

Electronic Funds Transfers - Your Rights & Responsibilities

ATM WITHDRAWALS AND TRANSFERS You may access your account(s) by ATM using your ATM card or debit card and personal identification number to get cash withdrawals from checking accounts (you may withdraw no more than \$600.00 per day or \$100 for Teen Checking product), get cash withdrawals from savings accounts (you may withdraw no more than \$600.00 per day or \$100 for Teen Checking product), transfer funds from savings to checking, transfer funds from checking to savings, get checking account(s) information, and get savings account(s) information. Some services may not be available at all terminals. You may make no more than 40 transactions of any kind, ATM or POS, in any given calendar day of the year.

POINT OF SALE TRANSACTIONS Using your card, you may access your checking account to purchase goods, in person, by phone, by computer; pay for services in person, by phone, by computer; get cash from a merchant, if the merchant permits, or from a participating financial institution, and do anything that a participating merchant will accept. If your debit card is attached to a consumer product you may not exceed more than \$2,500.00 in POS transactions per day. If your ATM card is attached to a consumer product, you may not exceed more than \$600 in POS transactions per day, or if your debit card is associated with a Teen Checking product you may not exceed more than \$200.00 in POS transactions per day.

ELECTRONIC FUND TRANSFERS INITIATED BY THIRD PARTIES You may authorize a third party to initiate fund transfers between your account and the third party's account. These transfers to make or receive payment may be one time occurrences or may recur as directed by you. You should only provide your financial information and account information (whether over the phone, the Internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic fund transfers.

GENERAL LIMITATIONS In addition to those limitations on transfers elsewhere described, if any, the following limitations apply: Transfers or withdrawals from a money market/savings account to another account of yours or to a third party by debit card, or similar order to a third party, are limited to six per statement cycle/calendar month.

FEES We charge \$3.00 for each off premise ATM/Debit transaction.

ATM OPERATOR/NETWORK 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).

DOCUMENTATION You can get a receipt at the time you make a transfer to or from your account using an automated teller machine or point-of-sale terminal. You may not get a receipt if the amount of the transfer is \$15.00 or less. In addition, you will get a monthly account statement from us, unless there are no transfers in a particular month. In any case, you will get a statement at least quarterly.

PREAUTHORIZED PAYMENTS Right To Stop Payment and Procedure For Doing: So if you have told us in advance to make regular payments out of your account, you can stop any of these payments by calling or writing us at the telephone number or address listed below in this disclosure, in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. We charge \$35.00 for each stop payment. Notice of Varying Amounts: If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. Liability For Failure To Stop Payment of Preauthorized Transfer: If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

FINANCIAL INSTITUTIONS LIABILITY Liability For Failure To Make Transfers: 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. 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 go over the credit limit on your overdraft line; if the ATM where you are making the transfer does not have enough cash; if the terminal or system was not working properly and you knew about the breakdown when you started the transfer, or if circumstances beyond our control (such as fire or flood) prevent the transfer. There may be other exceptions stated in our agreement with you.

CONFIDENTIALITY We will disclose information to third parties about your account or the transfers you make where it is necessary for completing transfers; in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; in order to comply with government agency or court orders; or if you give us written permission.

UNAUTHORIZED TRANSFERS Consumer Liability: Tell us at once if you believe your card and/or 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 you tell us within 2 business days after you learn of the loss or theft of your card and/or code, you can lose no more than \$50.00 if someone used your card and/or code without your permission. Also, if you do NOT tell us within 2 business days after you learn of the loss or theft of your card and/or code, and we can prove we could have stopped someone from using your card and/or code without your permission if you had told us, you could lose as much as \$500.00. Also, if your statement shows transfers that you did not make, including those made by card, code, or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or hospital) kept you from telling us, we will extend the time period. You will not be liable for any unauthorized transactions using your Mastercard® debit card if: (i) you can demonstrate that you have exercised reasonable care in safeguarding your card from the risk of loss or theft, and (ii) upon becoming aware of a loss or theft, you promptly report the loss or theft to us. Mastercard® is a registered trademark of Mastercard International Incorporated.

ERROR RESOLUTION NOTICE In case of errors or questions about your electronic transfers, call or write us at the telephone number or address listed below, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared. Tell us your name and account number; describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information, and tell us the dollar amount of the suspected error. If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days. We will determine whether an error occurred within 10 business days (20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new account, a point-of-sale transaction, or foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (20 business days if the transfer involved a new account) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account. An account is considered a new account for 30 days after the first deposit is made, if you are a new customer. We will tell you the results within three business days after completing our investigation. If we decided 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.

ADDITIONAL LIMITS ON LIABILITY FOR MASTERCARD® DEBIT CARDS You will not be liable for any unauthorized transactions using your Mastercard® debit card if: (i) you can demonstrate that you have exercised reasonable care in safeguarding your card from the risk of loss or theft, and (ii) upon becoming aware of a loss or theft, you promptly report the loss or theft to us. Mastercard® is a registered trademark of Mastercard International Incorporated.

TRANSACTIONS IN A FOREIGN CURRENCY AND 'CROSS-BORDER' TRANSACTIONS Currency Conversion Fee: If you effect or authorize a transaction with your card in a currency other than U.S. Dollars, Mastercard® will convert the charge into a U.S. Dollar amount. The Mastercard® currency conversion procedure includes use of either a government-mandated exchange rate, or a wholesale exchange rate, as applicable. The exchange rate Mastercard® uses will be a rate in effect on the day the transaction is processed. This rate may differ from the rate in effect on the date of the purchase or the date the transaction was posted to your account. Mastercard® charges us a Currency Conversion Assessment of 20 basis points (.2% of the transaction) on all cross-border transactions regardless of whether there is a currency conversion. As a result, we charge you a Currency Conversion fee of .2% and a Cross-Border Transaction fee of .9%. Cross-Border Transaction Fee: In addition, Mastercard® charges us a Cross-Border Assessment on each transaction on all Cross-Border transactions regardless of whether there is a currency conversion. For purposes of this section, "Cross-Border Transaction" shall include both (a) transactions initiated in a foreign country which are subsequently settled in the United States, and (b) transactions initiated in the United States, but which are ultimately settled in a country outside of the United States. We will assess these fees to you to reimburse us for the fee we are required to pay for each of your transactions subject to these terms. The Cross-Border transaction fee will be shown on your statement.

ADVISORY AGAINST ILLEGAL USE You agree to not use your card(s) for illegal gambling or other illegal purpose. Display of a payment card logo by, for example, an online merchant does not necessarily mean that transactions are lawful in all jurisdictions in which the cardholder may be located. Please see your cardholder agreement for additional information relating to the use of your debit card.

MODIFICATIONS OF THIS AGREEMENT, TERMINATION We may change any term of this agreement. We will give you reasonable notice in writing or by any other method permitted by law. We may also revoke your right to use your Debit Card at any time. You agree to pay us for any cash withdrawals, service charges, or other items that remain unpaid at the time this agreement is for any reason terminated.

INSTITUTION Prosperity Bank, 1301 North Mechanic Street, El Campo, TX 77437-2633. Call us at (800) 531- 1401.

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