



Debit Card and ATM Card Agreement

This Agreement contains the terms and conditions for use of the ATM and Debit Cards issued by American Bank, N.A. and amends but does not supersede the Deposit Account Agreement (the "Deposit Agreement") for any American Bank, N.A. deposit account which you have linked to an American Bank Debit Card ("Debit Card") or American Bank ATM Card ("ATM Card"). If any conflict arises between the terms of this Agreement and the Deposit Agreement relating to a Card or use of a Card, then this Agreement will control. The term "Card" refers to both Debit Cards and ATM Cards, unless the context specifically uses a different definition. The terms "we," "us," "our" and "Bank" means American Bank, N.A. The terms "you" and "your" means the person to whom we issue a Card or the owner of a deposit account to which a Card is linked. The term "Account" means any American Bank deposit account linked to your Card.

For an account that requires only one signature for withdrawal of funds, any account owner, on behalf of the other account owners (if any), may apply for and receive a Card. If your checking account is joint with one or more other persons, each of you is subject to this Agreement and are both individually and jointly responsible for any obligations that result from the use of the Card(s). Any notice given by us shall be deemed given to all parties if mailed in writing to any one person bound by this Agreement at that person's last address furnished in writing to us.

Amendments. We may amend this Agreement at any time and from time to time. When a change in terms notice is required, we will mail a copy of the amendment to you at your last known address as shown on the records of Bank, providing you reasonable notice prior to the change as required by law. Prior notice may not be given where an immediate change in terms or conditions is necessary to maintain the security of the Card, the Account, or the ATM system, or when notice is not required.

Agreement Applicable to All Cards

Use of the Card by you or with your permission shall constitute your agreement to the terms and conditions contained herein and in the Bank's brochure entitled Electronic Funds Transfers – Your Consumer Rights and Responsibilities:

1. Your liability. You are responsible for all authorized uses of a Card. Applicable law and our "zero liability" Debit Card policy (both of which are more fully described in the Bank's brochure entitled Electronic Funds Transfers – Your Consumer Rights and Responsibilities) may protect you from liability for unauthorized purchases. You understand that your Card is not a credit card and is not protected by laws covering credit cards such as the federal Truth in Lending Act. The Bank is authorized to debit your Account whenever the Card is used to purchase goods or services, to obtain cash at a bank or merchant, or

to conduct transactions at an ATM. We have no liability or responsibility if, for any reason, the Card is not honored at any establishment.

2. Use of a Card. You will be issued a Card and a secret code, also called a "PIN," for use with the Card. When you apply, the Bank will ask you to specify which account(s) you want linked to your Card for access to automated teller machines ("ATMs"), Point-of-Sale ("POS") terminals, merchant purchases or cash advances. You must have at least one qualified consumer deposit account linked to your Card, and you may only access a primary checking and a primary savings account. Debit Cards must be linked to one checking account.

There is no limit on the number of times you may use your Card each day, so long as funds are available in the Account and you do not withdraw more than the daily dollar limit of one thousand twenty-five dollars (\$1,025.00) per day for ATM withdrawals and three thousand dollars (\$3,000.00) per day for POS transactions, merchant purchases and cash advances. We may add or delete at any time the availability of one or more types of transactions, and we may from time to time place or change limits on the number or amounts of transactions you make, after proper notice to you. You may request a change in the daily limits, subject to Bank approval.

3. Charges. Charges related to your Card are described in the current Schedule of Fees. You agree to pay all charges, including any non-sufficient funds fees, arising from use of the Card.

4. Deposit availability and preauthorization holds. The availability of deposits for withdrawal is contained in the Bank's then current funds availability policy. Should a merchant attempt to obtain preauthorization from the Bank for a Debit Card purchase, a hold may be placed on your Account for the amount and duration of the merchant's preauthorization request. If the actual transaction varies from the preauthorization request, payment of the transaction may not remove the hold, which may remain on the account until the full duration of the preauthorization request has expired.

This hold may affect the availability of funds from your deposit account to pay checks or for other electronic fund transfers. We will not be responsible for damages for wrongful dishonor if any item is not paid because of the preauthorization hold.

5. Terminating your Card privileges. All Cards remain the property of the Bank and all privileges to use the Card may be immediately terminated by the Bank without notice to you. You may terminate your Card privileges at any time by providing written notice to the Bank at the address listed in the Bank's brochure entitled Electronic

Funds Transfers – Your Consumer Rights and Responsibilities. Any person authorized to transact business on any Account linked to the Card may terminate your Card in the same manner. All Cards must be immediately surrendered upon termination or upon Bank request and Card termination will not affect any rights and obligation for transactions made prior to termination.

6. **Waiver and release from third parties.** Unless the law provides otherwise, you waive and release us from any obligations that could arise due to defenses, rights and claims you have or may have against any third party on account of the use of the Card.
7. **Refunds on purchases.** Cash refunds will not be made to you for purchases made with your Card. You must handle any claim or defense with respect to property or services purchased with your Card directly with the merchant or other business establishment which accepts your Card, and any such claim or defense you make will not relieve you of your obligation to pay the total amount of any sales draft plus any appropriate charges we may be authorized to make. Any refunds to you by a merchant/seller of amounts debited by use of your Card must be made on a credit voucher signed by you and the merchant and presented by the merchant to us. The amount of any such Card refund will be reflected in your next monthly checking account statement.
8. **Confidentiality of personal identification number.** You agree not to disclose to anyone the confidential personal identification number (PIN) furnished by us or selected by you to be used in ATM, POS or debit transactions with the Card.
9. **Attorney's fees.** If we take legal action against you because of a default in the terms of this Agreement, you must pay reasonable attorney's fees and other costs of the proceedings. Your responsibility for fees and costs shall in no event exceed the maximum allowed by law.
10. **Applicable law.** The laws of the State of Texas and of the United States govern the validity, construction and enforcement of this Agreement and all matters arising out of issuance and use of the Card. If a portion of this Agreement is deemed invalid or unenforceable, any remaining portions of the Agreement not so affected will remain in full force and effect.
11. **Credit or information inquiries.** You authorize us to make any credit, employment and investigative inquiries we deem appropriate in connection with the issuance and use of your Card. We may furnish information concerning your account or credit file to consumer reporting agencies and others who may properly receive that information.

12. **Delay in enforcement of rights.** No delay or omission by us in exercising any right under this Agreement will prevent us from exercising that right in the future.