



July 2018

Visa[®] Debit Card Agreement

Customer Service Information:

Call Toll-Free: 1-888-403-9000

Written Inquiries:

Charles Schwab Bank
P.O. Box 982605
El Paso, TX 79998-2605
Fax: 1-877-524-3067

Henderson Office:

Charles Schwab Bank
2360 Corporate Circle
Henderson, NV 89074

Schwab Bank is pleased to issue a Visa® Platinum Debit Card (“Card”) in your name and, if your account has been opened by more than one person, to each of you. Please note that this Card is not a credit card. This *Visa® Debit Card Agreement* (“Agreement”) describes the electronic banking services you can use with your Card. It includes information about our and your rights and obligations that apply when you use the Card. Please read this Agreement carefully and keep it for your records. The agreement you make with us, and the rights and obligations we both have, are governed by and interpreted according to Nevada and federal law. This Agreement, together with other agreements or disclosures you may receive from us, such as the *Schwab Bank Deposit Account Agreement* (“Account Agreement”) and the *Schwab Bank Deposit Account Pricing Guide* (“Pricing Guide”), establishes our and your rights and obligations.

Throughout this Agreement, the words “you,” “your” and “yours” refer to each account owner. These words also refer to anyone else authorized by you to use the Card. “Schwab Bank,” “we,” “us” and “our” refer to Charles Schwab Bank.

1. General Terms

Your use of the Card means that you agree to the terms and conditions contained in this Agreement. You are responsible for all transactions and charges incurred by your use of the Card or its use by anyone authorized by you. You must take reasonable precautions to prevent unauthorized use of your Card or disclosure of your Personal Identification Number (“PIN”). You must notify us promptly if such use or disclosure occurs. If you overdraw your account in connection with a transaction, and we (in our sole discretion) choose to honor that transaction, you must promptly repay us. Your Card remains our property. We may suspend or revoke your Card at any time without notice, and you must return it or destroy it at our request. You must sign your Card.

You may cancel your Card at any time and for any reason. To do so, cut your Card in half and notify us by contacting Customer Service (contact information is provided on the inside front cover of this booklet).

2. Changes to Agreement

We may change or amend the terms of the Agreement at any time. We generally send you advance notice of the change. If you use your Card after the effective date of a change or amendment, your use constitutes

your agreement to the change or amendment. If you do not agree with the change or amendment, you may close your account or stop using your Card before the effective date of the change or amendment.

3. Getting Started

You must have at least one checking or savings deposit account with us in order to be eligible for the Card. If you have multiple deposit accounts with us, you may receive more than one Card. Each account owner will be issued his/her own Card. When you receive your Card, you will be given instructions on how to activate your Card and how to select your PIN. You are required to take these steps in order to use your Card. The Card, along with your PIN, enables you to access your account(s) at Automated Teller Machines (“ATMs”) and to pay for purchases using a point-of-sale (“POS”) debit. (Note: In some cases, a POS transaction requires a signature instead of a PIN.)

- Your Card will be linked to your Schwab Bank High Yield Investor Checking®, Interest Checking Plus, or Schwab Bank High Yield Investor Savings® account at account opening. You may link additional checking accounts to your Card at a later time.
- All Schwab Bank accounts attached to your Card are called “linked accounts” and can be accessed at our ATMs.
- If you open a Schwab Bank High Yield Investor Savings® account and request a Debit Card, you will be issued a Visa® Platinum Debit Card.
- If you open a High Yield Investor Savings account and already have or open a High Yield Investor Checking account, your High Yield Investor Savings account will be linked to the Visa® Platinum Debit Card on your High Yield Investor Checking account.
- If you already have both a High Yield Investor Savings account and a High Yield Investor Checking account, your High Yield Investor Savings account will be linked to the Visa® Platinum Debit Card on your High Yield Investor Checking account.
- To use your Card at ATMs other than ours, or to make a point-of-sale purchase, you must have a designated “primary checking account.” If there is just one checking account attached to your Card, this is your primary checking account. If there are multiple checking accounts attached to a Card, you must designate one of these accounts to be your primary checking account. You may also designate one primary savings account for use at other ATMs.

(If you do not have a checking account with us, you must designate a primary savings account.) These are called “designated accounts.”

- This Card is not a credit card and it does not provide credit or overdraft protection. This Card does not offer a check guarantee feature.
- If the Card we send you is returned to us as undeliverable, we may restrict its use for your protection.

4. Automated Teller Machines

We have a limited number of ATMs that are owned by us. However, we have made arrangements with selected ATM networks that allow you to use your Card and PIN at machines with the following logos:

- MoneyPass®
- Plus®
- Visa®

ATMs affiliated with these networks are called “Network ATMs.”

ATMs are generally available 24 hours a day, seven days a week, except during routine systems maintenance. At some locations, business hours may restrict access. Specific hours of operation are generally shown at each machine. Schwab Bank is not responsible for any damages or liability that results from transaction errors or non-acceptance of your Card at Network ATMs.

When using a Schwab Bank ATM, you can perform the following functions for all linked accounts. When using a Network ATM, you can generally perform the following functions for your designated accounts. (Certain machines or networks may not allow all of these functions.)

- Withdraw cash from linked or designated accounts
- Obtain balance information for your linked or designated accounts
- Transfer funds between linked or designated accounts
- Make deposits to your linked accounts (at Schwab Bank ATMs only)

Although transactions performed at a Schwab Bank ATM are posted to your account immediately, deposits may not be immediately available for withdrawal (see Section 8, “Availability of Funds Deposited,” for details). Transactions performed at a Network ATM

are posted to your account when we receive the information from the network.

5. ATMs Outside of the United States

Some ATMs outside the United States do not specify the type of account from which cash withdrawals are made. In this case, we debit the withdrawal from your designated primary checking account (or, if you do not have a checking account with us, from your designated primary savings deposit account). In addition, some ATMs outside the United States do not accept PINs of more than four digits or PINs containing letters instead of numbers. If you wish to change your PIN before you travel internationally, call Customer Service. You should allow two weeks before your departure date.

If you use your Card to withdraw foreign currency from an ATM, or to pay for a purchase with foreign currency, we charge your account for the U.S. dollar equivalent of the transaction. Depending on the specific arrangements that are in place, the exchange rate and calculation of the U.S. dollar equivalent will be done by the bank at which you conduct the transaction, the network to which the ATM belongs, or Visa®. The bank or network may also charge a fee. The currency conversion rate used on the processing date may differ from the rate in effect on the purchase date or statement posting date. If the exchange is done by Visa®, the exchange rate between the transaction currency and the billing currency used for processing international transactions is as follows: a rate selected by Visa® from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa® itself receives, or the government-mandated rate in effect for the applicable central processing date, in each instance, plus or minus any adjustment determined by us.

6. Point-of-Sale Debits

You may use your Card to pay for purchases at merchants that accept ATM cards for payment. There are two types of these point-of-sale debits: PIN-based transactions and signature-based transactions. With either of these, you are making withdrawals from your designated primary checking account. (If you do not have a checking account with us, you are making withdrawals from your designated primary savings deposit account.) These POS transactions are described as “Visa® Debit Card” transactions on your statement. Certain accounts have restrictions on the

number of these POS debits you may have in a given statement period. Please check the description for your account in the Account Agreement for details. When you use your Card as a debit card, it is similar to writing a check against your account. Your Card is not a credit card. When we receive the electronic debit, we charge it to your account. We may receive the electronic debit to your account immediately after the merchant accepts the transaction, so to avoid an overdraft, you must have sufficient available funds in your account (including any overdraft protection option) to cover the amount of the transaction at the time you authorize it.

We deduct the amount of your transaction, including any charges imposed by the merchant, from your designated primary account. We may debit or place a hold on your account for a transaction either on the day it is presented to us for payment, by electronic or other means, or on the day we receive notice of the transaction, whichever is earlier. If a merchant or other financial institution requests an authorization for a transaction you want to conduct, we may place a hold on your account for the amount of that transaction.

You may not place a stop payment on a POS debit.

You may have to settle with the merchant directly any disputes you have about goods or services you purchase using your Card. If a merchant misrepresents the quality, price or warranty of goods or services you pay for by using your Card, we aren't responsible for any damages or liability that result from the misrepresentation. If you breach or do not fulfill any terms of this Agreement, you are responsible to us for all damages or liability.

You may use your Card for transactions that require you to enter your PIN or to provide your signature.

- **PIN-Based Point-of-Sale Transactions:** PIN transactions may include point-of-sale transactions for goods and services and obtaining cash at retailers that display either the Interlink® or STAR® symbol.
- **Signature-Based Point-of-Sale Transactions:** Transactions requiring a signature can take place anywhere Visa® Debit Cards are accepted. You may also use your Card to obtain cash at financial institutions that accept cards with the Visa® logo. You may be asked to sign a sales slip, withdrawal slip or other document, or to just provide your Card number.

There are certain transactions that may not require a PIN or signature, such as pay-at-the-pump gas purchases, mail-order purchases and purchases made on the Internet. We are not liable if a merchant or financial institution does not accept your Card or Card number.

7. Dollar Limits on Transactions and Limits on the Frequency of Transactions

When you use your Card to obtain cash or to make purchases, we apply different limits to the amount you may withdraw from your account each day.

	Visa® Platinum Debit Card
Daily Cash Withdrawal Limit: This is the total amount that you may withdraw in cash from your account each day from an ATM, as “cash back” from an Interlink® or STAR® merchant, or by presenting your Card to a teller at a participating Visa® financial institution.	\$1,000
Daily Purchases Limit: This is the total amount that you may withdraw from your account each day to pay for purchases at an Interlink® or STAR® merchant using a PIN-based point-of-sale transaction or from a Visa® merchant using a signature-based point-of-sale transaction.	\$15,000 ¹

¹You may apply for a higher limit, up to the total of available funds on deposit in your account (including any funds available through an overdraft protection option). If approved, this higher limit is subject to additional terms and conditions.

Some merchants or networks may have limits lower than these. If there is a network or other computer system outage, we may reduce the dollar limits that we allow you to withdraw or you may not be able to complete the transaction even though it would not exceed your available balance or your withdrawal limit, as applicable. For any transaction, your available account balance, including any overdraft protection option, must be enough to cover the transaction. A complete description of our overdraft protection options is given in the Account Agreement. The daily dollar limits set forth for your Card represent the maximum amount that we will authorize in advance for transactions using your Card. We may permit withdrawals and purchases in excess of the daily limits.

If you make withdrawals at other financial institutions by the use of a teller, such withdrawals may require our approval. Such approvals are referred to in this Agreement as “authorizations.” We may limit the number of authorizations that we provide to you each day, as for example, where called for by the procedures we use to safeguard your account. In addition, we may limit the number of withdrawals (including purchases) that you can make at ATMs or POS terminals, where called for by the procedures we use to safeguard your account. If for any reason the financial institution requesting the authorization is not able to contact us, or we are not able to respond to it for any reason, you may not be able to complete the transaction even though it would not exceed your available balance or the limitation contained in this Agreement.

8. Availability of Funds Deposited

Funds deposited to your account may not be immediately available for withdrawal, depending upon the nature of the deposit. During any delay, you may not withdraw the funds in cash and we will not use the funds to pay checks that you have written or other debits presented for posting to your account. Please review the information contained in the Account Agreement, which was provided to you when you opened your account, for information explaining to you our policy for making funds available to you.

9. Recurring Card Payments

If you authorize a merchant to automatically initiate a payment using your Card on a recurring basis, you must do so in writing. If you are issued a new Card with a different expiration date or a different number, we may (but are not obligated to) provide your new Card number and expiration date to a merchant with whom you have set up a recurring preauthorized card payment in order to facilitate the continuation of your authorized recurring transactions.

Effective October 20, 2016, if you do not wish Visa® to provide your new Card number and/or expiration date to merchants, please let us know by calling toll-free 1-888-403-9000.

Notice of Varying Amounts: If you have authorized a merchant to originate regular preauthorized debits to your account and if these payments vary in amount, the merchant you are going to pay is required to notify you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment

would differ by more than a certain amount from the previous payment or when the amount would fall outside certain limits that you set.)

Stopping Payment: To stop payment on a preauthorized transaction, call or write Customer Service. We must receive your stop-payment request at least three business days before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and provide it to us within 14 days after you call. You must tell us the exact amount of the payment you want stopped, as well as other identifying information that we request. If we require written confirmation and do not receive it, we may remove the stop-payment order after 14 days. We may charge you a fee for each stop payment for the amount disclosed in the Pricing Guide. The amount of the fee will be the same as that charged for a stop payment of a check. If you order us to stop a preauthorized transaction three business days or more before the transfer is scheduled, and you have given us the information we requested, including the exact amount of the payment, we will be liable for your damages directly caused by our failure to stop the payment.

10. Transaction Records and Periodic Statements

When you complete your transaction at an ATM, you usually receive a transaction record. When you use your Card to make a purchase at a merchant, the merchant usually gives you a receipt. However, this transaction record or receipt is not final, since each transaction is subject to verification by us. If the transaction record or receipt and our records conflict, our records will control. Your account statement reflects each transaction and the date it was posted to your account. You should keep your ATM transaction records and merchant receipts to compare them to your account statement. For transactions at Network ATMs, the date the transaction is posted to your account may be different than the date shown on the transaction record.

We send you an account statement once per statement period (a period of time, of about one month, covered by a statement). All transactions made using your Card and posted to your account during the statement period are listed on your statement.

11. Confidentiality

Our privacy policy is described in our publication *Facts: What Does The Charles Schwab Corporation Do With Your Personal Information?* or any successor publication. We provide this publication to you when you open an account with us. It is also available by contacting Customer Service. The privacy policy describes our policies for protecting and securing customer information. It explains the limited circumstances when we may disclose information about your accounts. Examples relating to your accounts are described in this section.

We may disclose information about your accounts to credit reporting agencies and to other persons or agencies that, in our judgment, have a legitimate purpose for obtaining information. From time to time, subject to any applicable financial privacy laws or other laws or regulations, we may provide information on you and your accounts:

- To ChexSystems, Inc. or other consumer reporting agencies;
- To anyone who we reasonably believe is conducting a legitimate credit inquiry, including inquiries to verify the existence or condition of an account for a third party such as a lender, merchant or credit bureau;
- In response to any subpoena, summons, court or administrative order, or other legal process which we believe requires our compliance;
- In connection with collection of indebtedness or to report losses incurred by us;
- In compliance with any agreement between us and a professional, regulatory or disciplinary body; and
- To carefully selected service providers who help us meet your needs by assisting us in providing or offering our products or services.

If we close your account because you did not abide by the terms of this Agreement or for other reasons, we generally report to account information services, such as ChexSystems, Inc., your name, address, Taxpayer Identification Number (“TIN”), driver’s license number and the date and reason the account was closed. The account information service may supply this information to others. This may adversely affect your ability to establish an account at any financial institution for up to five years from the date of the report.

12. Data Sharing

Your data related to your Bank Debit Card may be shared with business partners such as Visa U.S.A. Inc. to enable Schwab to provide enhanced debit card features and functionality and will be subject to Schwab's Privacy Policy available on Schwab.com as well as our publication *Facts: What Does The Charles Schwab Corporation Do With Your Personal Information?* or any successor publication (see Section 11 of this Agreement).

13. Errors or Questions About Your Electronic Transactions

In case of any errors or questions about electronic funds transfers, please call or write Customer Service promptly. The telephone number and address are provided on the inside front cover of this booklet and are also shown on your periodic statement. We must hear from you no later than 60 calendar days after the date we sent the **first** statement on which the problem or error appeared. If you tell us orally, we may require you to send us your complaint or question in writing within 10 business days. For purposes of these disclosures, our business days are Monday–Friday, excluding federal bank holidays. We will need the following information:

- Your name and account number,
- A description of the error or transaction you're unsure about,
- A clear explanation of why you believe it is an error or why you need more information, and
- The dollar amount of the transaction or suspected error.

We will tell you the results of our investigation within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question.

If you are a new customer and the error or question concerns an electronic funds transfer that occurred within 30 days after the first deposit to an account was made, we will tell you the results of our investigation within 20 business days after we hear from you. If we need more time, we may take up to 90 days to investigate.

In addition, we may take up to 90 days to investigate if the error or question relates to an electronic funds transfer that was initiated outside of the United States or resulted from a point-of-sale debit transaction.

If we decide we need the additional time to investigate your complaint or question, we will provisionally credit your account within 10 business days (or 20 business days for errors or questions relating to transactions that occurred within 30 days after the first deposit to your account was made) 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. 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 and debit the provisional credit from your account. You may ask for copies of the documents that we used in our investigation.

14. Your Liability for Unauthorized Transfers

Tell us **at once** if you believe your Card has been lost or stolen, or if an unauthorized person has learned your PIN or transferred or may transfer money from your account without your permission. You can notify us by calling or writing Customer Service at the telephone number provided on the inside front cover of this booklet. This number is also provided on your periodic statement. Telephoning immediately is the best way of minimizing your possible losses. For accounts with more than one signer, we may accept this report from any signer. We may block or cancel that signer's Card and any or all of the other signer's Cards.

If you tell us within two business days after you learn of the loss or theft, you can lose no more than \$50 if someone used your Card without your permission.

However, you could lose as much as \$500 if:

- You don't tell us within two business days after you learn of the loss or theft of your Card or PIN; and
- We can demonstrate that we could have stopped someone from using your Card or PIN without your permission if you had told us.

Losses could include the money in your account plus any advances on an overdraft protection option linked to your account up to the limits stated above. If unauthorized activity occurs, you agree to cooperate during the investigation and to complete a Lost/Stolen Card and Fraud Claims Report or similar affidavit.

Also, if your statement shows electronic funds transfers that you did not make or authorize, tell us at

once. If you do not tell us within 60 days after the statement was mailed to you, you may not recover any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money had you told us in time. If a good reason kept you from telling us (such as a long trip or hospital stay), we will extend the time periods.

When you give someone your Card or PIN, you are authorizing that person to use your Card and you are responsible for all transactions that person performs with your Card or PIN. These transactions are authorized transactions. Transactions are considered unauthorized only after you notify us that the person is no longer authorized.

Transactions that you, or someone acting with you, initiate with fraudulent intent are also authorized transactions.

15. Our Liability for Failing to Complete Transactions

If we do not complete a transaction or 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.

There are some situations in which we will not be liable. We will not be liable, for instance, if:

- Through no fault of ours, you do not have enough money in your account to complete the transaction.
- The transaction amount would exceed funds available under your overdraft protection option, if any.
- Circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- The ATM or other device was not working properly and you knew about it when you started the transaction.
- The ATM or other device where you are making the transaction does not have enough cash.
- Another institution provides incorrect electronic funds transfer instructions to us.
- Your account is restricted (because of a court order or similar reason) and we are not permitted to make the transaction.
- An error in posting an amount or transaction occurs that is beyond our control.

- An account becomes dormant, in which case we may eliminate Card access to that account.
- Your Card or PIN has been revoked due to inactivity or at our discretion.

There may be other exceptions permitted by law.

16. Fees

Any fees associated with your use of this Card are detailed in the most current Pricing Guide provided to you. We charge these fees directly to your account, and you agree to pay them. You may be charged fees by Network ATM operators, merchants or other third parties over whom we have no control, and you may be charged a fee for a balance inquiry even if you do not complete a funds transfer. We may deduct these fees from your account.

17. Legal Transactions

You agree that you will only use your Card for transactions that are legal where you conduct them. For example, Internet gambling transactions may be illegal in your state. Display of a payment card logo by an online merchant does not mean that an Internet transaction is legal where you conduct it. We will not be liable if you engage in an illegal transaction. We reserve the right to decline transactions with merchants we have identified as gambling establishments but are not obligated to do so. If we do not decline such transactions, we are authorized to deduct the amount of such transactions from the designated account.

18. Waiver and Severability

We may delay enforcing our rights under this Agreement without losing them. Any delay in enforcing our rights will not affect your obligation to pay us fees and other amounts you owe us under this Agreement. If we waive a provision of this Agreement, the waiver applies only in the specific instance in which we decide to waive the provision and not to future situations or other provisions.

If any part of this Agreement is inconsistent with any applicable law, then to the extent the law can be amended by contract, you and we agree that this Agreement governs and that the law is amended by this Agreement. A determination that any part of the Agreement is invalid or unenforceable will not affect the remainder of this Agreement.

19. Notices

We will inform you of changes affecting your rights and obligations under this Agreement by providing a notice to you. We will mail the notice to you at the address we currently show on your statement. We may include a notice with, or on, your statement.

If a notice we mail to you is returned to us as undeliverable, the change contained in the notice is still effective.

For accounts with more than one owner, we may send notices to any one co-owner. A notice sent to any one owner is effective for all.

20. Resolving Disputes

The Account Agreement that you receive when you open your account contains an arbitration provision for settling disputes or controversies that may arise between us.

21. Cooperation in the Event of Fraudulent Activity

Visa® will monitor your Card activity. If Visa® suspects fraudulent use, you may be contacted by Visa® at any phone number you provide, including voice or text message to any cell phone number that you provide to us. Note that all messaging and data rates may apply. If you do not wish to receive text messages, please opt out via your account at www.schwab.com or simply respond with "STOP" when you receive a text. If you report to us that any unauthorized transaction has occurred on your account, you agree to cooperate with us and with Visa® in the investigation and prosecution of your claim and any attempt to recover funds. You agree to provide us with an affidavit containing the information we require concerning the transaction. You also agree to assist us in identifying and prosecuting the suspected wrongdoers.

22. Electronic Banking Safety Tips

ATMs and other electronic banking services can make banking easier and more convenient for you. As with all financial transactions, however, please exercise discretion when using these services. For your own safety, be careful. The following suggestions may be helpful.

Your Card and PIN:

- Always protect your Card by keeping it in a safe place. If you lose your Card or if it is stolen, promptly notify us.

- Do not lend your Card to anyone, and protect the secrecy of your PIN. Protect your Card as though it were cash. Memorize your PIN and do not tell it to anyone. Do not write your PIN where it can be discovered. For example, do not keep a note of your PIN in your wallet or purse and do not write it on your Card.
- Never give information about your Card or PIN over the telephone unless you initiate the call. If someone is asking for this information, refuse and immediately notify us.
- No employee of ours will ever contact you via email or phone requesting your PIN. If you are contacted by anyone requesting this information, please contact Customer Service immediately.

Using an ATM:

- Prepare for your transactions in advance to minimize your time at the ATM. Mark each transaction in your account record, but not while at the ATM.
- When you make a transaction, be aware of your surroundings. Look out for suspicious activity near the ATM, particularly if it is after sunset. At night, be sure that the facility (including the parking area and walkways) is well lighted. Consider having someone accompany you when you use the facility, especially after sunset. If you observe any problem, go to another ATM. Don't accept assistance from anyone you do not know when using an ATM.
- Prevent others from seeing you enter your PIN by using your body to shield their view. 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.
- Do not leave your transaction record at the ATM. Keep it in a safe place so you can compare it against your statement. Remember to remove your Card from the ATM.
- 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 surroundings.
- We want the ATM to be safe and convenient for you. Please report any suspicious activity or crimes to both the operator of the facility and the local law enforcement officials immediately.

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