

ELECTRONIC FUND TRANSFER DISCLOSURE AND AGREEMENT



For purposes of this disclosure and agreement the terms "we", "us" and "our" refer to American Bank, N.A.. The terms "you" and "your" refer to the recipient of this disclosure and agreement.

The Electronic Fund Transfer Act and Regulation E require institutions to provide certain information to clients regarding electronic fund transfers (EFTs). This disclosure applies to any EFT service you receive from us related to an account established primarily for personal, family or household purposes. Examples of EFT services include direct deposits to your account, automatic regular payments made from your account to a third party and one-time electronic payments from your account using information from your check to pay for purchases or to pay bills. This disclosure also applies to the use of your ATM Card (hereinafter referred to collectively as "ATM Card") or Debit Card (hereinafter referred to collectively as "Debit Card") at automated teller machines (ATMs) and any networks described below.

TERMS AND CONDITIONS. The following provisions govern the use of EFT services through accounts held by American Bank, N.A. which are established primarily for personal, family or household purposes. If you use any EFT services provided, you agree to be bound by the applicable terms and conditions listed below. Please read this document carefully and retain it for future reference.

DEFINITION OF BUSINESS DAY. Business days are Monday through Friday excluding holidays.

ATM CARD SERVICES. The services available through use of your ATM Card are described below.

ATM CARD SERVICES:

- You may withdraw cash from your checking account(s), savings account(s), and money market account(s).
- You may transfer funds between your checking and savings accounts, checking and money market accounts, and savings and money market accounts.
- You may make balance inquiries on your checking account(s), savings account(s), and money market account(s).

DEBIT CARD SERVICES. The services available through use of your Debit Card are described below.

DEBIT CARD SERVICES:

- You may withdraw cash from your checking account(s), savings account(s), and money market account(s).
- You may transfer funds between your checking and savings accounts, checking and money market accounts, and savings and money market accounts.
- You may make balance inquiries on your checking account(s), savings account(s), and money market account(s).
- You may use your card at any merchant that accepts Mastercard[®] Debit Cards for the purchase of goods and services.

AUTOMATED TELLER MACHINE (ATM) BANKING SERVICES.

NETWORK. Your ability to perform the transactions or access the accounts set forth above depends on the location and type of ATM you are using and the network through which the transaction is being performed. A specific ATM or network may not perform or permit all of the above transactions.

Besides being able to use your ATM Card or Debit Card at our Automated Teller Machine (ATM) banking terminals, you may access your accounts through the following network(s): NYCE or Mastercard symbol.

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

POINT OF SALE TRANSACTIONS. Listed below are the cards you may use to purchase goods and services from merchants that have arranged to accept your cards as a means of payment (these merchants are referred to as "Participating Merchants"). Some Participating Merchants may permit you to receive cash back as part of your purchase. Purchases made with your cards, including any purchase where you receive cash, are referred to as "Point of Sale" transactions and will cause your "designated account" to be debited for the amount of the purchase. We have the right to return any check or other item drawn against your account to ensure there are funds available to pay for any Point of Sale transaction. We may, but do not have to, allow transactions which exceed your available account balance or, if applicable, your available overdraft protection. If we do, you agree to pay an amount equal to the overdrawn balance plus any overdraft fees.

The following cards and the corresponding designated account(s) may be used for Point of Sale transactions:

- Debit Card: checking account.
- ATM Card: checking account.

Your ATM and Debit Cards may also be used to obtain cash from your designated account(s) at participating financial institutions when so authorized under the terms of your Account Agreement.

CURRENCY CONVERSION - Mastercard®. If you perform transactions with your card with the Mastercard® logo in a currency other than US dollars, Mastercard International Inc. will convert the charge into a US dollar amount. At Mastercard International they use a currency conversion procedure, which is disclosed to institutions that issue Mastercard®. Currently the currency conversion rate used by Mastercard International to determine the transaction amount in US dollars for such transactions is based on rates observed in the wholesale market or government-mandated rates, where applicable. The currency conversion rate used by Mastercard International is generally the rate of the applicable currency on the date that the transaction occurred. However, in limited situations, particularly where transactions are submitted to Mastercard International for processing are delayed, the currency conversion rate used may be the rate of the applicable currency on the date that the transaction is processed.

SERVICES PROVIDED THROUGH USE OF 24-HOUR BANK-BY-PHONE AND CLIENT SERVICES. You may perform the following functions through use of 24-Hour Bank-By-Phone and Client Services:

- You may initiate transfers of funds between your checking and savings accounts, checking and money market accounts, and savings and money market accounts.
- You may make balance inquiries on your checking account(s), savings account(s), and money market account(s).

In addition, you may perform other transactions such as:

balance inquires and receive recent activity including YTD information (based on your relationship to the account).

When you open a new account it is automatically eligible for 24-Hour Bank-By-Phone. To access 24-Hour Bank-By-Phone for the first time, you will enter your Alternate Electronic Access Number, which is your 8-digit date of birth (MMDDYYYY) and the last four digits of your Social Security Number. You will then be prompted to create a personal identification number (PIN) for accessing the system. Once established, future access will require entering your Alternate Electronic Access Number and your PIN. To transfer funds from one account with us to another account with us (checking and savings), you must use a personal identification number (PIN) for all accounts on which you have established 24-Hour Bank-By-Phone services.

You may also contact a Client Services representative by calling 24-Hour Bank-By-Phone. Representatives are available on business days (Monday through Friday, excluding holidays) from 7:00 a.m. to 6:00 p.m.

The terms and conditions governing use of 24-Hour Bank-By-Phone and Client Services are contained in our Electronic Banking Agreement and e-Statements and Notices Consent and Disclosure, ("Electronic Banking Agreement"), a copy of which may be obtained at www.americanbank.com, at any American Bank branch location or by mail upon request. Use by you of the 24-Hour Bank-By-Phone and Client Services constitutes acceptance of the terms of the Electronic Banking Agreement by each account owner and user of such services.

For questions or more information, call us at: (800)257-8086

SERVICES PROVIDED THROUGH USE OF PERSONAL ONLINE BANKING. American Bank, N.A. offers its clients use of our Personal Online Banking service.

With Personal Online Banking, you may access your checking, savings and money market accounts to transfer funds to your other American Bank accounts as well as utilize Bill pay, Mobile Deposit, External Transfers and Zelle®. You may also access your bank deposit and loan accounts to inquire about your American Bank account balances, rates and history. Through Personal Online Banking, you can also download electronic statements, make loan payments and contact us using the email feature. Self-enrollment is available for eligible accounts at www.americanbank.com.

Electronic access to revolving lines of credit and overdraft protection sources. You may access the different available revolving lines of credit and overdraft protection sources, including Ready Cash, which are tied to your checking account using ATM, Point of Sale (POS), Personal Online Banking, 24-Hour Bank-By-Phone and Bill Pay transactions.

Daily dollar limits for ATM, POS and Bill Pay withdrawals still apply. For us to consider paying ATM and everyday debit card transactions using American Privilege funds, your authorization is required. Overdraft fees, non-sufficient funds fees or other overdraft protection transfer fees or costs may apply for such services. The daily dollar limit is one thousand twenty-five dollars (\$1,025.00) for ATM withdrawals and three thousand dollars (\$3,000.00) for POS transactions, merchant purchases and cash advances. Please consult our Schedule of Fees and Service Charges and other agreements applicable to such revolving lines of credit and overdraft protection sources.

ELECTRONIC CHECK CONVERSION. You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or to pay bills.

LIMITATIONS ON TRANSACTIONS

TRANSACTION LIMITATIONS - ATM CARD.

CASH WITHDRAWAL LIMITATIONS. You may withdraw up to \$1,025.00 through use of ATMs in any one day.

POINT OF SALE LIMITATIONS. You may buy up to \$3,000.00 worth of goods or services in any one day through use of our Point of Sale service.

TRANSACTION LIMITATIONS - DEBIT CARD.

CASH WITHDRAWAL LIMITATIONS. You may withdraw up to \$1,025.00 through use of ATMs in any one day.

POINT OF SALE LIMITATIONS. You may buy up to \$3,000.00 worth of goods or services in any one day through use of our Point of Sale service.

OTHER LIMITATIONS.

- The terms of your account(s) may limit the number of withdrawals you may make each month. Restrictions disclosed at the time you opened your account(s), or sent to you subsequently will also apply to your electronic withdrawals and electronic payments unless specified otherwise.

LIMITS ON TRANSFERS FROM CERTAIN ACCOUNTS. We may limit the number of checks, telephone transfers, online transfers, and preauthorized electronic transfers to an account you have with us and to third parties (including Point of Sale transactions) from money market and savings type accounts. You may be limited to six (6) such transactions from each savings or money market account you have per month for purposes of making a payment to a third party or by use of a telephone, computer, or wireless handheld device. Please refer to the Account Agreement for more information regarding transaction limitations.

NOTICE OF RIGHTS AND RESPONSIBILITIES

The use of any electronic fund transfer services described in this document creates certain rights and responsibilities regarding these services as described below.

RIGHT TO RECEIVE DOCUMENTATION OF YOUR TRANSFERS.

TRANSACTION RECEIPTS. Depending on the location of an ATM, you may not be given the option to receive a receipt if your transaction is \$15.00 or less. Upon completing a transaction of more than \$15.00, you will receive a printed receipt documenting the transaction (unless you choose not to get a paper receipt). These receipts (or the transaction number given in place of the paper receipt) should be retained to verify that a transaction was performed. A receipt will be provided for any transaction of more than \$15.00 made with your ATM Card or Debit Card at a Participating Merchant. If the transaction is \$15.00 or less, the Participating Merchant is not required to provide a receipt.

PERIODIC STATEMENTS. If your account is subject to receiving a monthly statement, all EFT transactions will be reported on it. If your account is subject to receiving a statement less frequently than monthly, then you will continue to receive your statement on that cycle, unless there are EFT transactions, in which case you will receive a monthly statement. In any case you will receive your statement at least quarterly.

USING YOUR CARD AND PERSONAL IDENTIFICATION NUMBER ("PIN"). In order to assist us in maintaining the security of your account and the terminals, the ATM Card or Debit Card remains our property and may be revoked or canceled at any time without giving you prior notice. You agree not to use your ATM Card or Debit Card for a transaction that would cause your account balance to go below zero, or to access an account that is no longer available or lacks sufficient funds to complete the transaction, including any available line of credit. We will not be required to complete any such transaction, but if we do, we may, at our sole discretion, charge or credit the transaction to another account; you agree to pay us the amount of the improper withdrawal or transfer upon request.

Your ATM Card may only be used with your PIN. Certain transactions involving your Debit Card require use of your PIN. Your PIN is used to identify you as an authorized user. Because the PIN is used for identification purposes, you agree to notify American Bank, N.A. immediately if your ATM Card or Debit Card is lost or if the secrecy of your PIN is compromised. You also agree not to reveal your PIN to any person not authorized by you to use your ATM Card or Debit Card or to write your PIN on your ATM Card or Debit Card or on any other item kept with your ATM Card or Debit Card. We have the right to refuse a transaction on your account when your ATM Card or Debit Card or PIN has been reported lost or stolen or when we reasonably believe there is unusual activity on your account.

The security of your account depends upon your maintaining possession of your ATM Card or Debit Card and the secrecy of your PIN. You may change your PIN if you feel that the secrecy of your PIN has been compromised. You may change your PIN via the telephone.

YOUR RESPONSIBILITY TO NOTIFY US OF LOSS OR THEFT. If you believe your ATM Card or Debit Card or PIN or internet banking access code has been lost or stolen,

call us at: (800)257-8316 (7:00 a.m. to 6:00 p.m. Central Time)

or

write to:

American Bank, N.A.
Attn: Client Services
P.O. Box 6469
Corpus Christi, TX 78466-6469

You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.

CONSUMER LIABILITY. Tell us AT ONCE if you believe your ATM Card or Debit Card or PIN or internet banking access code has been lost or stolen or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit, if applicable). If you tell us within two (2) business days after you learn of the loss or theft of your ATM Card or Debit Card or PIN or internet banking access code you can lose no more than fifty dollars (\$50) if someone used your ATM Card or Debit Card or PIN or internet banking access code without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your ATM Card or Debit Card or PIN or internet banking access code and we can prove we could have stopped someone from using your ATM Card or Debit Card or PIN or internet banking access code without your permission if you had given us notice, you can lose as much as five hundred dollars (\$500).

The limitations on your liability for unauthorized transfers described in the following paragraph do not apply to any preauthorized transfer to or from your account. Your liability for such unauthorized transfers is unlimited.

If your statement shows transfers you did not make (other than a preauthorized transfer), including those made by card, code, or other means, tell us at once. If you do not tell us within sixty (60) days after the statement was transmitted to you, you may not receive back any money you lost after the sixty (60) days, and therefore, you may not get back any money in your account, if we can prove that we could have stopped someone from taking the money had you given us notice in time. If a good reason (such as a long trip or hospital stay) keeps you from giving the notice, we will extend the time periods.

CONSUMER LIABILITY FOR UNAUTHORIZED TRANSACTIONS INVOLVING DEBIT CARD. The limitations on your liability for unauthorized transactions described above generally apply to all electronic fund transfers. However, different limitations apply to certain transactions involving your card with the Mastercard® branded card.

If you promptly notify us about an unauthorized transaction involving your card and the unauthorized transaction took place on your Mastercard® branded card, including any PIN-based ATM or POS transactions, zero liability will be imposed on you for the unauthorized transaction. In order to qualify for the zero liability protection, you must have exercised reasonable care in safeguarding your card from the risk of loss or theft and, upon becoming aware of such loss or theft, promptly reported the loss or theft to us.

ILLEGAL USE OF DEBIT CARD. You agree not to use your Debit Card for any illegal transactions, including internet gambling and similar activities.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR TRANSACTIONS. In case of errors or questions about your electronic fund transfers,

call us at: (800)257-8316

or

write to: American Bank, N.A.
Attn: Client Services
P.O. Box 6469
Corpus Christi, TX 78466-6469

or

use the current information on your most recent account statement.

Notification should be made as soon as possible if you think your statement or receipt is wrong or if you need more information about a transaction listed on the statement or receipt. You must contact American Bank, N.A. no later than 60 days after we sent you the first statement on which the problem or error appears. You must be prepared to provide the following information:

- Your name and account number.
- A description of the error or transaction you are unsure about along with an explanation as to why you believe it is an error or why you need more information.
- The dollar amount of the suspected error.

If you provide oral notice, you will be required to send in your complaint or question in writing within ten (10) business days.

We will determine whether an error occurred within ten (10) business days (twenty (20) business days for new accounts) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days (ninety (90) days for new accounts and foreign initiated or Point of Sale transfers) to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days (twenty (20) business days for new accounts) for the amount which you think is in error, so that you will have the use of the money during the time it takes to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account. The extended time periods for new accounts apply to all electronic fund transfers that occur within the first thirty (30) days after the first deposit to the account is made, including those for foreign initiated or Point of Sale transactions.

We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation.

You may ask for copies of the documents that we used in our investigation.

LIABILITY FOR FAILURE TO COMPLETE TRANSACTION. If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages as provided by law. However, there are some exceptions. We will NOT be liable, for instance:

- If through no fault of ours, you do not have enough money in your account to make the transfer.
- If the transfer would result in your exceeding the credit limit on your line of credit, if you have one.
- If the electronic terminal was not working properly and you knew about the breakdown before you started the transfer.
- If circumstances beyond our control (such as fire or flood, computer or machine breakdown, or failure or interruption of communications facilities) prevent the transfer, despite reasonable precautions we have taken.
- If we have terminated our Agreement with you.
- When your ATM Card or Debit Card has been reported lost or stolen or we have reason to believe that something is wrong with a transaction.
- If we receive inaccurate or incomplete information needed to complete a transaction.
- In the case of preauthorized transfers, we will not be liable where there is a breakdown of the system which would normally handle the transfer.
- If the funds in the account are subject to legal action preventing a transfer to or from your account.
- If the electronic terminal does not have enough cash to complete the transaction.

There may be other exceptions provided by applicable law.

CHARGES FOR TRANSFERS OR THE RIGHT TO MAKE TRANSFERS.

FEE SCHEDULE. The Fee Schedule referred to above is being provided separately and is incorporated into this document by reference. Additional copies of the schedule may be obtained from American Bank, N.A. upon request.

PREAUTHORIZED TRANSACTIONS. There are no additional charges for your use of preauthorized electronic fund transfers except as stated in our Fee Schedule, which is incorporated into this document by reference.

DISCLOSURE OF ACCOUNT INFORMATION. You agree that merchant authorization messages transmitted in connection with Point of Sale transactions are permissible disclosures of account information, and you further agree to release American Bank, N.A. and hold it harmless from any liability arising out of the transmission of these messages.

We will disclose information to third parties about your account or electronic fund transfers made to your account:

1. Where necessary to complete a transfer or to investigate and resolve errors involving the transfer(s); 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 permission in a record or writing.

AMENDING OR TERMINATING THE AGREEMENT. We may change this agreement from time to time. You will be notified at least 21 days before a change will take effect if it will cause you an increase in costs or liability or it will limit your ability to make electronic fund transfers. No notice will be given if the change is necessary for security reasons. We also have the right to terminate this agreement at any time.

SAFETY PRECAUTIONS FOR ATM TERMINAL USAGE. Please keep in mind the following basic safety tips whenever you use an ATM:

- Have your ATM Card or Debit Card ready to use when you reach the ATM. Have all of your forms ready before you get to the machine. Keep some extra forms (envelopes) at home for this purpose.
- If you are new to ATM usage, use machines close to or inside a financial institution until you become comfortable and can conduct your usage quickly.
- If using an ATM in an isolated area, take someone else with you if possible. Have them watch from the car as you conduct your transaction.
- Do not use ATMs at night unless the area and machine are well-lighted. If the lights are out, go to a different location.
- If someone else is using the machine you want to use, stand back or stay in your car until the machine is free. Watch out for suspicious people lurking around ATMs, especially during the times that few people are around.
- When using the machine, stand so you block anyone else's view from behind.
- If you observe suspicious persons or circumstances while approaching or using an ATM, you should not use the ATM at that time or, if you are in the middle of a transaction you should cancel the transaction, take your ATM Card or Debit Card, leave the area, and come back at another time, or use an ATM at another location.
- Do not stand at the ATM counting cash. Check that you received the right amount later in a secure place, and reconcile it to your receipt then.
- Keep your receipts and verify transactions on your account statement. Report errors immediately. Do not leave receipts at an ATM location.
- When using our walk-up or drive-up ATMs, you should remain aware of your surroundings and exercise caution when withdrawing funds, inspect the ATM before use for possible tampering or for the presence of an unauthorized attachment that could capture information from your ATM Card or Debit Card or your PIN, and refrain from displaying cash and put it away as soon as the transaction is completed.
- Protect your PIN to ensure that no one can observe entry of your PIN.
- Treat your ATM Card or Debit Card as if it were cash and if your ATM Card or Debit Card has an embedded chip keep it in a safety envelope to avoid undetected and unauthorized scanning.
- Do not communicate information about your ATM Card or Debit Card over the phone or internet unless you trust the merchant with the information over the phone or you initiated the transaction.
- To protect against internet fraud, if you are making an online purchase with your ATM Card or Debit Card you should end the transaction by logging out of the website instead of just closing the web browser.