As used in this Agreement, the words “you” and “your” mean each and every person signing, using, or having a Debit Card (DC) with Navy Federal Credit Union, referred to as “we,” “us,” or “Navy Federal.” Navy Federal business days are Monday through Friday, excluding federal holidays. Navy Federal may change these hours without notice. You must be at least 14 years old or an emancipated minor to obtain a DC. You understand that any joint member may be required to co-sign for a DC if authorized by you. You must be at least 14 years old or an emancipated minor to obtain a DC. You understand that any joint member may be required to co-sign for a DC if authorized by you.

1. Accepting This Agreement/Signing the Card: Use of your DC means you agree to all terms in this Agreement. Please read this Agreement carefully and keep a copy for your records. Upon receipt of your Navy Federal DC, immediately sign the signature panel on the back of the card. Your DC must be activated prior to use. Should you choose to not use your DC, you may cancel it at any time for any reason, by contacting us using the information above. Then immediately destroy the card and return it by cutting it in half or shredding it.

2. Membership: You must be a Navy Federal Member or joint owner, have an open checking account, and be at least 14 years old or an emancipated minor to obtain a DC. You understand that any joint member may be required to co-sign for a DC if authorized by you. You understand that any joint member may be required to co-sign for a DC if authorized by you.

3. How Transactions Are Authorized and Posted to Your Account: It is important to understand that your checking account has two kinds of balances: the Available Balance and the Current Balance.

   a. Available Balance. The Available Balance indicates the amount of funds available for withdrawal or use of your DC minus any hold on the account. Generally, the Available Balance will be at least equal to your savings and checking account balance, but may not yet have been posted (processed), such as DC Point of Sale (POS) transactions, online transfers, automated teller machine (ATM) transactions, or pending deposits, but does not include items that may have cleared but have not yet cleared or checks that you have written but that have not yet cleared your account.

   b. Current Balance. The Current Balance is calculated after all transactions have posted to your account after the end of the business day (Eastern Time). We first process (post) all money coming in to your account (credits, deposits, etc.)1. After those are processed, we process (post) all money coming out of your account (disbursements) in the order listed above. The following are transactions that are processed in groups in this order: 1) Branch withdrawals; 2) ATM withdrawals; 3) DC or POS transactions that merchants have presented to us for payment; 4) Transfers from one Navy Federal account to another; 5) ACH; and 6) Checks. When more than one transaction from a group is processed on the same day, the items will be processed in the order of lowest to highest amount within that group of transactions.

   c. DC Transaction Authorization. When using your DC to make a purchase, the transaction is authorized based on your Available Balance plus any Checking Protection option (OOPS or CLOC) you have enrolled in at the time of the purchase. Once a transaction is authorized, a temporary hold is placed on your Available Balance in the amount of the transaction. Generally, this hold will be lifted in the same group of transactions as the transactions you authorized, but may not yet have been posted (processed), such as DC Point of Sale (POS) transactions, online transfers, automated teller machine (ATM) transactions, or pending deposits, but does not include items that may have cleared but have not yet cleared or checks that you have written but that have not yet cleared your account.

   d. If the ATM was not working properly and you knew about the breakdown when you started the transaction, we will be liable for your losses or damages.

4. Transactions and Limits: Your DC may be used to purchase goods and services wherever your Navy Federal Debit Card is accepted. You may not use your DC to make transactions if there are not sufficient funds available in your checking account to cover the transaction or if there is a hold on the account. You may be charged a fee if your DC is declined or not accepted. You may be charged a fee if your DC is declined or not accepted. You may be charged a fee if your DC is declined or not accepted.

   a. The Current Balance is calculated after all transactions have posted to your account in U.S. dollars and will be charged an International Service Assessment Fee. Transactions made in foreign countries will be charged 1.0% of the transaction amount.

   b. Foreign/International Transactions: Transactions using your DC made in foreign countries will post to your account in U.S. dollars and will be charged an International Service Assessment Fee. This fee will be identified as a separate transaction on your statement. The fee will be assessed on purchases and ATM transactions as follows:

   c. a. Transactions made in foreign countries will be charged 1.0% of the transaction amount.

   d. We advise you to safeguard your DC and protect the integrity of your PIN. Granting use of the DC to another person or financial institution, or any other party that refuses to honor your DC may result in the closing of your account and the revocation of your DC privileges at any time without notice to you.

5. Use of Card for Illegal or Risky Transactions: It is your responsibility to comply with all laws when using your Navy Federal DC. You agree to hold us harmless for any damages or other liability arising from transactions initiated by you for the purpose of conducting illegal activity. We reserve the right to decline your DC or any of your checks if we suspect or believe that you have engaged in any unauthorized or illegal activity. Activities we believe may violate law or pose significant risk to us or our Members, such as online gambling.

6. Liability for Failure to Complete Electronic Fund Transfers: If we do not complete a transaction using your DC on time or in the correct amount, when properly instructed by you according to the terms of this Agreement, we will be liable for damages caused by our failure, with some exceptions. We will NOT be liable in any of the following events:

   a. If, through no fault of ours, you do not have enough money in your account or credit line to cover the transaction.

   b. If the funds in your account are subject to legal process, such as garnishment or attachment, or if the account is subject to a pledge or security agreement.

   c. If the ATM where you are making the transfer or transaction does not have enough cash.

   d. If the ATM was not working properly and you knew about the breakdown when you started the transfer or transaction.

   e. If, despite reasonable precautions that we have taken, circumstances beyond our control (such as fire, power failure, or flood) prevent the transfer or transaction.

7. Foreign/International Transactions: Transfers using your DC made in foreign countries will post to your account in U.S. dollars and will be charged an International Service Assessment Fee. This fee will be identified as a separate transaction on your statement. The fee will be assessed on purchases and ATM transactions as follows:

   a. Transactions made in foreign countries will be charged 1.0% of the transaction amount.

   b. We reserve the right to decline your DC or any of your checks if we suspect or believe that you have engaged in any unauthorized or illegal activity. Activities we believe may violate law or pose significant risk to us or our Members, such as online gambling.

10. Refusal to Honor Your DC: You agree Navy Federal is not responsible or liable for any merchant, financial institution, or any other party that refuses to honor your DC.

11. Ownership and Cancellation of the DC: The DC is the property of Navy Federal. Navy Federal has the right to cancel your DC or revoke your DC privileges at any time without notice to you.

12. Disclosure of Information to Third Parties: Navy Federal will disclose information to third parties about your DC or checking account or the transfers you make in any of the following circumstances: if we are unable to complete an electronic transfer because of non-sufficient funds; where it is necessary to complete the transaction; to verify the existence or conditions of your account for a third party, such as a credit bureau or merchant; in order to comply with government agency or court orders; if you give us written permission; or in accordance with our privacy policy. Additionally, you may have agreements with merchants to keep your DC on file. You acknowledge that Navy Federal may share information about you with the participating merchants or other institutions or parties in connection with the verification of your card information current and or facilitate uninterrupted processing of your recurring payments.

13. Stop-Payment for Pre-Authorized Recurring DC Transactions: We can only honor stop-payment requests for transactions using your DC on pre-authorized recurring transactions or services. If you have told us in advance to make regular payments out of your account, using your DC, you can request that we stop these payments as long as there are no transfers in a particular month. You may also view your statements and account balances on our website at navyfederal.org or by using our mobile app.

14. Cardholder Liability for Unauthorized Transactions: NOTIFY US AT ONCE if you believe that your DC or personal identification number (PIN) has been lost, stolen, or used (or may be used) without your authority. The best way to minimize your possible losses is to contact us as soon as possible by calling us at the number above or, if you have Navy Federal Online Banking, by using the Report Fraud feature. You may also notify us in person at any branch or by writing using the address above.

www.navyfederal.org. ATM fees are disclosed in our Schedule of Fees and Charges brochure which may also be viewed via navyfederal.org. When you use a non-Navy Federal ATM, you may be charged a fee by the ATM operator. Additionally, you may be charged a fee for a balance inquiry even if you do not complete an electronic funds transfer.

Delayed Notice of Missing DC: If you fail to notify us within 2 business days after you learn of the loss or theft of your DC or PIN, your losses will be no more than $50 if someone used your DC or PIN without your permission.

Timely Notice of Missing DC: If you notify us within 2 business days after you learn of the loss or theft of your DC or PIN, your losses will be no more than $50 if someone used your DC or PIN without your permission.

Unauthorized Transactions on Statement: If your statement shows transactions that you did not make or authorize, tell us at ONCE. If you do not tell us within 60 calendar days after the statement was first mailed to you, you may lose all rights under this section to recover your losses. This gives you 60 days to tell us if you believe your DC has been lost or stolen. If you notify us within 2 business days after you learn of the loss or theft of your DC or PIN, and if you act within 60 days after learning of the loss or theft, you will not be liable for unauthorized transactions that occur within those 60 days. If you do not report the loss or theft within 2 business days, you may be liable for unauthorized transactions that occur after those 60 days.

We advise you to safeguard your DC and protect the integrity of your PIN. Granting use of the DC to another person or financial institution, or any other party that refuses to honor your DC may result in the closing of your account and the revocation of your DC privileges at any time without notice to you.

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15. **Navy Federal’s Zero Liability Policy for Fraud.** In addition to the liability limits above, if you notify us of suspected fraud within 60 days of the statement date on which the fraudulent transactions first appear, we will not hold you responsible for confirmed fraudulent transactions. This Zero Liability policy only covers transactions that have been confirmed by Navy Federal as fraudulent.

16. **Billing Error Resolution:** The Billing Error Resolution process covers the following errors: unauthorized transactions, including invalid amounts, duplicate transactions, transactions that were paid for by other means, and canceled recurring payments; expected credit not received; and non-receipt of ATM funds or POS cash-back. If you think your statement or receipt has errors, or if you need more information about a transaction listed on your statement or receipt, contact us as soon as possible using the contact information listed above. You MUST contact us no later than 60 calendar days after we FIRST make available the statement on which the suspected error appeared. You will need to identify yourself and the account, describe the error or the transaction you are questioning, clearly explain why you believe an error exists or why you need more information, and tell us the dollar amount of the suspected error. If you call to report a suspected error, we may require you to send us your concern in writing within 10 business days. If we ask you to put your concern in writing and we do not receive it within 10 business days, we may not provisionally credit (see below) your account.

We may take up to 45 days to investigate your concern; however, for suspected errors involving new accounts, POS, or foreign-initiated transactions, we may take up to 90 days to investigate. If we take longer than 10 business days (20 business days for new accounts) to determine whether an error occurred, we will provisionally credit your account the amount you reported as an error on or before the 10th business day. This Provisional Credit is a temporary credit that allows you to use the money during the time it takes us to complete our investigation. We will report the results of our investigation to you within 3 business days after completing our investigation. If we determine there was an error, we will promptly correct it. If we determine there was no error, we will send you a written explanation of our findings. You may ask for copies of the documents that we used in making our determination. Any Provisional Credits will be taken out of your account if we determine there was no error, and if there are insufficient funds in your account to cover the reversal of the Provisional Credit, the account may become overdrawn.

17. **Other Reasons for Dispute:** Disputed transactions that are not covered by our Error Resolution Process such as defective, damaged, or non-receipt of merchandise or services, or items received “not as described” will be handled at our discretion. Please first make a good faith attempt to resolve discrepancies with the merchant. If your good faith attempt is not successful, we may use our dispute resolution process to act on your behalf and pursue recovery of funds from the merchant, based on your statement supporting your claim, as well as any documentation we may request. We may not be able to recover your funds. We will report the results of the dispute resolution process to you within 120 days; however, we are not obligated to issue a Provisional Credit during the dispute resolution process.

18. **Merchant Credits:** Merchants and others who honor the DC may give credits for returns or adjustments, which will appear as credits on your checking account statement.

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1 Subject to holds placed on certain transactions, see our Funds Availability Policy (NFCU 668) and the Mobile Check Deposit User Agreement, which may be viewed on our website via navyfederal.org.

2 For details, see our Optional Overdraft Protection Service (OOPS) Disclosures (NFCU 657) and our Checking Line of Credit Agreement and Disclosure (NFCU 33C).

3 For more information about savings accounts and transactions limits, see our Important Disclosures (NFCU 608).

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