

# FIRST ENTERTAINMENT CREDIT UNION PLATINUM VISA® CARD AGREEMENT AND FEDERAL TRUTH-IN-LENDING DISCLOSURE STATEMENT

**EFFECTIVE: May 1, 2011**

*Retain this Important Document for Your Records*

In this Agreement and Disclosure Statement, the words "I," "me," "my," and "mine" mean each and all of those who apply for or use the First Entertainment Credit Union Platinum Visa® Card and/or Visa Account. "Credit Union," "you," "your" and "yours" mean First Entertainment Credit Union. "Card" means the Visa Card issued to me and any duplicates and/or renewals you may issue. "Account" means my Visa Card Account with you.

By requesting and receiving, signing, using, or permitting others to use the Card and/or Account issued to me by you, I agree to be bound by the terms and conditions as set forth herein and any amendments thereto.

**NOTICE: THIS DOCUMENT CONTAINS PROVISIONS FOR A VARIABLE ANNUAL PERCENTAGE (INTEREST) RATE.**

**AUTHORIZATION AND PAYMENT:** I authorize you to pay and charge my Account for all Purchases, Balance Transfers, and Cash Advances made or obtained by me or anyone I authorize to use my Card or Account. I will be obligated to pay all such Purchases, Balance Transfers, and Cash Advances charged to my Account whether resulting from: (1) actual use of my Card or Convenience Checks; (2) mail order or telephone, computer or other electronic Purchases made without presenting the Card; or (3) any other circumstance where I authorize a charge, or authorize someone else to make a charge, to my Account (collectively, "authorized charges"). I promise to pay you or to your order in U.S. Dollars with an instrument drawn on a financial institution in the United States at your office or at the address set forth on my periodic statement, all authorized charges on the terms and at the rates set forth herein, plus any **FINANCE CHARGES** assessed on my Account and any other charges and fees which I may owe you under the terms of this Agreement and Disclosure Statement. Payments will continue until I have paid in full the unpaid balance, **FINANCE CHARGES**, and all collection-related charges, and any other fees and charges.

**CHANGE OF TERMS:** Account and Agreement terms are not guaranteed for any period of time. I understand and agree that you may amend, modify, add to, or delete from this Agreement and Disclosure Statement any of its terms and conditions, including financial terms such as the method of application and the amount of any **FINANCE CHARGE, ANNUAL PERCENTAGE RATE**, Monthly Periodic Rate and/or fee in accordance with applicable laws, by mailing a notice of the change to me at my last known address. I also understand that in the event of a significant change, as defined under the federal Truth in Lending Act, any such notice will be mailed at least forty-five (45) days prior to the effective date of the significant change as required by applicable law. I will have the right to reject significant changes to this Agreement and Disclosure Statement prior to the effective date of such changes, unless I fail to make a required minimum payment within sixty (60) days after its due date. If I reject any such significant change, you reserve the right to close my Account and require me to repay the Account Balance at terms no less favorable to me than your choice of the following: (1) in accordance with the terms of this Agreement and Disclosure Statement in effect as of the date I notify you of my rejection; (2) by recalculating my Minimum Monthly Payment based on a five (5) year amortization of my Account Balance from the date I notify you of my rejection; or (3) by recalculating my Minimum Monthly Payment based on a percentage of the Account Balance that is no more than twice the percentage required on the date I notify you of my rejection. You may change the terms of this Agreement and Disclosure Statement based on information in my credit report, market conditions, business strategy or for any other reason.

**FINANCE CHARGES:** The **FINANCE CHARGE** for a billing cycle will be the sum of the three (3) components set forth below. I understand and agree that under the "Change of Terms" section above, you have the right in your sole and absolute discretion, to change the amount of any **ANNUAL PERCENTAGE RATE**, Monthly Periodic Rate and/or **FINANCE CHARGE** that may apply to my Account.

(1) **Cash Advance Fee:** The first (1st) component of the **FINANCE CHARGE** is the Cash Advance Fee. Cash Advance transactions are subject to a Cash Advance Fee of 2% of the amount of the advance which is posted to the Account during the billing cycle or \$5, whichever is greater.

(2) **Foreign Transactions Fee:** The second (2nd) component of the **FINANCE CHARGE** is the Foreign Transactions Fee. Purchases, Cash Advances, and credit transactions made in foreign currencies are subject to a Foreign Transactions Fee **FINANCE CHARGE** of 1% of the transaction for multi-currency international transactions (transactions made internationally that require a currency conversion) and 8% of the transaction for single currency international transactions (transactions made internationally without a currency conversion).

(3) **Monthly Periodic FINANCE CHARGE, Monthly Periodic Rate, and ANNUAL PERCENTAGE RATE for Cash Advances, Balance Transfers, and Purchases:** The third (3rd) component of the **FINANCE CHARGE** is the Monthly Periodic **FINANCE CHARGE**. The Monthly Periodic Rate used in calculating the Monthly Periodic **FINANCE CHARGE** for Cash Advances, Balance Transfers, and Purchases is

based upon the "Prime Rate" as published in the "Money Rates" section of the print edition of the Wall Street Journal (the "Index"). My **ANNUAL PERCENTAGE RATE** for Cash Advances, Balance Transfers, and Purchases is determined by adding the applicable "Margin" for each such transaction, as set forth in the attached Approval Letter, to the Index in effect as of my Adjustment Date. The Initial Monthly Periodic Rate in effect as of the date of this Agreement and Disclosure Statement is set forth in the attached Approval Letter (the Initial **ANNUAL PERCENTAGE RATE** as of the date of this Agreement and Disclosure Statement is set forth in the attached Approval Letter).

My **ANNUAL PERCENTAGE RATE** may increase or decrease quarterly. Any such change will be based on an increase or decrease in the "Index" as set forth below. In the event that the Prime Rate ceases to be published, changes in the **ANNUAL PERCENTAGE RATE** will be related to a comparable Index. You may waive an increase in the **ANNUAL PERCENTAGE RATE** when such an increase can be made, but such a waiver shall not be construed as a waiver of your right to increase the **ANNUAL PERCENTAGE RATE** at a future date when entitled to do so.

My **ANNUAL PERCENTAGE RATE** is subject to change quarterly on January 1, April 1, July 1, and October 1 of each year. These dates shall be known as "Adjustment Dates." The Index in effect on the first day of the month that is two (2) months prior to the Adjustment Date shall be used to calculate the **ANNUAL PERCENTAGE RATE** change effective on the Adjustment Date. For example, the Index in effect on February 1 shall be used to calculate the **ANNUAL PERCENTAGE RATE** change effective on April 1. The Index in effect on May 1 shall be used to calculate the **ANNUAL PERCENTAGE RATE** change effective on July 1. The Index in effect on August 1 shall be used to calculate the **ANNUAL PERCENTAGE RATE** change effective on October 1. The Index in effect on November 1 shall be used to calculate the **ANNUAL PERCENTAGE RATE** change effective January 1 of the following year.

There is no maximum **ANNUAL PERCENTAGE RATE** during the term of this Agreement and Disclosure Statement. The minimum **ANNUAL PERCENTAGE RATE** during the term of this Agreement and Disclosure Statement is 10%. There are no annual (or other) limitations on changes in the **ANNUAL PERCENTAGE RATE** during the term of this Agreement and Disclosure Statement. Decreases in the **ANNUAL PERCENTAGE RATE** in accordance with the terms of the Agreement and Disclosure Statement are mandatory. Increases in the **ANNUAL PERCENTAGE RATE** in accordance with the terms of the Agreement and Disclosure Statement are at your discretion. Any increase or decrease in the **ANNUAL PERCENTAGE RATE** will result in changes in the amount and/or number of payments required to repay the unpaid balance.

The Monthly Periodic Rate is determined by dividing the **ANNUAL PERCENTAGE RATE** by 12 and will change when the **ANNUAL PERCENTAGE RATE** changes.

**Penalty ANNUAL PERCENTAGE RATE:** A penalty **ANNUAL PERCENTAGE RATE** may be applied to my Account Balance if I fail to make a payment when due or I make a payment that is returned. You will provide me notice of such penalty **ANNUAL PERCENTAGE RATE** at least forty-five (45) days prior to the effective date of the penalty **ANNUAL PERCENTAGE RATE**. I will have the right to reject the penalty **ANNUAL PERCENTAGE RATE** prior to the effective date of such penalty **ANNUAL PERCENTAGE RATE**, unless I fail to make a required minimum payment within sixty (60) days after its due date. If I reject the penalty **ANNUAL PERCENTAGE RATE**, you reserve the right to close my Account and require me to repay the Account Balance at terms no less favorable to me than your choice of the following: (1) in accordance with the terms of this Agreement and Disclosure Statement in effect as of the date I notify you of my rejection; (2) by recalculating my Minimum Monthly Payment based on a five (5) year amortization of my Account Balance from the date I notify you of my rejection; or (3) by recalculating my Minimum Monthly Payment based on a percentage of the Account Balance that is no more than twice the percentage required on the date I notify you of my rejection. My **ANNUAL PERCENTAGE RATE** will revert to the applicable "standard" **ANNUAL PERCENTAGE RATE** set forth above, provided that I make six (6) consecutive Minimum Monthly Payments when due.

The penalty **ANNUAL PERCENTAGE RATE** is a variable rate that is calculated by adding a Margin of 6% to the **ANNUAL PERCENTAGE RATE** applied to Purchase Transactions at the time the penalty **ANNUAL PERCENTAGE RATE** is in effect. The amount of the initial Purchase **ANNUAL PERCENTAGE RATE** is set forth in the attached Approval Letter. The amount of the initial penalty **ANNUAL PERCENTAGE RATE**, which can vary as the Purchase **ANNUAL PERCENTAGE RATE** varies, is set forth in the attached Approval Letter (the corresponding initial penalty Monthly Periodic Rate is set forth in the attached Approval Letter). Information on how the variable Purchase **ANNUAL PERCENTAGE RATE** is calculated is set forth above. You may waive an increase in the penalty **ANNUAL PERCENTAGE RATE** when such an increase can be made, but such a waiver shall not be construed as a waiver of your right to increase the penalty **ANNUAL PERCENTAGE RATE** at a future date when entitled to do so.

There is no maximum penalty **ANNUAL PERCENTAGE RATE** during the term of this Agreement and Disclosure Statement. The minimum penalty **ANNUAL PERCENTAGE RATE** during the term of this Agreement and Disclosure Statement is 16%. There are no annual (or other) limitations on changes in the penalty **ANNUAL PERCENTAGE RATE** during the term of this Agreement and Disclosure Statement. Decreases in the penalty **ANNUAL PERCENTAGE RATE** in accordance with the terms of the Agreement and Disclosure Statement are mandatory. Increases in the penalty **ANNUAL PERCENTAGE RATE** in accordance with the terms of the Agreement and Disclosure Statement are at your discretion. Any increase or decrease in the penalty **ANNUAL PERCENTAGE RATE** will result in changes in the amount and/or number of payments required to repay the unpaid balance.

**CREDIT INFORMATION:** I authorize you to investigate my credit standing when opening, renewing, or reviewing the Account, and I authorize you to disclose information regarding the Account to credit bureaus and other creditors who inquire of you about my credit standing to the extent authorized by law.

**HOW TO COMPUTE THE PURCHASE BALANCE, CONSISTING OF TRANSACTIONS RELATED TO PURCHASES OF PROPERTY AND SERVICES, UPON WHICH PERIODIC FINANCE CHARGES ARE ASSESSED.**

Average Daily Balance (including current Purchase transactions). To avoid incurring an additional Periodic **FINANCE CHARGE** on the balance of Credit Purchases reflected on my periodic statement and on any new Credit Purchases appearing on my next periodic statement, I must pay the New Balance shown on my statement on or before the Payment Due Date. You figure a portion of the **FINANCE CHARGE** on my Account by applying the Purchase Monthly Periodic Rate to the Average Daily Balance of Credit Purchases (including current Purchase transactions). To get the Average Daily Balance of Purchase transactions you take the beginning balance of Purchase transactions on my Account each day, add any new Purchases, and subtract any payments or credits, and unpaid **FINANCE CHARGES**. This gives you the daily balance of Purchase transactions. Then, you add up all the daily balances of Purchase transactions for the billing cycle and divide the total by the number of days in the billing cycle. This gives you the Average Daily Balance of Purchase transactions. I have a 25 day due date from the close of the statement period to pay the New Balance of Purchase transactions without incurring additional **FINANCE CHARGES**. If the New Balance of Purchase transactions is not paid in full by this due date, **FINANCE CHARGES** will be assessed using the Average Daily Balance method as explained above.

**HOW TO COMPUTE THE ADVANCES BALANCE (CONSISTING OF TRANSACTIONS RELATED TO CASH AND OTHER ADVANCE TRANSACTIONS) UPON WHICH PERIODIC FINANCE CHARGES ARE ASSESSED:**

Average Daily Balance (including current Cash Advance transactions). You figure a portion of the **FINANCE CHARGE** on my Account by applying the Cash Advance Monthly Periodic Rate to the Average Daily Balance of Cash Advances (including current Cash Advances). To get the Average Daily Balance of Cash Advance transactions you take the beginning balance of Cash Advance transactions on my Account each day, add any new Cash Advances, and subtract any payments or credits, and unpaid **FINANCE CHARGES**. This gives you the daily balance of Cash Advance transactions. Then, you add up all the daily balances of Cash Advance transactions for the billing cycle and divide the total by the number of days in the billing cycle. This gives you the Average Daily Balance of Cash Advance transactions. **FINANCE CHARGES** on Cash Advances will begin to accrue on actual transaction date.

**HOW TO COMPUTE THE BALANCE TRANSFER BALANCE UPON WHICH PERIODIC FINANCE CHARGES ARE ASSESSED:**

Average Daily Balance (including current Balance Transfer transactions). You figure a portion of the **FINANCE CHARGE** on my Account by applying the Balance Transfer Monthly Periodic Rate to the Average Daily Balance of Balance Transfers (including current Balance Transfers). To get the Average Daily Balance of Balance Transfer transactions you take the beginning balance of Balance Transfer transactions on my Account each day, add any new Balance Transfer transactions, and subtract any payments or credits, and unpaid **FINANCE CHARGES**. This gives you the daily balance of Balance Transfer transactions. Then, you add up all the daily balances of Balance Transfer transactions for the billing cycle and divide the total by the number of days in the billing cycle. This gives you the Average Daily Balance of Balance Transfer transactions. **FINANCE CHARGES** on Balance Transfers will begin to accrue on actual transaction date.

However, the combination of periodic **FINANCE CHARGES**, Cash Advance Fee, and Foreign Transactions Fee, will not exceed the **ANNUAL PERCENTAGE RATE** permitted under applicable law.

This determines my total **FINANCE CHARGE** for the billing cycle. Actual **FINANCE CHARGES** will be shown on my periodic statement.

**MINIMUM PAYMENT:** Every month, I must pay at least the Minimum Payment Due by the Payment Due Date shown on my periodic statement. By separate agreement, I may authorize you to automatically transfer the Minimum Payment Due from my Credit Union share or share draft account. I may, of course, pay more frequently, pay more or pay the New Balance in full, and I will reduce my periodic **FINANCE CHARGE** by doing so. The Minimum Payment Due will be either: (a) 3.00% of my New Balance, or \$20.00, whichever is greater; or (b) my New Balance, if it is less than \$20.00.

In addition, I must pay any amount on my periodic statement listed as past due and any late charge. Lastly, at any time my New Balance exceeds my Credit Limit, I must pay the excess as well as any Overlimit Charge.

I understand and agree that any payment made by me will be applied in the following order: (a) outstanding promotional balances; (b) unpaid fees and charges, if any; (c) unpaid periodic **FINANCE**

**CHARGE** due on Purchases, Balance Transfers, and Cash Advances; (d) outstanding principal balances of Cash Advances, Balance Transfers, and Purchases previously billed; and (e) current Balance Transfers, Cash Advances and Purchases. If two or more transactions are posted on the same day, my payment will be applied first to the smaller of them.

**OVERLIMIT CHARGE:** I will not be charged an Overlimit Fee with respect to any charge that causes the outstanding balance to exceed the Credit Limit.

**OVERLIMIT TRANSACTION:** I agree not to allow my Account Balance to exceed my Credit Limit. However, if I initiate transactions that exceed my Credit Limit, I agree that I am obligated to pay you any portion of my Account Balance that exceeds my Credit Limit, and any applicable fees you charge as a result of my transactions exceeding the Credit Limit. I understand and agree that even if I request such an Overlimit transaction, you are not obligated to process any Overlimit transaction, despite my authorization and request, even if you have in the past processed my Overlimit transactions. I understand that you retain the sole discretion to reject any Overlimit transaction.

**LATE CHARGE:** You will charge a Late Charge of \$7.00 with respect to any monthly billing cycle as a late payment charge on the minimum payment due that is not paid within 5 days after the date of the payment is due. However, the late charge shall not exceed the maximum amount permitted under applicable state law.

**RETURNED PAYMENT CHARGE:** You will charge a Returned Payment fee of \$22.00 each time an item presented for payment is returned unpaid.

**CASH ADVANCE FEE:** For each Cash Advance, a Cash Advance Fee of either 5% or 2% of the amount of the Advance will be charged, whichever is greater. There is no maximum fee for each Cash Advance transaction. Cash Advance transactions include ATM withdrawals, online funds transfers, telephonic funds transfers, and in person Cash Advances at a financial institution's branch from the Account.

**BALANCE TRANSFER:** I understand that I can request a Balance Transfer transaction, which allows me to pay a portion of the entire balance of another credit card account I maintain with you or with another institution, by advancing funds from this Account. Any request I make for a Balance Transfer is subject to your approval, based on my Credit Limit, my creditworthiness, and my good standing as a member. If you approve my requested Balance Transfer transaction, no Balance Transfer Fee will apply to the transaction, although a Balance Transfer **ANNUAL PERCENTAGE RATE**, as discussed above, will apply to my Balance Transfer balance.

**DOCUMENT AND STATEMENT FEE:** You will charge a fee of \$5.00 for each copy of a periodic statement, sales draft, or similar document that is provided to me at my request (other than in connection with a billing error or inquiry).

**DEBT PROTECTION:** If Debt Protection is offered on the Account and I request it, the fee will be calculated monthly by multiplying the fee rate by the outstanding balance on the Account. You will add the fee amount to the Account balance on the Billing Cycle Closing Date. The purchase of this Debt Protection is entirely voluntary and is not required for credit approval. I acknowledge receiving a copy of the contract documents which contains current rates and other information. I understand and agree that if I have requested this Debt Protection, I will be obligated to pay the fee(s) indicated on the election form which have been included as part of my payment. If I decide to cancel such coverage, I must do so in writing and I agree to pay all fees up to the date you act on my request to cancel. I further understand that my payment will not decrease if I cancel my Debt Protection, but will be applied to my remaining principal.

**PURCHASES AND ADVANCES:** I may make Purchases and request Advances and Balance Transfers in accordance with then current loan policies up to my Credit Limit. I understand and agree that all Purchases and other transactions requested by me or anyone I have permitted to use the Card(s) and/or Account are subject to your approval.

**CREDIT LIMIT:** You will establish a Credit Limit for me. I agree not to let the unpaid balance of the Account exceed the Credit Limit. I agree to advise you of any change in my financial condition that may affect my creditworthiness. I agree to update the credit information I have provided you, from time to time, upon your demand. I may request an increase in my Credit Limit, but Credit Limit increases must be approved by you.

**USING THE CARD:** To make a Purchase or obtain an Advance, there are two alternative procedures to be followed. One is for me to present the Card or Card number to a participating Visa plan merchant, to you or to another financial institution, and sign or authorize a sales or cash advance draft. The other is to complete the transaction by using my Personal Identification Number (PIN) in conjunction with the Card in an Automated Teller Machine or other type of electronic terminal that provides access to the Visa system.

My Card and/or Account may not be used directly or indirectly for: (1) any illegal activity or transaction; or (2) any gambling, gaming, betting or similar activity or transaction. Further, I may not utilize my Card and/or Account for the purchase of any goods or services on the Internet that involve gambling, gaming, betting or any similar transaction or activity. Such transactions include, but may not be limited to, any quasi-cash or online gambling transaction, any electronic commerce transaction conducted

over an open network, and any betting transaction including the purchase of lottery tickets or casino gaming chips/checks or off-track betting or wagering. However, in the event that a charge or transaction described in this paragraph is approved and processed, I will still be responsible for such charges.

**ELECTRONIC FUND TRANSFER:** In the event a use of the Card or the Account number of the Card constitutes an Electronic Fund Transfer, the terms and conditions of my Electronic Services Disclosure and Automated Teller Agreement with you shall govern such transactions to the extent the Electronic Services Disclosure and Automated Teller Agreement expands or amends this Agreement and Disclosure Statement.

**PREPAYMENT OR IRREGULAR PAYMENTS:** Though I need only pay the Minimum Payment Due, I understand that I have the right to repay my loan at any time without penalty. I also understand and agree that I will only be charged **FINANCE CHARGES** to the date I repay my entire loan. I may make larger payments without penalty and this may reduce the total amount of **FINANCE CHARGES** that I will repay. If I pay more than the Minimum Payment Due in any month and there is still a balance due, I must continue to make Minimum Payments in future months. Any partial payment of my loan will not advance my next payment due date(s). I understand and agree that any payment that (a) delays or (b) accelerates the repayment of my unpaid balance will (a) increase or (b) decrease my Monthly Periodic **FINANCE CHARGE**.

**PAYMENTS BY AUTOMATIC TRANSFER:** If I request payment by automatic transfer, I understand and agree that no payment can or will be made if there are insufficient or uncollected funds in the designated sub-account to make the scheduled loan payment. Should this event occur, I understand and agree that I will not be released from making the payment. Any automatic transfer I have requested will remain in effect until I cancel it in writing or the Agreement is paid in full. You may cancel this service at your discretion.

**DEFAULT:** I will be in default if: 1) I do not pay on time or in the proper amount(s); 2) I fail to live up to any of the terms of this Agreement and Disclosure Statement; 3) my creditworthiness is impaired; or 4) I die, become insolvent or am the subject of bankruptcy or receivership proceedings. In the event of any action by you to enforce this Agreement and Disclosure Statement, I agree to pay the costs thereof, reasonable attorneys' fees, and other expenses. I understand and agree that **FINANCE CHARGES** at the **ANNUAL PERCENTAGE RATE** as permitted under this Agreement and Disclosure Statement will continue to accrue until I repay my entire loan.

**ACCELERATION AND COLLECTION COSTS:** Upon my default, I understand and agree that you have the right to temporarily or permanently suspend any and all Account and Card privileges and/or you may demand immediate payment of the unpaid balance, **FINANCE CHARGES**, late charges, overlimit fees, and your collection costs, reasonable attorneys' fees, and court costs (collectively, "collection-related charges"). I understand and agree that I will be subject to **FINANCE CHARGES** (at the applicable Monthly Periodic Rate), late charges, overlimit fees and collection-related charges under the terms disclosed in this Agreement and Disclosure Statement, until I repay my entire loan.

**RESPONSIBILITY:** I agree to repay you according to the terms of this Agreement and Disclosure Statement for all Purchases, Balance Transfers, Advances, **FINANCE CHARGES**, late charges, and overlimit fees, if any, arising from the use of the Account by me or any other person I permit to use the Account, even if that person exceeds my permission. I cannot disclaim responsibility by notifying you, although you will close the Account if I so request and I will return all Cards to you. My obligation to pay the Account balance continues even though an agreement, divorce decree or other court judgment to which you are not a party may direct me or one of the other persons responsible to pay the Account. Any person using the Account and/or Card is jointly and severally responsible with me for charges he or she makes, but if that person signs the Card he or she becomes a party to this Agreement and is also responsible for all charges on the Account, including mine. The Cards remain your property and I must recover and surrender to you all Cards upon your request and/or upon termination of this Account.

**UNAUTHORIZED USE:** I may be liable for the unauthorized use of the Card and/or the Account. I will not be liable for unauthorized use that occurs after I provide notification by calling (800) 449-7728, or when you receive notice in writing at First Entertainment Credit Union, P.O. Box 100, Hollywood, CA 90078, of the loss, theft or possible unauthorized use. In any case, my liability for unauthorized use will not exceed \$50.00. My liability may be lower in cases of Visa Credit Card fraud in accordance with current Visa U.S.A. Inc. Operating Regulations.

**TERMINATION:** You may terminate this Agreement and Disclosure Statement upon my default. Either you or I may terminate this Agreement and Disclosure Statement for other good cause. In no event shall any termination relieve me of my obligation to repay sums already borrowed, **FINANCE CHARGES**, late charges, overlimit charges, and collection-related charges, if any. I agree to return all the Cards issued to me or any party designated by me.

**LIEN ON SHARES:** If I have voluntarily agreed to a lien on shares in my Visa Application, I understand and agree that if I am in default on the Account, you may impress and enforce a lien on all shares (except IRA accounts) then on deposit needed by you to repay the unpaid balance of the Account in accordance with California Financial Code §14856 and your bylaws.

**PLEDGE OF SHARES:** If I have signed a separate Share Pledge Agreement, I understand and agree that I am pledging, under the Uniform Commercial Code, shares now on deposit in my regular share account(s). I understand that I must, at all times, keep a sum equal to my Credit Limit on deposit in my regular share account(s) until I repay my entire Account Balance and the Account is terminated. I understand and agree that this security interest will cover future Purchases, Balance Transfers, and Advances under this Agreement and Disclosure Statement. If I default, you may apply these shares to repay my loan in accordance with federal or other law. I understand that the **ANNUAL PERCENTAGE RATE**, quoted above, does not take into account the amount pledged in my regular share account(s).

**TRANSACTION SLIPS:** My periodic statement will identify the merchant, electronic terminal or financial institution at which transactions were made, but sales, cash advance, credit or other slips cannot be returned with the periodic statement. I will retain the copy of such slips furnished at the time of the transaction in order to verify my periodic statement. You may make a reasonable charge for any photocopies or slips I request.

**PLAN MERCHANT DISPUTES:** You are not responsible for the refusal of any plan merchant or financial institution to honor the Account and/or Card. You are subject to claims and defenses (other than tort claims) arising out of goods or services I purchase with the Card only if I have made a good faith attempt but have been unable to obtain satisfaction from the plan merchant, and (a) my purchase was made in response to an advertisement you sent or participated in sending me; or (b) my purchase cost more than \$50.00 and was made from a plan merchant in my state or within 100 miles of my current mailing address. Any other dispute I must resolve directly with the plan merchant.

**FOREIGN TRANSACTIONS:** Purchases, Cash Advances, and credits made in foreign currencies will be in my Account in U.S. dollars. The conversion to U.S. dollars will be made in accordance with the Visa operating regulations for international transactions. Such regulations provide for either a 0.8% currency exchange fee for single currency international transactions (transactions made internationally without a currency conversion) or 1% currency exchange fee for multi-currency international transactions (transactions made internationally that require a currency conversion), which is added to the amount of the Purchase, Cash Advance, or credit and retained by Visa. The exchange rate between the transaction currency and the billing currency used for processing international transactions is 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. The conversion rate may be different than the rate on the day of the transaction or date of the posting of the Account. When a credit to the Account does not fully offset a charge to the Account due to changes in the rate, I am responsible for the differences.

**RETURNS AND ADJUSTMENTS:** Merchants and others who honor the Account and/or Card may give credit for returns or adjustments, and they will do so by sending you a credit slip which you will post to the Account. If my credits and payments exceed what I owe you, you will hold and apply this credit balance against future Purchases, Balance Transfers, and Cash Advances, or if it is \$1.00 or more, refund it on my written request or automatically after six (6) months.

**SURRENDER OF CARD(S):** The Card(s) remains your property and, if you request, I must surrender to you all Card(s) you have issued on the Account.

**LOST OR STOLEN CARD, NOTIFICATION AND LIABILITY:** I will notify you AT ONCE if I believe that the Card, Account number, PIN, or any combination of the three has been lost or stolen by immediately calling you at (800) 449-7728 (available twenty-four (24) hours a day, seven (7) days a week). Telephoning is the best way of keeping my possible losses down. I understand that my total liability to you shall not exceed \$50.00 for any Account and/or Card transactions resulting from the loss, theft or other unauthorized use of the Account and/or Card that occurs prior to the time I give notice to you. Such liability does not apply when the Account and/or Card is used to make an electronic transfer.

**PAYMENTS MARKED "PAID IN FULL":** You may accept checks, money orders, or other types of payment marked "payment in full" or using other language to indicate full satisfaction of any indebtedness, without being bound by such language or waiving any rights under this Agreement and Disclosure Statement. Full satisfaction of indebtedness shall be accepted by you only in a written agreement, signed by an authorized representative.

**DELAY IN ENFORCEMENT:** You can delay enforcing any of your rights under this Agreement and Disclosure Statement without losing them.

**GOVERNING LAW:** I understand and agree that this Agreement and Disclosure Statement is made in California and shall be governed by the laws of the State of California to the extent that California law is not inconsistent with controlling federal law. I also understand and agree that California's choice of law rules shall not be applied if they would result in the application of non-California law.

**INTEGRATED DOCUMENT(S):** Any separate sheet of paper labeled "Additional Disclosure - Federal Truth-in-Lending Act" which is delivered together with this form is an integrated part of the Agreement and Disclosure Statement.

**MEMBERSHIP REQUIREMENT:** I understand and agree that I must be and remain a member in good standing with you to be eligible for continuing Account and/or Card privileges including future Purchases and Advances. I understand and agree that you may suspend the Account and/or Card privileges during any period in which I do not maintain my membership with you.

**CHANGE OF NAME, ADDRESS, EMPLOYMENT STATUS:** I understand and agree that I must report to you any change in my name, address or employment status.

**ACCURACY OF INFORMATION:** The information provided in my request for credit (application) is accurate and I will notify you in writing immediately if there is a change in my financial condition. You may retain the application. I understand that it is a violation of Section 1014, Title 18, US Code to make false statements or over value security for the purpose of influencing the action of any federally insured credit union. You may gather credit and/or employment information you deem necessary and appropriate from time to time and you may give information concerning your credit experience with me to others.

**COPY RECEIVED:** I acknowledge receipt of a copy of this Agreement and Disclosure Statement and agree to accept its terms.

**NOTICE:** See the statement below for important information regarding my right to dispute billing errors.

#### ADDITIONAL TERMS APPLICABLE TO VISA CHECKS

**CHECK USES:** I can use the Visa Checks ("Checks" or "Check") to purchase goods and services or to obtain cash up to the amount of my Credit Limit. Use of the Checks is a Cash Advance on my Visa Account.

**LIMITATIONS:** You are not required to honor a Check that will cause me to exceed my Credit Limit. You will not pay a Check if at the time the Check is presented, I am in default or you have suspended, terminated or canceled the Account. Each Check must be in the form you have issued to me. Checks may be used only by the person(s) whose name(s) is/are printed on the Check. I am responsible for all authorized use of the Checks. I may not use the Checks to pay any amount which I owe you pursuant to this Agreement and Disclosure Statement.

**PERIODIC STATEMENTS:** My periodic statement will show me an itemization of the Checks posted to the Account during the billing cycle. Checks paid by you will not be returned to me with my periodic statement.

**RETURNED CHECK FEE:** You will charge a fee of \$22.00 per returned Check which will be billed to the Account, if my Check cannot be paid.

**STOP PAYMENT:** Provided such request is timely, so that you shall have a reasonable opportunity to act upon it under your rules, I may order stop payment on a Check drawn on the Account, other than one that has been guaranteed. In the event of an oral stop payment order, the order shall be valid for only fourteen (14) days thereafter unless confirmed in writing. Written stop payment orders will remain in effect only six (6) months unless renewed in writing. I have the burden of establishing the fact and amount of loss resulting from payment contrary to a binding stop payment order. You will charge a fee of \$15.00 per Check when I place a stop payment on my Check(s), which will be billed to the Account.

**SURRENDER OF VISA CHECKS:** The Checks are your property. You reserve the right to revoke them at any time. I agree to return them at your request.

#### MY BILLING RIGHTS (Keep this Notice for future use.)

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

#### NOTIFICATION IN CASE OF ERRORS OR QUESTIONS ABOUT MY PERIODIC STATEMENT

If I think my periodic statement is wrong, or if I need more information about a transaction on my periodic statement, I must write to you on a separate sheet at the address listed on my periodic statement. I should write to you as soon as possible. You must hear from me no later than sixty (60) days after you sent me the first periodic statement on which the error or problem appeared. I can telephone you, but doing so will not preserve my rights.

In my letter, I should give you the following information:

- My name and Account number.
  - The dollar amount of the suspected error.
  - Describe the error and explain, if I can, why I believe there is an error.
- If I need more information, I will describe the item I am not sure about.

If I have authorized you to pay my credit card statement automatically from my share or share draft account, I can stop the payment on any amount I think is wrong. To stop the payment my letter must reach you three (3) business days before the automatic payment is scheduled to occur.

#### MY RIGHTS AND YOUR RESPONSIBILITIES AFTER YOU RECEIVE MY WRITTEN NOTICE

You must acknowledge my letter within thirty (30) days, unless you have corrected the error by then. Within ninety (90) days, you must either correct the error or explain why you believe the periodic statement was correct.

After you receive my letter, you cannot try to collect any amount I question, or report me as delinquent. You can continue to bill me for the amount I question, including **FINANCE CHARGES**, and you can apply any unpaid amount against my Credit Limit.

I do not have to pay any questioned amount while you are investigating, but I am still obligated to pay the parts of the periodic statement that are not in question.

If you find that you made a mistake on my periodic statement, I will not have to pay any **FINANCE CHARGES** related to any questioned amount. If you did not make a mistake, I may have to pay **FINANCE CHARGES**, and I will have to make up any missed payments on the questioned amount. In either case, you will send me a statement of the amount I owe and the date that it is due.

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

If you do not follow these rules, you cannot collect the first \$50.00 of the questioned amount, even if my periodic statement was correct.

#### SPECIAL RULE FOR CREDIT CARD PURCHASES

If I have a problem with the quality of property or services that I purchased with a credit card, and I have tried in good faith to correct the problem with the merchant, I may have the right not to pay the remaining amount due on the property or services. There are two limitations on this right:

(a) I must have made the purchase in my home state or, if not within my home state, within 100 miles of my current mailing address; and

(b) The purchase must have been more than \$50.00.

These limitations do not apply if you own or operate the merchant, or if you mailed me the advertisement for the property or services.

#### SPECIAL RULE FOR NEW YORK RESIDENTS

New York residents may contact the New York State Banking Department to obtain a comparative listing of credit card rates, fees, and grace periods at (877) 226-5697.

