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DEPOSITORY AGREEMENT

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT - To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

AGREEMENT - This document, along with any other documents we give you pertaining to your account(s), is a contract that establishes rules which control your account(s) with us. Please read this carefully. If you sign the signature card or open or continue to use the account, you agree to these rules. You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this document. If you have any questions, please call us.

This agreement is subject to applicable federal laws and the laws of the state of Texas (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. The purpose of this document is to:

- (1) summarize some laws that apply to common transactions;
- (2) establish rules to cover transactions or events which the law does not regulate;
- (3) establish rules for certain transactions or events which the law regulates but permits variation by agreement; and
- (4) give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variations from our standard agreement, but we must agree to any variation in writing either on the signature card for your account or in some other document.

As used in this document the words "we," "our," and "us" mean the financial institution and the words "you" and "your" mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular. "Party" means a person who, by the terms of an account, has a present right, subject to request, to payment from the account other than as a beneficiary or agent.

LIABILITY - You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges. You authorize us to deduct these charges directly from the account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this agreement.

Each of you also agrees to be jointly and severally (individually) liable for any account shortage resulting from charges or overdrafts, whether caused by you or another with access to this account. This liability is due immediately, and can be deducted directly from the account balance whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge or overdraft. You will also be liable for our costs to collect the deficit as well as for our reasonable attorneys' fees, to the extent permitted by law, whether incurred as a result of collection or in any other dispute involving your account including, but not limited to, disputes between you and another joint owner; you and an authorized signer or similar party; or a third party claiming an interest in your account.

DEPOSITS - We will give only provisional credit until collection is final for any items, other than cash, we accept for deposit (including items drawn "on us"). Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. We are not responsible for transactions by mail or outside depository until we actually record them. We will treat and record all transactions received after our "daily cutoff time" on a business day we are open, or received on a day we are not open for business, as if initiated on the next business day that we are open.

WITHDRAWALS - Unless clearly indicated otherwise on the account records, any of you, acting alone, who signs to open the account or has authority to make withdrawals may withdraw or transfer all or any part of the account balance at any time. Each of you (until we receive written notice to the contrary) authorizes each other person who signs or has authority to make withdrawals to indorse any item payable to you or your order for deposit to this account or any other transaction with us. You agree that, as to any item that we have no opportunity to examine the signatures, such as an electronic check conversion transaction where a check or similar item is converted into an electronic fund transfer as defined in the Electronic Fund Transfers regulation, you waive any requirement of multiple signatures for withdrawal. We may charge your account for a check even though payment was made before the date of the check, unless we have received written notice of the postdating in time to have a reasonable opportunity to act. We may refuse any withdrawal or transfer request which you attempt on forms not approved by us, by any method we do not specifically permit, which is greater in number than the frequency permitted, or which is for an amount greater or less than any withdrawal limitations. Even if we honor a nonconforming request, we may treat continued abuse of the stated limitations (if any) as your act of closing the account. We will use the date the transaction is completed by us (as opposed to the date you initiate it) to apply the frequency limitations. The fact that we may honor withdrawal requests that overdraw the available account balance does not obligate us to do so later. You agree that we may charge fees for overdrafts and use subsequent deposits, including direct deposits of social security or other government benefits, to cover such overdrafts and overdraft fees. If we are presented with an item drawn against your account that would be a "substitute check," as defined by law, but for an error or defect in the item introduced in the substitute check creation process, you agree that we may pay such item. See the funds availability policy disclosure for information about when you can withdraw funds you deposit. For those accounts for which our funds availability policy disclosure does not apply, you can ask us when you make a deposit when those funds will be available for withdrawal.

We may require not less than 7 days' notice in writing before each withdrawal from an interest-bearing account other than a time deposit, or from any other savings account as defined by Regulation D. Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to penalty. See your notice of penalty for early withdrawal.

OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION - These rules apply to this account depending on the form of ownership and beneficiary designation, if any, specified on the account records. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds.

SINGLE-PARTY ACCOUNT WITHOUT "P.O.D." (PAYABLE ON DEATH) DESIGNATION - The party to the account owns the account. On the death of the party, ownership of the account passes as a part of the party's estate under the party's will or by intestacy.

SINGLE-PARTY ACCOUNT WITH "P.O.D." (PAYABLE ON DEATH) DESIGNATION - The party to the account owns the account. On the death of the party, ownership of the account passes to the P.O.D. beneficiaries of the account. The account is not a part of the party's estate.

MULTIPLE-PARTY ACCOUNT WITHOUT RIGHT OF SURVIVORSHIP - The parties to the account own the account in proportion to the parties' net contributions to the account. The financial institution may pay any sum in the account to a party at any time. On the death of a party, the party's ownership of the account passes as a part of the party's estate under the party's will or by intestacy.

MULTIPLE-PARTY ACCOUNT WITH RIGHT OF SURVIVORSHIP - The parties to the account own the account in proportion to the parties' net contributions to the account. The financial institution may pay any sum in the account to a party at any time. On the death of a party, the party's ownership of the account passes to the surviving parties.

MULTIPLE-PARTY ACCOUNT WITH RIGHT OF SURVIVORSHIP AND "P.O.D." (PAYABLE ON DEATH) DESIGNATION - The parties to the account own the account in proportion to the parties' net contributions to the account. The financial institution may pay any sum in the account to a party at any time. On the death of the last surviving party, the ownership of the account passes to the P.O.D. beneficiaries.

CONVENIENCE ACCOUNT - The parties to the account own the account. One or more convenience signers to the account may make account transactions for a party. A convenience signer does not own the account. On the death of the last surviving party, ownership of the account passes as a part of the last surviving party's estate under the last surviving party's will or by intestacy. The financial institution may pay funds in the account to a convenience signer before the financial institution receives notice of the death of the last surviving party. The payment to a convenience signer does not affect the parties' ownership of the account.

TRUST ACCOUNT - The parties named as trustees to the account own the account in proportion to the parties' net contributions to the account. A trustee may withdraw funds from the account. A beneficiary may not withdraw funds from the account before all trustees are deceased. On the death of the last surviving trustee, the ownership of the account passes to the beneficiary. The trust account is not a part of a trustee's estate and does not pass under the trustee's will or by intestacy, unless the trustee survives all of the beneficiaries and all other trustees.

BUSINESS, ORGANIZATION AND ASSOCIATION ACCOUNTS - Earnings in the form of interest, dividends, or credits will be paid only on collected funds, unless otherwise provided by law or our policy. We may require the governing body of the entity opening the account to give us a separate authorization telling us who is authorized to act on its behalf. We will honor the authorization until we actually receive written notice of a change from the governing body of the entity.

STOP PAYMENTS - You must make any stop-payment order in the manner required by law and we must receive it in time to give us a reasonable opportunity to act on it before our stop-payment cutoff time. To be effective, your stop-payment order must precisely identify the number, date and amount of the item, and the payee.

You may stop payment on any item drawn on your account whether you sign the item or not, if you have an equal or greater right to withdraw from this account than the person who signed the item. A release of the stop-payment request may be made only by the person who initiated the stop-payment order.

Our stop-payment cutoff time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop payment are provided by law (e.g., we paid the item in cash or we certified the item).

TELEPHONE TRANSFERS - A telephone transfer of funds from this account to another account with us, if otherwise arranged for or permitted, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing. Unless a different limitation is disclosed in writing, we restrict the number of transfers from a savings account to another account or to third parties, to a maximum of six per month (less the number of "preauthorized transfers" during the month). Other account transfer restrictions may be described elsewhere.

AMENDMENTS AND TERMINATION - We may change any term of this agreement. Rules governing changes in interest rates are provided separately. For other changes, we will give you reasonable notice in writing or by any other method permitted by law. We may also close this account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Notice from us to any one of you is notice to all of you.

STATEMENTS - Your duty to report unauthorized signatures, alterations and forgeries - You must examine your statement of account with "reasonable promptness." If you discover (or reasonably should have discovered) any unauthorized signatures or alterations, you must promptly notify us of the relevant facts. As between you and us, if you fail to do either of these duties, you will have to either share the loss with us, or bear the loss entirely yourself (depending on whether we used ordinary care and, if not, whether we contributed to the loss). The loss could be not only with respect to items on the statement but other items with unauthorized signatures or alterations by the same wrongdoer.

You agree that the time you have to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 30 days from when the statement is first sent or made available to you.

You further agree that if you fail to report any unauthorized signatures, alterations or forgeries in your account within 60 days of when we first send or make the statement available, you cannot assert a claim against us on any items in that statement, and as between you and us the loss will be entirely yours. This 60-day limitation is without regard to whether we used ordinary care. The limitation in this paragraph is in addition to that contained in the first paragraph of this section.

Your duty to report other errors - In addition to your duty to review your statements for unauthorized signatures, alterations and forgeries, you agree to examine your statement with reasonable promptness for any other error - such as an encoding error. You agree that the time you have to examine your statement and report to us will depend on the circumstances. However, such time period shall not exceed 60 days. Failure to examine your statement and report any such errors to us within 60 days of when we first send or make the statement available precludes you from asserting a claim against us for any such errors on items identified in that statement and as between you and us the loss will be entirely yours.

Errors relating to electronic fund transfers or substitute checks - For information on errors relating to electronic fund transfers (e.g., computer, debit card or ATM transactions) refer to your Electronic Fund Transfers disclosure and the sections on consumer liability and error resolution. For information on errors relating to a substitute check you received, refer to your disclosure entitled Substitute Checks and Your Rights.

ACCOUNT TRANSFER - This account may not be transferred or assigned without our prior written consent.

DIRECT DEPOSITS - If, in connection with a direct deposit plan, we deposit any amount in an account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

TEMPORARY ACCOUNT AGREEMENT - If this option is selected, this is a temporary account agreement. Each person who signs to open the account or has authority to make withdrawals (except as indicated to the contrary) may transact business on this account. However, we may at some time in the future restrict or prohibit further use of this account if you fail to comply with the requirements we have imposed within a reasonable time.

SETOFF - We may (without prior notice and when permitted by law) set off the funds in this account against any due and payable debt you owe us now or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including any balance the due date for which we properly accelerate under the note.

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 debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), (c) the debtor's right of withdrawal only arises in a representative capacity, or (d) the debt is created by a home equity loan. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of setoff.

RESTRICTIVE LEGENDS - We are not required to honor any restrictive legend on checks you write unless we have agreed in writing to the restriction. Examples of restrictive legends are "must be presented within 90 days" or "not valid for more than \$1,000.00."

PAYMENT ORDER OF ITEMS - The law permits us to pay items (such as checks or drafts) drawn on your account in any order. To assist you in handling your account with us, we are providing you with the following information regarding how we process the items that you write. When processing items drawn on your account, our policy is to pay them according to the dollar amount. We pay the smallest items first. 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. Our payment policy minimizes the number of items that may result in an overdraft or NSF fee. If an item is presented without sufficient funds in your account to pay it, we may, at our discretion, pay the item (creating an overdraft) or return the item (NSF). The amounts of the overdraft and NSF fees are disclosed elsewhere. We encourage you to make careful records and practice good account management. This will help you to avoid writing checks or drafts without sufficient funds and incurring the resulting fees.

CHECK PROCESSING - We may process items mechanically by relying on the information encoded along the bottom of the items. This means that we may not individually examine all of your items to determine if the item is properly completed, signed and indorsed. You agree that we have not failed to exercise ordinary care solely because we use an automated system to process items and do not inspect all items processed in such a manner. We reserve the right not to inspect each item because using an automated process helps us keep costs down for you and all account holders. We may determine the amount of available funds in your account for the purpose of deciding whether to return an item for insufficient funds at any time between the time we receive the item and when we return the item or send a notice in lieu of return. We need only make one determination, but if we choose to make a subsequent determination, the account balance at the subsequent time will determine whether there are insufficient available funds.

CHECK CASHING - We may charge a fee for anyone that does not have an account with us who is cashing a check, draft or other instrument written on your account. We may also require reasonable identification to cash such a check, draft or other instrument. We can decide what identification is reasonable under the circumstances and such identification may be documentary or physical and may include collecting a thumbprint or fingerprint.

ACH AND WIRE TRANSFERS - This agreement is subject to Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the state in which you have your account with us. If you originate a fund transfer for which Fedwire is used, and you identify by name and number a beneficiary financial institution, an intermediary financial

institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. You agree to be bound by automated clearing house association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we do not receive such payment, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. If we receive a payment order to credit an account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit.

CHECK PROCESSING POLICY - In the event that your check is returned unpaid for insufficient or uncollected funds, we may present your check electronically.

FIRST COMMAND CHECK CARD AGREEMENT AND DISCLOSURE

This Agreement, including the Bank's Depository Agreement, states the terms under which a "Card" may be used to obtain electronic fund transfer services ("EFT Services") offered by First Command Bank. "Bank," "we" or "us" means First Command Bank. EFT Services include automated teller machine ("ATM") and point of sale ("POS") transactions. A Card will be issued to you upon approval of your application. You must sign the Card before using it. By receiving and using a Card issued by Bank, you agree with Bank that electronic fund transactions ("Transactions") initiated with your Card are subject to the following terms:

- Transactions.** Your First Command Check Card may be used to access the checking or savings account indicated on your application or by subsequent written request. Provided funds are available, you may use your Card to perform the following:
 - At an ATM displaying the PULSE, Cirrus®, AFFN or AMEX logo, you may:
 - make deposits at ATMs we own or operate
 - make withdrawals
 - make transfers
 - ascertain balance informationThese Transactions can only be performed at ATMs in the United States and can be used at international ATMs displaying the appropriate network identification. Some of these services may not be available at all ATMs.
 - You may use funds in your checking account to purchase goods and services at any merchant displaying the PULSE, Cirrus®, AFFN, AMEX or MAESTRO logo.
 - You may use funds in your checking account to purchase goods and services at any merchant displaying the "MasterCard" logo.
 - At any bank that honors "MasterCard" you may use your Card to make withdrawals from your checking account.
 - At any ATM displaying other applicable network identification you may (subject to service availability and possible service charges) initiate such Transactions as are allowed.
- Advisory Against Illegal Use.** You agree not to 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.
- Fees.** Charges for withdrawals are set by Bank and are currently:
 - Free for POS transactions
 - 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). However, some ATM surcharges are rebated monthly. The maximum number and amount rebated depend on the type of account you have. Please refer to the Deposit Application for details.
 - \$1.50 for each additional ATM withdrawal over three per statement cycle from the First account.
 - \$1.50 for each additional ATM withdrawal over six per statement cycle from your Bronze Command account, Silver Command account, and Money Market account, or over ten from your Gold Command account

These fees may be changed from time to time at the discretion of the Bank. You may be charged additional fees by third parties, such as:

- Financial institutions, for cash advances
 - ATM owners, for ATM Transactions
 - Merchants, for POS Transactions
- Daily Withdrawal/Purchasing Limit.** The following daily withdrawal/purchasing limits will apply:
 - \$500 withdrawal limit per card at any ATM
 - \$1,000 purchase limit per cardYou may change your daily withdrawal limit by providing written notice to us. Such modification shall be effective not later than 10 days following receipt by us. In no event will your daily withdrawal limit be less than \$50.
 - Personal Identification Number.** As a means of identification and in order to protect the security of accounts accessible with your Card, your Card will require a personal identification number ("PIN"). Your PIN should not be disclosed to anyone. If the security of the PIN is compromised you should notify the Bank at once.
 - Currency Conversion.** If you effect a transaction with your card in a currency other than US Dollars, MasterCard will convert the charge into a US Dollar amount. The MasterCard currency conversion procedure includes use of either a government-mandated exchange rate, or a wholesale exchange rate selected by MasterCard. 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 purchase or the date the transaction was posted to your account.

- Documentation of EFT Services.** You shall receive the following documentation with respect to Transactions:
 - At the time you make an EFT you shall obtain a receipt for the Transactions.
 - You will receive a monthly statement showing all debits and credits posted to your account that month.
 - For purchases and cash advances, the following will appear on your monthly account statement: 1) date and amount of Transaction; 2) merchant or bank name; and 3) where the Transaction took place.
- Lost or Stolen Card/PIN.** Because you could lose all the money in your accounts and available funds in an overdraft line of credit, telephone us AT ONCE, if you believe your Card or PIN has been lost or stolen or if your statement shows an unauthorized Transaction. Telephoning us is the best way to keep your possible losses down. You should use the telephone number and address shown on the back of this agreement to contact Bank. If special circumstances such as extended travel or hospitalization prevent your notifying us within the time periods specified above, the time periods will be extended to a reasonable time.
- Notice of Unauthorized Transactions.** Tell us AT ONCE if you believe your statement reflects a Transaction made without your authorization. If your Card has been lost or stolen, or if for any other reason you believe an unauthorized Transaction has been or may be made, you should use the telephone number and address shown on the back of this agreement to contact Bank.
- Your Liability for Unauthorized Transactions.** You will be liable for the amount of unauthorized Transactions made with your Card as follows:

a. Consumer liability.

- Generally. 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 if someone used your card and/or code without your permission.
- 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.
- 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 a hospital stay) kept you from telling us, we will extend the time periods.

- Additional Limits on Liability for First Command Check Card, when used for point-of-sale transactions.** You will not be liable for any unauthorized transactions using your First Command Check Card, when used for point-of-sale transactions, if: (i) you can demonstrate that you have exercised reasonable care in safeguarding your card from the risk of loss or theft, (ii) you have not reported to us two or more incidents of unauthorized use within the prior twelve-month period, and (iii) your account is in good standing. If any of these conditions are not met, your liability is the lesser of \$50 or the amount of money, property, labor, or services obtained by the unauthorized use before notification to us. "Unauthorized use" means the use of your debit card by a person, other than you, who does not have actual, implied, or apparent authority for such use, and from which you receive no benefit. This additional limitation on liability does not apply to PIN-based transactions or transactions not processed by MasterCard.

- Contact in event of unauthorized transfer.** If you believe your card and/or code has been lost or stolen, call or write us at the telephone number or address listed in this brochure. You should also call the number or write to the address listed in this brochure if you believe a transfer has been made using the information from your check without your permission.

- In case of errors or questions about your EFT Services,** call or write us at the telephone number or address shown on the back of this agreement as soon as you can, if you think your statement or receipt is wrong or if you need more information about a Transaction listed on the statement or receipt. We must hear from you no later than 60 days after we send you the first statement on which the problem or error appeared.

- Tell us your name and account number.
- Describe the error or the Transaction you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- 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 a 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. Your account is considered a new account for the first 30 days after the first deposit is made, unless each of you already has an established account with us before this account is opened. We will tell you the results within three 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.

- Merchants' Disputes.** If you use your Card, and a dispute with the merchant arises, you agree to make a good faith effort to settle the dispute with the merchant. Any unresolved dispute may be sent to us in writing for assistance in settlement. You cannot stop payment to merchants for Transactions made through the use of your Card.

- Liability for Failure to Make Transfers.** Subject to exceptions noted below, we will be liable for damages proximately caused by our failure to make a transfer to or from your account in accordance with the terms of the accounts and this Agreement. However, there are some exceptions. We will NOT be liable for damages if:

- through no fault of ours you do not have enough money in your account to make the transfer;
- the transfer would cause you to exceed the limit on your overdraft line or exceed your daily withdrawal limit;
- the ATM where you are making the transfer does not have enough cash or traveler's checks to complete the Transaction;
- circumstances beyond our control (such as flood or fire) interfere with the Transaction;
- the terminal was not working properly and you knew about the breakdown when you started the transfer;
- your Card has been reported lost or stolen or (if applicable) by reason of excessive activity in your account or otherwise, we have a reasonable basis for acting to protect the security of your account;
- information necessary for us to complete the Transaction is inaccurate or incomplete;
- this Agreement has been terminated;
- applicable law otherwise prevents completion of the transfer; or
- there are unusual or extraordinary circumstances which would indicate improper or unlawful use of your account.

- Business Days.** Business days are Monday through Friday with the exception of Bank holidays.

- Disclosure of Account Information.** Information concerning your accounts and Transactions will not be disclosed to third parties except (a) when necessary to complete Transactions or to resolve errors involving Transactions, (b) to verify the existence and status of your accounts upon request of a third party such as a credit bureau or merchant, (c) to comply with a government agency or court order or with other legal processes, (d) as explained in the Privacy Disclosure contained elsewhere in this booklet or (e) in accordance with the terms of the Depository Agreement.

- Termination.** The Card shall remain the property of Bank and you agree upon demand to return the Card to Bank. At any time and without prior notice, Bank may revoke or cancel the Card and thereby terminate this Agreement and demand return of the Card to Bank. You may terminate this Agreement at any time by returning your Card to Bank. Termination, whether by you or by Bank, shall not affect prior Transactions or obligations existing at the time of termination.

- Account Agreements.** Except as provided herein, all terms of account agreements, including credit card agreements, are applicable to Transactions to those accounts accessed by means of a Card. Any charges and/or minimum balance requirements applicable to maintaining or transacting business in an account will be applicable when EFT Services are utilized.

- Governing Law.** This Agreement and all Transactions hereunder are subject to the laws of the State of Texas and the laws of the United States, including the rules and regulations of the Board of Governors of the Federal Reserve Board.

- Regulatory Authority.** If Bank violates any provision of this Agreement or applicable law, you may notify: Office of the Thrift Supervision PO Box #619027 Dallas/Ft Worth, Texas 75261-9027

- Amendment.** We may amend the terms of this Agreement by mailing notice of the amendment to your last address as shown on the records of Bank. You will be given at least 21 days notice prior to the effective date of any amendment which results in an increased fee or charge, an increase in your liability, a reduction in services offered by Bank, or stricter limitations on Transaction or withdrawal rights.

ELECTRONIC FUNDS TRANSFER AGREEMENT AND DISCLOSURE

TYPES OF TRANSFERS

We can accept certain direct deposits or automatic or on-demand transfers to your checking or savings account and make certain automatic or on-demand payments or transfers from your checking or savings account.

Electronic Fund Transfers Initiated By Third Parties. You may authorize a third party to initiate electronic 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. These transfers may use the Automated Clearing House (ACH) or other payments network. Your authorization to the third party to make these transfers can occur in a number of ways. For example, your authorization to convert a check to an electronic fund transfer or to electronically pay a returned check charge can occur when a merchant provides you with notice and you go forward with the transaction (typically, at the point of purchase, a merchant will post a sign and print the notice on a receipt). In all cases, these third party transfers will require you to provide the third party with your account number and bank information. This information can be found on your check as well as on a deposit or withdrawal slip. Thus, you should only provide your bank 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. Examples of these transfers include, but are not limited to:

- 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 pay bills.

- Electronic returned check charge.** You may authorize a merchant or other payee to initiate an electronic funds transfer to collect a charge in the event a check is returned for insufficient funds.

When information from your check is used to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day you make your payment.

PhoneCommand Telephone Transfers - types of transfers - You may access your account by telephone 24 hours a day at 1-888-763-7601 using your personal identification number, a touch tone phone, and your account numbers, to:

- transfer funds between checking and money market
- get information about:
 - the account balance of checking or money market accounts
 - deposits to checking or money market accounts
 - withdrawals from checking or money market accounts

OnCommand Computer Transfers - types of transfers - You may access your account(s) by computer through the Internet by logging onto our Web site at www.firstcommandbank.com and using your password and user identification, to:

- transfer funds between checking and money market
- make payments from checking or money market to loan accounts with Bill
- make payments from checking or money market to third parties using US Pay
- get information about:
 - the account balance of checking or money market accounts
 - deposits to checking or money market accounts
 - withdrawals from checking or money market accounts

Please refer to the OnCommand Internet Banking disclosure posted on our Web site for additional information.

DOCUMENTATION OF TRANSFERS

- Telephone confirmation:** You may verify posting of your direct deposit, automatic or on-demand transfer, on the business day the deposit or transfer is scheduled to be made, by calling us at the telephone number shown at the end of this booklet.

- Electronic check transfers:** You shall obtain a receipt from the merchant or service provider at the time you make any electronic check transfer from your account.

- Periodic statements:** You will receive a monthly account statement documenting the date, amount and description of each transfer.

STOP-PAYMENT PROCEDURE AND NOTICE OF VARYING AMOUNTS

- Right to stop payment and procedure for doing so:** If you have told us, in advance, to make automatic recurring payments out of your account, you can stop any of these payments by calling or writing to us at the number or address shown at the end of this booklet. Any written material regarding stop payments should be sent to the attention of our Bank Services Representatives. You must call or write in time for us to receive your request at least three business days before the payment is scheduled to be made. If you call, we require that you put your request in writing and deliver it within 14 days after your call.

- Notice of varying amounts:** If these regular payments vary in amount, the Bank or person you are going to pay will tell you, 10 days before each payment, when the payment will be made and how much it will be.

- Liability for failure to stop payment of preauthorized transfer:** If you order us to stop a payment at least three business days before the transfer is scheduled and we do not do so, we will be liable for your losses or damages.

DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES

We may disclose information to third parties about your account:

- where it is necessary for completing transfers, or
- in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant, or
- in order to comply with government agency or court orders, or
- as explained in the Privacy Disclosure contained elsewhere in this booklet.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC DEPOSITS OR PREAUTHORIZED WITHDRAWALS

If you think your statement is wrong or if you need some additional information about a transfer listed on the statement, contact us at the address or telephone number shown at the end of this booklet. We must hear from you no more than 60 days after we mailed the first statement on which the problem or error appeared. You should provide us with the following information:

- 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 there is an error or why you need more information, and
- the dollar amount of the suspected error.

If you contact us by telephone, we require that you send 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 a 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. Your account is considered a new account for the first 30 days after the first deposit is made, unless each of you already has an established account with us before this account is opened.

We will tell you the results within three 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.

THE BANK'S LIABILITY

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,

- a. if, through no fault of ours, you do not have enough money in your account to make the transfer;
- b. if the transfer would exceed the credit limit on your overdraft line (if any);
- c. if circumstances beyond our control (such as equipment malfunction, fire or flood) prevent the transfer, despite reasonable precautions that we have taken.

There may be additional exceptions stated in other agreements you have made with us. **THE CUSTOMER'S LIABILITY**

Tell us AT ONCE if you believe your statement shows transfers that you did not make. If you fail to notify us within 60 days of our mailing you a periodic statement on which an unauthorized transfer appears, you will be liable for (a) the lesser of \$50 or the amount of the unauthorized transfers appearing on the statement or occurring within the 60 days and (b) the amount of unauthorized transfers which occur after the close of the 60 days but before you notify us and which we establish would not have occurred had you notified us within the 60 days.

UNAUTHORIZED TRANSFERS

If you believe that someone has transferred or may transfer money from your account without your permission, call or write us at the phone number or address shown at the end of this booklet.

RETURN OF DIRECT DEPOSITS

If Bank is required to reimburse the Federal Government for all or any portion of any benefit payments deposited into your account through a direct deposit plan for any reason, you agree that Bank may, without prior notice to you, deduct the amount returned to the Federal Government from your account or from any other account you have with Bank, unless the deduction is prohibited by law. This right is in addition to any other rights Bank has under this Agreement, including its right of setoff and its security interest in your account.

NEW ACCOUNTS

Your account is considered a new account for the first 30 days after the first deposit is made.

ATM SURCHARGES

ATM service charges are assessed according to account type. Please refer the www.firstcommandbank.com for complete details.

FIRST COMMAND BANK

SHERRY SITTON

P.O. BOX 901041, FORT WORTH, TEXAS 76101-2041

Business Days: Monday through Friday

Except for Bank Holidays

Phone: 1-888-763-7600

MORE DETAILED INFORMATION IS AVAILABLE ON REQUEST

OVERDRAFT PROTECTION AGREEMENT

1. Introduction and Definitions. This Overdraft Protection Agreement governs the Overdraft Protection Program between Customer and Bank. For purposes of this Agreement, the word, "you," "your" and "Customer" mean each person who is an authorized signer on the Account. The words "we," "us" and "Bank" mean First Command Bank. Additional defined terms are explained below and you and we agree to the following terms and conditions:

"**Account**" means the demand account maintained by Customer at Bank to which the Program applies.

"**Agreement**" means this Overdraft Protection Agreement as it may be amended from time to time.

"**Bank**" means First Command Bank and its successors and assigns.

"**Customer**" means each of the Account's authorized signers, as such may change from time to time.

"**Default**" has the meaning assigned to such term in Section 7 of this Agreement.

"**Due Date**" means the date which is thirty (30) calendar days after each Overdraft Advance.

"**Item**" means any paper or electronic item which is presented by Customer or a third party against the Account for the purpose of withdrawing money from the Account.

"**Program**" means the First Command Bank Overdraft Protection Program as such may be amended from time to time.

"**Overdraft Advance**" means the amount advanced by Bank for the benefit of Customer to permit an Item to be honored when the Item would otherwise be returned because the Account did not contain sufficient funds. An Overdraft Advance may include an Overdraft Charge if the Account does not otherwise have sufficient funds to absorb an Overdraft Charge.

"**Overdraft Advance Limit**" means the maximum aggregate amount of Overdraft Advances plus Overdraft Advances which can be owing by Customer under the Program at any one time.

"**Overdraft Charge**" means the charge assessed by Bank for each Overdraft Advance.

"**Overdraft Condition**" means the period of time when the Account maintains a negative balance.

You and we agree to the following terms and conditions:

2. How the Program Works. When an Item is presented against the Account and the Item would otherwise be returned because the Account does not contain sufficient money, we may, in our sole discretion, provide an Overdraft Advance in an amount adequate to prevent the Item from being returned. This means that the Account will be overdrawn to the extent of the Overdraft Advance, but the Item will be honored and not returned. However, the amount of the Overdraft Advance will never be more than the Item which caused the Overdraft Advance except that the Overdraft Advance also may include the Overdraft Charge. We will advise you of each Overdraft Advance and Overdraft Charge by written notification which is mailed to you immediately after the Overdraft Advance occurs. The Overdraft Advance activity applicable to the Account also will be disclosed in the Account's monthly statement. An Overdraft Advance will not be available (a) if a Default has occurred and is continuing, or (b) if the Account is closed. If an Item is not paid but is returned, you will be liable for our standard

Insufficient Funds fee pursuant to the depository agreement applicable to the Account. Notwithstanding any other provision in this Agreement (a) the aggregate amount of Overdraft Advances and Overdraft Charges outstanding at any one time may not exceed your Overdraft Advance Limit, and (b) we are not under an obligation, nor have we promised, to pay any Item which would cause the Account to be overdrawn.

3. Overdraft Charge. Each Overdraft Advance will incur an Overdraft Charge. The amount of the Overdraft Charge is disclosed (a) in the Application you signed when the Account was opened, or (b) in a separate written statement provided by us to you through the mail. The categories of transactions for which an overdraft fee may be imposed are those by any of the following means: check, in-person withdrawal, ATM withdrawal, or other electronic means. Whether your overdrafts will be paid is discretionary and we reserve the right not to pay. For example, we typically do not pay overdrafts if your account is not in good standing, or you are not making regular deposits, or you have too many overdrafts. The amount of the Overdraft Charge is subject to amendment from time to time. The Overdraft Charge is not interest, but rather a fixed, per occurrence fee we assess to help cover our costs of administering the Program.

4. Promise to Pay. You promise to pay each Overdraft Advance and each related Overdraft Charge promptly, but not later than the applicable Due Date. In addition, you agree that the Account will not be subject to an Overdraft Condition for over thirty (30) consecutive days. Each Overdraft Advance and Overdraft Charge, to the extent such remains outstanding, must be repaid through deposit(s) to the Account on or before the applicable Due Date which deposits may not be provided through an Overdraft Advance. Each deposit to the Account shall be applied first to the outstanding Overdraft Advance(s) and Overdraft Charge(s), in the order the Overdraft Advance(s) and Overdraft Charge(s) were incurred.

5. Joint and Several Liability. If there is more than one Customer, each is jointly and severally liable for Customer's obligations under this Agreement. This means we can require any one of you to pay all amounts due under this Agreement, including all Overdraft Advances and Overdraft Charges. Each Customer authorizes any other Customer, on his or her signature alone, to cancel this Agreement, to request and receive Overdraft Advances, and to do all other things necessary to carry out the terms of this Agreement. We can release any of you from responsibility under this Agreement, and the others will remain responsible.

6. Overdraft Advance Limit. We will assign to you an Overdraft Advance Limit and you will be notified of such by a separate document. Your Overdraft Advance Limit is subject to amendment from time to time and we will advise you, in writing, of each such amendment.

7. Default. We may declare you to be in default ("**Default**") under this Agreement if any one or more of the following events occur: (a) you fail to repay an Overdraft Advance or Overdraft Charge on or before its Due Date; (b) the Account has been subject to an Overdraft Condition for more than thirty (30) consecutive days; (c) you die; (d) you make any false or misleading statements on your application to participate in the Program; (e) you violate any provision of this Agreement or any other agreement with us; (f) the Account is subject to garnishment, attachment, execution or some other governmental or court order which prevents withdrawals from the Account; (g) you exceed your Overdraft Advance Limit; (h) you file for bankruptcy or other insolvency relief, or an involuntary petition under the provisions of the Federal Bankruptcy Act is filed against you; or (i) we receive conflicting instructions from two or more Customers who are authorized to access the Account.

8. Bank's Rights. If a Default occurs, we will send notice to you of the Default and we may suspend or terminate the Program's availability to you.

(a) Suspension. If we suspend your use of the Program, you will lose the ability to obtain additional Overdraft Advances. However, all other terms of this Agreement will remain in effect and be binding upon you.

(b) Termination. If we terminate your use of the Program, the entire unpaid balance of your Overdraft Advances will be immediately due and payable, without prior notice except as may be required by law, and you agree to pay that amount plus all outstanding Overdraft Charges and other amounts due under this Agreement.

(c) Collection Costs. Upon Default, we may hire an attorney to help collect the unpaid Overdraft Advances and Overdraft Charges if you do not pay such within the time we request, and you will pay the attorneys' fees which we incur. You also will pay to us all other amounts actually incurred by us as court costs and other costs of collection.

9. Collateral. We have no lien on any real property or security interest in any personal property to secure repayment of any indebtedness under this Agreement notwithstanding any other agreement between you and us. However, we do not waive our right or ability to obtain a judgment against you if a Default occurs. In addition, if a Default occurs, in limited circumstances (e.g. you can access the Program only with paper Items) we can set off against amounts you have on deposit with us to the extent Overdraft Advances and Overdraft Charges remain unpaid after the applicable Due Date.

10. Credit Investigation. You authorize us at any time to make or have whatever credit investigation we feel is appropriate to evaluate your credit and/or employment, and you authorize us to share our Program experience with you with credit bureaus and other creditors. You also agree to furnish us with financial statements we may request from time to time and in such form and detail as we may reasonably require.

11. Term. The term of the Program as to Customer will begin as of the date the Account becomes available for your use (unless the Program or its predecessor is already in effect and this Agreement is provided to you as an amendment of the prior or existing contract) and will continue until your participation in the Program is terminated. At that time, all outstanding Overdraft Advances, Overdraft Charges, and any other charges or costs incurred by Bank in connection with your participation in the Program, will be payable on demand.

12. Amendment to Agreement. We may at any time amend any of the terms of this Agreement as permitted by applicable law, including the amount of the Overdraft Charge. You will be provided advance written notice of each amendment at your last known address. Any amendments to this Agreement must be a written document to which we have agreed.

13. Termination of Agreement.

(a) By You. If you terminate this Agreement and your participation in the Program, you must notify us in writing of the termination. The termination will be effective when we have had a reasonable period of time to act on your request, but no earlier than thirty (30) calendar days after we are in receipt of your written notification. Despite termination, your obligations under this Agreement will remain in full force and effect until you have paid us all amounts due under this Agreement.

(b) By Us. We may terminate this Agreement and your participation in the Program even if a Default has not occurred; however, if we elect to do that we will provide to you advance written notice of that decision.

14. Delay in Enforcement. We may delay or waive the enforcement of any of our rights under this Agreement without losing that right or any other right. If we delay or waive any of our rights, we may enforce that right at any time in the future without advance notice.

15. Notices. All notices will be sent to your address as shown on the Account's monthly statement. Notices will be mailed to you at a different address if you give us written notice of a different address. You agree to advise us promptly if you change your mailing address.

16. Interpretation. The names given to paragraphs or sections in this Agreement are for convenience purposes only. They are not to be used to interpret or define the provisions of this Agreement. You agree that this Agreement is the best evidence of your agreements with us. If a court finds that any provision of this Agreement is not valid or should not be enforced, that fact by itself will not mean that the rest of this Agreement will not be valid or enforced. Therefore, a court may enforce the rest of the provisions of this Agreement even if a provision of this Agreement may be found to be invalid or unenforceable. If we go to court for any reason, we can use a copy, filmed or electronic, of any Account statement, this Agreement, or any other document to prove what you owe us or that a transaction has taken place. The copy, microfilm, microfiche, or optical image will have the same validity as the original.

17. Interest. It is our intention always to conform strictly to the usury laws in force in Texas and in the United States of America. Therefore, any charges constituting interest under applicable law shall never produce an interest rate under this Agreement greater than the maximum rate of interest (the "**Maximum Rate**") which we could contract for, charge you, or receive under applicable law. If any charge under this Agreement is found by a court to be interest, to the extent such interest exceeds the Maximum Rate, it shall be automatically credited to any outstanding Overdraft Advances or refunded to you, without the necessity of the execution of any new document. To the extent federal law, instead of Texas law, permits us to contract for, charge, or receive a greater amount of interest, we will rely on federal law instead.

18. Transfer or Assignment. Your rights under this Agreement belong to you only and may not be transferred or assigned. Your obligations, however, are binding on your heirs and legal representatives.

19. Governing Law and Venue. This Agreement will be governed by federal law and by the laws of the State of Texas. The Program which is the subject of this Agreement has been applied for, considered, approved, and made in the State of Texas and is performable in the State of Texas. Venue of any litigation involving this Agreement shall be in an appropriate court located in Tarrant County, Texas to the exclusion of all other venues.

FUNDS AVAILABILITY DISCLOSURE

YOUR ABILITY TO WITHDRAW FUNDS

This policy statement applies to all deposit accounts.

Our policy is to make funds from your cash and check deposits available to you on the same day we receive your deposit. At that time, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and bank holidays. If you make a deposit before 3:00 P.M. on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 3:00 P.M. or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

LONGER DELAYS MAY APPLY

Case-by-case delays. In some cases, we will not make all of the funds that you deposit by check available to you on the same day we receive your deposit. Depending on the type of check that you deposit, funds may not be available until the fifth business day after the day of your deposit. The first \$100 of your deposits, however, may be available on the same day.

If we are not going to make all of the funds from your deposit available on the same day we receive your deposit, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

Safeguard exceptions. In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

We believe a check you deposit will not be paid.

You deposit checks totaling more than \$5,000 on any one day.

You redeposit a check that has been returned unpaid.

You have overdrawn your account repeatedly in the last six months.

There is an emergency, such as failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the eleventh business day after the day of your deposit.

SPECIAL RULES FOR NEW ACCOUNTS

If you are a new customer, the following rules will apply during the first 30 days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000.00 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the **same** day as the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,000.00 will be available on the ninth business day after the day of your deposit if your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000.00 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the first business day after the day of your deposit.

FOREIGN CHECKS

For the purpose of this policy, a Foreign Check is defined as any negotiable demand draft drawn on or payable through an office of a depository institution **not** located or having a branch within the United States.

Availability of Funds: Generally, the availability of funds for deposit of foreign checks will be delayed for the time it takes First Command Bank to collect the funds from the depository institution upon which it is drawn.

Processing and Collection Fees: Any fees incurred by First Command Bank in the process of collecting funds from the depository institution upon which the check is drawn may be charged to the customer account into which the foreign check was presented for deposit. These fees may be charged regardless of the outcome of collection efforts.

SUBSTITUTE CHECKS AND YOUR RIGHTS

As our customer we think it's important for you to know about substitute checks. The following Substitute Check Disclosure provides information about substitute checks and your rights. So you will recognize substitute checks when you receive them, we have included a copy of the front side of a substitute check along with an explanation of the substitute check's components.

What is a substitute check?

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks.

This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

What are my rights regarding substitute checks?

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500 of your refund (plus interest if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

How do I make a claim for a refund?

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at:

First Command Bank
P.O. Box 901041
Ft. Worth, Texas 76101-2041
1-888-763-7600
info@firstcommandbank.com

You must contact us within 60 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include —

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check or the following information to help us identify the substitute check: the check number, the amount of the check, the date of the check, the name of the person to whom you wrote the check, and your account number.

SUBSTITUTE CHECK IMAGE

Below is an image of a sample substitute check. The numbers listed below the image correspond with the numbers on or near the substitute check image and the corresponding text explains the various components of a substitute check.

Pat Payor
101 Your Street
Your City, USA 10101

4321

DATE Oct 28, 2004

Security Features Detailed on Back

\$ **147.50**

DOLLARS

MP

Pat Payor

Pat Payor

MP

Pat Payor

Pat Payor

PAY TO THE ORDER OF ABC Company

One hundred forty-seven and 50/100

MP

School supplies

Your Financial Institution
Your City, USA 10101

School supplies

051000033
10/28/2004
3112003355102116

This is a LEGAL COPY of your check. You can use it the same way you would use the original check.

121000374110/28/2004
002567146787451

① ② ③ ④ ⑤

These numbers correspond with the numbers on the Substitute Check Image:

- An image of the original check appears in the upper right-hand corner of the substitute check.
- A substitute check is the same size as a standard business check.
- The information in asterisks relates to the "reconverting bank"—the financial institution that created the substitute check.
- The information in brackets (appears sideways facing check image) relates to the "truncating bank"—the financial institution that took the original check out of the check processing system.
- The Legal Legend states: *This is a legal copy of your check. You may use it the same way you would use the original check.*
- The MICR lines at the bottom of the image of the original and at the bottom of the substitute check are the same except for the "4" at the beginning of the substitute check number, which indicates that it is a substitute check being moved forward for collection purposes. It is also possible for a substitute check number to begin with a "5" if the item is being returned. The rest of the MICR line is the same as the original check to ensure that it is processed as though it were the original.

TRUTH-IN-SAVINGS DISCLOSURE

THE FIRST ACCOUNT

For customers age 14-22 (with adult co-owner)*

*When the primary minor owner turns 22 years of age, the account will be changed to a Bronze account.

Minimum balance to open the account - You must deposit \$25.00 to open this account.

No fees apply to this account.

FIRST COMMAND MONEY MARKET ACCOUNT

Rate Information - Your interest rate and annual percentage yield may change.

Frequency of rate changes - We may change the interest rate on your account at any time.

Determination of rate - At our discretion, we may change the interest rate on your account.

Compounding and crediting frequency - Interest will be compounded every month. Interest will be credited to your account every month.

Minimum balance to open the account - No opening deposit is required.

Daily balance computation method - We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

Accrual of interest on noncash deposits - Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

Transaction limitations:

Transfers from a First Command Money Market account to another account or to third parties by preauthorized, automatic, telephone, or computer transfer or by check, draft, or similar order to third parties are limited to six per statement cycle.

COMMAND CHECKING ACCOUNT

Rate Information - Your interest rate and annual percentage yield may change.

Frequency of rate changes - We may change the interest rate on your account at any time.

Determination of rate - At our discretion, we may change the interest rate on your account.

Compounding and crediting frequency - Interest will be compounded every month. Interest will be credited to your account every month.

Minimum balance to open the account - You must deposit \$25.00 to open this account.

Minimum balance to obtain the annual percentage yield disclosed - You must maintain a minimum balance of \$1,000.00 in the account each day to obtain the disclosed annual percentage yield.

Daily balance computation method - We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

Accrual of interest on noncash deposits - Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

FIRST COMMAND CERTIFICATE OF DEPOSIT

Compounding and Crediting frequency - Interest will be accrued daily. Interest will be credited to your account quarterly on principal balances of less than \$10,000.00, or monthly on principal balances of \$10,000.00 or more.

Minimum balance to open the account - You must deposit \$1,000.00 to open this account.

Daily balance computation method - We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

Accrual of interest on noncash deposits - Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

Transaction limitations:

You may not make any deposits into your account before maturity. You may not make withdrawals of principal from your account before maturity.

You can only withdraw interest credited in the term before maturity of that term without penalty. You can withdraw interest any time during the term of crediting after it is credited to your account.

Early withdrawal penalties (a penalty may be imposed for withdrawals before maturity) -

- If your account has an original maturity of less than one year:
The fee imposed will equal 30 days interest on the amount withdrawn.
- If your account has an original maturity of one year or more:
The fee imposed will equal 90 days interest on the amount withdrawn.

In certain circumstances such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. Other exceptions may also apply, for example, if this is part of an IRA or other tax-deferred savings plan.

Withdrawal of interest prior to maturity - The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

Automatically renewable time account - This account will automatically renew at maturity. You may prevent renewal if we receive written notice from you before maturity of your intention not to renew or you withdraw the funds in the account at maturity (or within the grace period mentioned below, if any). If you prevent renewal, interest will not accrue after final maturity.

Each renewal term will be the same as the original term, beginning on the maturity date. The interest rate will be the same we offer on new time deposits on the maturity date which have the same term, minimum balance (if any) and other features as the original time deposit.

You will have ten calendar days after maturity to withdraw the funds without a penalty.

COMMON FEATURES

Please refer to our separate fee schedule for additional information about charges. When closing an account, if the balance is under \$5.00 a cashier's check will not be issued.

We may require not less than 7 days' notice in writing before each withdrawal from an interest-bearing account other than a time deposit, or from any other savings account as defined by Regulation D. Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to penalty. See your notice of penalty for early withdrawal.

Please refer to our separate rate sheet for current rates.

NOTICE OF ATM/NIGHT DEPOSIT FACILITY USER PRECAUTIONS

As with all financial transactions, please exercise discretion when using an automated teller machine (ATM) or night deposit facility. For your own safety, be careful. The following suggestions may be helpful.

- Prepare for your transactions at home (for instance, by filling out a deposit slip) to minimize your time at the ATM or night deposit facility.
- Mark each transaction in your account record, but not while at the ATM or night deposit facility. Always save your ATM receipts. Don't leave them at the ATM or night deposit facility because they may contain important account information.
- Compare your records with the account statements you receive.
- Don't lend your ATM card to anyone.
- Remember, do not leave your card at the ATM. Do not leave any documents at a night deposit facility.
- Protect the secrecy of your Personal Identification Number (PIN). Protect your ATM card as though it were cash. Don't tell anyone your PIN. Don't give anyone information regarding your ATM card or PIN over the telephone. Never enter your PIN in any ATM that does not look genuine, has been modified, has a suspicious device attached, or is operating in a suspicious manner. Don't write your PIN where it can be discovered. For example, don't keep a note of your PIN in your wallet or purse.
- Prevent others from seeing you enter your PIN by using your body to shield their view.
- If you lose your ATM card or if it is stolen, promptly notify us. You should consult the other disclosures you have received about electronic fund transfers for additional information about what to do if your card is lost or stolen.
- When you make a transaction, be aware of your surroundings. Look out for suspicious activity near the ATM or night deposit facility, particularly if it is after sunset. At night, be sure that the facility (including the parking area and walkways) is well lit. Consider having someone accompany you when you use the facility, especially after sunset. If you observe any problem, go to another ATM or night deposit facility.
- Don't accept assistance from anyone you don't know when using an ATM or night deposit facility.
- If you notice anything suspicious or if any other problem arises after you have begun an ATM transaction, you may want to cancel the transaction, pocket your card and leave. You might consider using another ATM or coming back later.
- Don't display your cash; pocket it as soon as the ATM transaction is completed and count the cash later when you are in the safety of your own car, home, or other secure surrounding.
- At a drive-up facility, make sure all the car doors are locked and all of the windows are rolled up, except the driver's window. Keep the engine running and remain alert to your surroundings.
- We want the ATM and night deposit facility to be safe and convenient for you. Therefore, please tell us if you know of any problem with a facility. For instance, let us know if a light is not working or there is any damage to a facility. Please report any suspicious activity or crimes to both the operator of the facility and the local law enforcement officials immediately.

FAIR CREDIT BILLING ACT DISCLOSURES YOUR BILLING RIGHTS

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

NOTIFY US IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR BILL.

If you think your bill is wrong, or if you need more information about a transaction on your bill, write to us on a separate sheet of paper at the address reflected on your monthly statement. Write us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You may telephone us, but doing so will not preserve your rights.

In your letter give us the following information:

*Your name and account number.

*The dollar amount of the suspected error.

*A description of the error and an explanation, if possible, of why you believe there is an error. If you need more information, describe the item of which you are unsure.

If you have authorized us to pay your bill automatically from your checking account, you may stop payment on any amount you think is wrong. In order to stop payment, your letter must reach us three (3) business days before the automatic payment is scheduled to occur.

YOUR RIGHTS AND OUR RESPONSIBILITIES AFTER WE RECEIVE YOUR WRITTEN NOTICE.

We must acknowledge your letter within 30 days unless we have corrected the error by then. Within 90 days we must either correct the error or explain why we believe the bill was correct.

After we receive your letter, we cannot try to collect any amount you question or report you as delinquent. We can continue to bill you for the amount you question, including Finance Charges, and we can apply any unpaid amount against your Credit Limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, you will not have to pay any Finance Charges related to any questioned amount. If we did not make a mistake, you will have to pay Finance Charges, and you will be required to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten (10) days telling us that you still refuse to pay, we must tell anyone to whom we report that you have a question about your bill. And, we must tell you the name of anyone to whom we reported you. We must notify anyone to whom we report you that the matter has been settled between us when it finally is.

If we do not follow these rules, we cannot collect the first \$50.00 of the questioned amount, even if your bill was correct.

FIRST COMMAND PRIVACY POLICY

At First Command, we value you as a customer and are committed to respecting and protecting your privacy. The First Command Privacy Policy is designed to explain what type of information we collect, how it is used, and with whom and under what circumstances it will be shared.

The First Command Privacy Policy applies to the First Command entities identified in Section 7, *First Command Family of Companies*.

COLLECTION OF INFORMATION

We collect information about you to provide you with superior customer service, save you time, better respond to your needs, and manage our business and risks. We collect information about you from the following sources:

- Directly from you on forms, applications, and other similar documents; via the Internet; by telephone; or otherwise. Examples of this type of information includes your name, address, names of family members, marital status, Social Security Number, employment information, and financial situation, etc.
- From transactions with us or with companies through which we provide you products and services. For example, account balances, holdings, and history (bank, mutual fund, annuity, etc.); insurance coverages, limits, rates, beneficiaries, and claims history.
- From consumer report agencies, such as information relating to your creditworthiness, your credit score, credit usage, and claims history.
- From third parties to verify the information you have given us and protect against fraudulent activity as required by the USA PATRIOT Act.

PROTECTING YOUR INFORMATION

Keeping your information secure is one of our most important responsibilities. We maintain physical, electronic and procedural safeguards that comply with federal regulations to protect your information. We limit access to customer information to those employees and others who have a business reason to know this information. We maintain strict internal policies against unauthorized disclosure or use of client information. Even if you are no longer a customer, we will treat your information in the same manner as if you were still a customer.

INFORMATION SHARING WITH THIRD PARTIES

Individuals or companies outside the First Command Family of Companies are considered third parties. We will not share your information with third parties so they may market their products to you. Accordingly, you do not need to tell us to refrain from sharing your information with third parties.

We may share the information we collect about you as described above with third parties only as permitted or required by law. For example, we may share information:

- With service providers that assist us with a variety of business activities, including marketing on our behalf, customer service, account administration, online support, and research.
- To protect against or prevent actual or potential fraud, unauthorized transactions, claims, or other liability.
- To process your requests or provide services regarding a financial product or service you request or authorize (such as mutual funds, financial planning services, insurance, deposit accounts, loans, credit cards, etc.). Companies with

whom we may share your information in this regard include mutual fund companies, insurance companies, banks, and transfer agents which maintain your accounts.

- With government entities in response to subpoenas or regulatory requirements.
- With consumer reporting agencies and/or credit bureaus.
- Pursuant to your written consent.

All third parties with whom we share your information are required to protect the confidentiality of the information provided by us and may only disclose such information as permitted by law.

INFORMATION SHARING WITHIN THE FIRST COMMAND FAMILY OF COMPANIES

We are required to inform you of your rights to limit our ability to share information within our family of companies. Your rights are described below.

- You may direct us not to share information about your creditworthiness received from you or others (such as information from your application or your employment or credit history) within our family of companies. However, even if you direct us not to share information about your creditworthiness, we may still share certain other information about you within our family of companies as permitted by law (such as your name, address, transactions or balances with us, or survey results).

The reason you share your information with a First Command financial advisor or other First Command representative is so that we may use your information to determine whether the investment, insurance and banking products and services we offer are a good fit for you and to provide you with recommendations and services for these products and services, generally as part of a comprehensive financial plan and related services. In order to accomplish your objective and provide the recommendations and services you request, your First Command financial advisor or other First Command representative may provide your information to First Command Financial Planning, Inc., First Command Financial Services, Inc. and/or First Command Bank and these entities will share your information with each other to ensure that recommendations and services provided consider your complete financial picture (as necessary) and complement each other. Should you choose to exercise your right to prohibit sharing of information among our family of companies, we may be unable to establish or continue a relationship with you as your choice may limit our ability to serve you in this manner.

For information purposes, financial planning and investment products and services are offered by First Command Financial Planning, Inc.; insurance products and services are offered by First Command Financial Services, Inc. (in certain states, First Command Financial Services, Inc. is a separate domestic corporation and does business in California as "First Command Insurance Services"); and banking products and services are offered by First Command Bank.

- You may also direct our companies not to market products or services to you based on information received from one of our other companies. This limitation, however, does not apply in certain circumstances permitted by law, such as if you already have a pre-existing relationship with the company desiring to market its products or services to you.

To inform us about your choices, you may write to the First Command Legal and Compliance Department, 1 FirstComm Plaza, Fort Worth, TX 76109-4999 or call 800-433-2104. Your decision will not expire until you revoke it in writing.

PROTECTING MEDICAL AND HEALTH INFORMATION

We do not share any medical or health information with third parties or within the First Command Family of Companies, except as necessary to process transactions or services you have requested or initiated. For example, we may share medical or health information you have provided to us in connection with an insurance application with insurance companies to determine your eligibility or for underwriting purposes.

THE INTERNET

Industry standard encryption and other security features safeguard our websites and any information you share with us through these websites. All information that we obtain about you through your use of our websites is protected and shared only as described in this notice. Use of our websites may result in "cookies" or similar files being placed on your hard drive for security purposes, to facilitate site navigation, to personalize your experience while visiting our site, and to enhance the overall effectiveness of the site. In all cases, cookies and similar files that we place on your computer do not contain any personal information unless encrypted and do not identify you as an individual or by account number.

Please remember that we will never ask you for provide sensitive information such as user IDs, passwords or account numbers via e-mail. If you receive an e-mail request for this sort of information, do not respond to it and contact us immediately.

We may provide links to non-First Command websites, such as credit bureaus or product providers. If you choose to link to websites not controlled by First Command, we are not responsible for the privacy or security of these websites, including the accuracy, completeness, reliability or suitability of their information. If you are asked to provide information on one of these websites we strongly urge you to carefully study their privacy policies before sharing your information.

FIRST COMMAND FAMILY OF COMPANIES

The First Command Privacy Policy is provided to you by First Command Financial Services, Inc., and its wholly owned subsidiary companies that offer you various financial services:

First Command Bank
First Command Financial Planning, Inc.
First Command Financial Services (Alabama)
First Command Financial Services (Hawaii)
First Command Financial Services (Montana)
First Command Financial Services (Nevada)
First Command Financial Services (New York)
First Command Financial Services (Wyoming)
First Command Life Insurance Company
First Command Service Corporation

MAKING SURE YOUR INFORMATION IS ACCURATE

You have the right to review the information we have collected about you to ensure that it is accurate and current. You can also request corrections to any personal information maintained by us.

To review the information we collect about you, submit a request in writing to the First Command Legal and Compliance Department, 1 FirstComm Plaza, Fort Worth, TX 76109-4999. You must describe the kind of information you want to review and include your full name, address, telephone number, and date of birth. Upon receipt of your request, we will contact you within 30 business days to describe what information is available for your review. We will not provide information that we feel is privileged.

To correct information about you, send a written request as described above, explaining your desired correction. Upon receipt of your request, we will contact you within 30 business days to inform you whether we will make the correction or tell you why we will not. We cannot correct consumer report information, such as your credit report. To do this, you must contact the consumer report agency that provided it.

TIPS TO PROTECT YOUR INFORMATION

First Command works hard to keep your information secure. You can help by following these tips to protect your information:

- Store personal information in a safe place, and tear up or shred old receipts and account statements before throwing them away.
- Protect your PINs and other passwords. Do not share them with anyone unless it's for a service or transaction you request, and you are confident the other party will protect the information as you would.
- Carry only the minimum amount of identifying information you require.
- Pay attention to billing cycles and statements. Inquire if you do not receive a bill.
- Check accounts statements carefully to ensure all charges, checks or withdrawals are authorized.
- Guard your mail from theft. Do not leave bill payment envelopes in your mailbox with the flag up. Instead, deposit them in a post office collection box or at the local post office. Promptly remove incoming mail.
- Order copies of your credit report from each of the three major credit bureaus once a year to ensure they are accurate.
- If you believe you are a victim of identity theft, take immediate action and keep records of your conversations and correspondence. While the steps you must take will vary with your individual circumstances, four basic actions are appropriate in almost every case:
 1. Contact the fraud department of any one of the three major credit bureaus to place a fraud alert on your credit file:
 - Equifax (www.equifax.com):
1-888-766-0008 / P.O. Box 740241,
Atlanta, GA 30374-0241
 - Experian (www.experian.com):
1-888-397-3742 / P.O. Box 9532,
Allen, TX 75013
 - Trans Union (www.transunion.com):
1-800-680-7289 / P.O. Box 6790,
Fullerton, CA 92834
 2. Contact the creditors for any accounts that have been tampered with or opened fraudulently.
 3. File a report with your local police, or the police in the community where the identity theft took place, and get a copy of the police report.
 4. File a complaint with the Federal Trade Commission (FTC). Complaints can be filed by phone, 1-877-IDTHEFT, or through the FTC's identity theft Web site at www.consumer.gov/idtheft.

OUR COMMITMENT

Whether it's on the Internet, in person, by telephone or by mail, we at First Command are committed to protecting your privacy. And you can rest assured that we will continue to safeguard to the extent possible your information.

Current clients will receive a current copy of the First Command Privacy Policy on an annual basis. In addition, it is available at www.firstcommand.com or www.firstcommandbank.com. This notice replaces any previous notices provided to you by us about the privacy, security and protection of information. We may amend this notice at any time. We will inform you of changes as required by law.

We hope this information has been helpful to you. If you have any questions about the privacy, security and protection of your information, you may contact us by writing to the **First Command Legal and Compliance Department, 1 FirstComm Plaza, Fort Worth, TX 76109-4999.**

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