transaction, we will deny the authorization and no fee will be incurred. If you qualify for the Overdraft Program then you may reinstate or revoke your authorization to have us pay one-time debit card transactions at any time by calling us at 512.302.6800 or 800.252.8148 or writing us at PO Box 14867, Austin, TX 78761 and informing us of your decision. Your decision does not guarantee that we will always pay your debit card transactions when there are insufficient funds in your account to cover the transaction. We retain the right to pay or not pay any items at our discretion when there is not enough money in your account to cover the transaction according to our standard overdraft practices. We do not charge a fee when a member attempts a one-time debit card transaction that is instantaneously declined.
- M. **Preauthorization Holds.** A temporary debit authorization hold, or preauthorized holds

for pending transactions affects your Available Balance. When you use your Debit Card or HSA Card at certain merchants such as gas stations, restaurants, hotels, airlines, and rental car companies, the merchant may request a preauthorization amount from us to cover the transaction. The preauthorization amount may be greater than the actual purchase amount and the transaction is authorized based on your Available Balance. Once a transaction is authorized, a temporary hold is placed on your account for the amount submitted by the merchant; you will see this hold reflected in your Available Balance. This hold does not affect or otherwise adjust your Current Balance. We will place a 24-hour hold on your account for the amount of a preauthorization request. This hold may remain on your account up to 24 hours even after the transaction has been paid. Preauthorization holds may affect the availability of funds in your account to pay for checks drawn on your account and other withdrawals. You acknowledge and agree that we are not liable for any damages you may incur for dishonor of items or otherwise because of a preauthorized hold placed on funds in your account. At the time the transaction settles, your Available Balance will be adjusted, and the actual amount of the purchase will be debited from your Current Balance. Ordinarily, we will not authorize debit card transactions unless you have sufficient funds in your checking account's Available Balance and/or you are within available limits if you are enrolled in our overdraft services. However, we may pay some debit card transactions when you do not have sufficient funds in your Available Balance even if you did not opt into overdraft service for debit card transactions, if we had previously authorized the transaction, or had placed a hold that differs from a transaction amount, as described in the previous paragraph. Therefore, opting into our overdraft service for debit card transactions may result in you incurring overdraft fees for some transactions that we would otherwise pay without assessing a fee.

N. **Setoff; Security Interest.** You grant us a right of setoff to, and a security interest in, your account to ensure you pay us all amounts you owe us under this agreement or other debts you owe us (now or in the future). Such debt may include, but is not limited to, any balance as a result of having insufficient funds or returned items available to cover a transaction and may be:

- Secured or unsecured
- Owed by any owner of any of your accounts
- Owed individually or jointly with someone else
- Direct, indirect, or acquired

By opening and maintaining your account with us, you consent to our asserting our security interest in your account, to the extent any applicable laws require your consent. Our rights under this security interest are in addition to, and not in limitation of, any other rights under any other security interest you may have granted to us under a separate agreement.

We may (without prior notice and when permitted by law) set off the funds in this account against any due and payable debt any of you owe us now or in the future. This right applies regardless of the source of the money in an account. We may exercise these rights against a joint account, regardless of which joint owner contributed money to the joint account; similarly, each owner of a joint account agrees that we may use the money in his/her individual accounts to satisfy debts in his/her joint accounts.

This right of setoff does not apply to this account if prohibited by law. For example, the right of setoff does not apply to this account if: (a) it is an Individual Retirement Account or similar tax-deferred account, or (b) the debtor's right of withdrawal only arises in a representative capacity, or (c) setoff is prohibited by the Military Lending Act or its implementing regulations.

We will not be liable for the dishonor of any item or transaction when the dishonor occurs because we set off a debt against this account. You agree to hold us harmless from any claim, and to pay any expenses and costs, including attorney's fees, arising as a result of

our exercise of our security interest or right of setoff.

You may not grant a security interest in your account to anyone other than us without our prior written consent.

- 4) Added a new section 26. *Returned Item Fees* to describe the CU's practices regarding charging said fee. The verbiage for this section reads as follows:

**Returned Item Fee.** If you deposit an item to your account from a non-account owner that is returned unpaid by the originating financial institution, we will not charge a Returned Item Fee. If an item from an account owner is deposited to your account and returned unpaid by the account owner's originating financial institution, we will charge a Returned Item Fee.

- 5) Updated the prior section numbers starting at section 26 through 45 to reflect new section numbers of 27 through 46.

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## **CHANGES TO YOUR BUSINESS MEMBERSHIP AND ACCOUNT AGREEMENT EFFECTIVE MAY 1, 2024**

Located at [aplusfcu.org/BusinessAgreement](https://aplusfcu.org/BusinessAgreement)

The A+FCU Business Membership and Account Agreement governs your account(s) and relationship with A+FCU. Please note that we have made important changes to transaction limitations which are as follows:

- 1) Revised section 8. *Transaction Limitations* to remove the excerpt regarding Transfer Limitations. The updated language regarding Transaction Limitations has been updated as follows:

**TRANSACTION LIMITATIONS** — We reserve the right to restrict withdrawals or transfers from your account and shall not be liable for any restrictive action we take regarding withdrawals, transfers, or the payment or non-payment of checks and drafts, except those damages which may arise solely as a result of the Credit Union's negligence.

**Withdrawal Restrictions.** We permit withdrawals if your account has sufficient available funds to cover the full amount of the withdrawal and may otherwise honor withdrawal requests in accordance with our overdraft policies or any overdraft protection service you have established with us. Checks and drafts or other transfers or payment orders which are drawn against insufficient available funds may be subject to a fee as set forth in our fee schedule. If there are sufficient available funds to cover some, but not all, of your withdrawal request, we may otherwise allow you to make a withdrawal in an amount for which there are sufficient available funds. Additionally, Authorized Persons may be limited to withdraw amounts from an account not to exceed two thousand dollars (\$2,000.00) on weekends or at any time at the drive-up teller stations.

We may limit or refuse a withdrawal in some situations, and will advise you accordingly if, for example: (1) there is a dispute between Authorized Persons (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; (6) for non-corporate accounts, a depositor is deceased; or, for corporate accounts, the corporation is in bankruptcy proceedings or has been dissolved and the required disposition of the account has not been made; (7) someone with authority to do so requests us not to permit the withdrawal; or (8) there are other circumstances which do not permit us to make the withdrawal. We also reserve the right to refuse any withdrawal which is attempted by any method not specifically permitted by us. We may require you to give written notice of 7 to 60 days before any intended withdrawals.

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