

IN THIS AGREEMENT, "YOU" AND "YOUR" MEAN ANY PERSON WHO ACCEPTS THIS AGREEMENT AS A BORROWER/OWNER OR USES THE CARD. THE "CARD" MEANS ANY CREDIT CARD ISSUED TO YOU OR THOSE DESIGNATED BY YOU UNDER THE TERMS OF THIS AGREEMENT. "WE," "US," "OUR" AND THE "CREDIT UNION" MEANS ARIZONA FEDERAL CREDIT UNION OR ITS SUCCESSORS. "ACCOUNT" MEANS THE CREDIT CARD ACCOUNT. "AUTHORIZED USER" MEANS ANY PERSON WHO HAS AUTHORITY, OR WHO ANY BORROWER/OWNER HAS GIVEN INFORMATION, ACCESS, DEVICE, OR DOCUMENTATION THAT ENABLES A PERSON TO ACCESS, WITHDRAW, MAKE TRANSACTIONS, OR USE YOUR CARD. A SEPARATE TRUTH-IN-LENDING STATEMENT IS INCORPORATED INTO THIS AGREEMENT. THIS AGREEMENT AND THE TRUTH-IN-LENDING STATEMENT ARE COLLECTIVELY THE "AGREEMENT". THE ACCOUNTS AND SERVICES MEMBERSHIP AGREEMENT ("MEMBERSHIP AGREEMENT"), PROVIDED TO YOU WHEN YOU ESTABLISHED MEMBERSHIP WITH THE CREDIT UNION, IS INCORPORATED BY REFERENCE IN ITS ENTIRETY HEREIN.

**BY USING YOUR CARD, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS SET FORTH HEREIN.**

**THE GRANTING OF THIS SECURITY INTEREST IS A CONDITION FOR THE ISSUANCE OF CREDIT UNDER THIS AGREEMENT.**

YOU SPECIFICALLY GRANT US A CONSENSUAL SECURITY INTEREST IN ALL INDIVIDUAL AND JOINT ACCOUNTS YOU HAVE WITH US NOW AND IN THE FUTURE TO SECURE REPAYMENT OF CREDIT EXTENDED UNDER THIS AGREEMENT. YOU ALSO AGREE THAT WE HAVE SIMILAR STATUTORY LIEN RIGHTS UNDER STATE AND/OR FEDERAL LAW. IF YOU ARE IN DEFAULT, WE CAN APPLY YOUR SHARES TO THE AMOUNT YOU OWE.

Shares and deposits in an Individual Retirement Account or any other account that would lose special tax treatment under state or federal law if given are not subject to this security interest. If you have other loans with us, collateral securing such loans will also secure your obligations under this Agreement, unless that other collateral is your principal residence or non-purchase money household goods.

Advances. For purposes of this Agreement, the term "advance" means cash advance or balance transfer.

Using Your Card. You can purchase or lease goods and services from any merchant who honors your credit card that we issue you pursuant to this Agreement ("Card"), and you may obtain cash advances from financial institutions and ATM machines that accept the Card, up to your maximum credit limit. You agree not to present your Card or obtain a cash advance for any extension of credit in excess of your available credit limit; however, if you do exceed your credit limit, you agree to make immediate payment sufficient to bring the balance below the credit limit. Certain purchases and cash advances require authorization prior to completion of the transaction. In some cases, you may be asked to provide identification. If our system is not working, we may not be able to authorize a transaction, even though you have sufficient credit available. Also, for security reasons, we may block the use of your Card in certain countries or geographic areas. We will have no liability to you or others if any of these events occur.

Each Card we issue will have an expiration date. Upon expiration of your Card, your Account will automatically terminate; or we, in our sole discretion, may extend your Account and issue a new Card with a new expiration date.

You may not transfer or assign your Account or Card to any other person. We may assign or transfer this Account, your Account balance, or this Agreement to another person, who will have all of our rights. This Agreement is binding on your heirs and legal representatives.

You authorize us to honor any purchase or cash advance you make by telephone or mail on this Account. You agree that a signature is not necessary as identification in such cases.

You agree that we may place a temporary freeze on all or part of your credit line any time we receive a large payment (\$1,000.00 or more), by a method other than cash, certified funds, or electronic transfer. In such cases, we may freeze your credit line until payment is actually collected by us.

Account Updating Service. The credit card payment processing network (e.g., Visa, Mastercard) in which we participate has an account updating service in which your Card is automatically enrolled. When your Card(s) expire, are lost or stolen and new Cards are issued, the service may update your Card data such as Card numbers and expiration dates to the processing network's database. Participating merchants to whom you have authorized recurring payments may access this database in an attempt to facilitate uninterrupted processing of your recurring charges. Updates are not guaranteed to be made before your next payment is due and not all merchants participate in the service; it is your responsibility to make your payments until recurring payments can be resumed. This service is provided as a free benefit to you. The Credit Union has no responsibility for the accuracy or timeliness of the account updating service or its database. If at any time you wish to opt-out of the account updating service or if you have any questions, please call us at 602-683-1000.

Personal Identification Number (PIN). We may issue a Personal Identification Number (PIN) for use with your Card. This PIN is confidential and should not be disclosed to anyone. You may use your PIN and Card to access your Account, and all sums advanced will be added to your Account balance. In the event a use of your PIN constitutes an Electronic Funds Transfer, the terms and conditions of your Electronic Funds Transfer Agreement, as provided in the most current version of the Membership Agreement, may affect your rights.

Promise To Pay. You promise to pay us in U.S. dollars for (a) all purchases, cash advances, and balance transfers made by you or anyone whom you authorize to use the Card; (b) all Interest Charges (defined hereinafter) and all other charges or fees; (c) collection costs and attorney's fees as permitted by applicable law, and any costs incurred in the recovery of the Card; and (d) credit in excess of your credit limit that we may extend to you.

Credit Limit. Your maximum credit limit will be disclosed at the time of loan disbursement and on your monthly billing statement. At our discretion, we may change your credit limit at any time, and may provide separate limits for purchases and for cash advances. We will notify you if we do, either by mail or through your monthly billing statement. For a credit limit increase, your continued use of the Card will show your agreement to any such increase. If you object to an increase in your credit limit, you must notify us in writing. Upon receipt of such notice, your credit limit will be reduced to its prior limit; however, you will be responsible to pay promptly any amounts by which you have exceeded the reduced limit. You agree to pay any amounts you owe that exceed your maximum credit limit upon demand.

You agree we are not obligated to extend to you credit for any amount that would cause your

outstanding balance to exceed your maximum credit limit, or for any amount if your outstanding balance already exceeds your maximum credit limit. Any increase in your maximum credit limit requested by you will require you to make a written credit application.

We reserve the right to refuse to honor any request for credit, to reduce your credit limit or terminate your Account at any time using our sole discretion, based on changes in the economy, your creditworthiness, or for any other reason not prohibited by law.

Correcting the Credit Union's Credit Report. If you think we reported erroneous information about you to a credit reporting agency, call us at the telephone number listed on your monthly billing statement. We will promptly investigate the matter and will contact each credit reporting agency whose records may reflect an error. We will require them to correct your report if the investigation determines there is an error. If we disagree with you after the investigation, we will advise you, in writing or by telephone, and provide you instruction as to submitting to those agencies a statement of your position that will become a part of your credit record with them.

Automatic Payment Transfer Option. If you request the automatic payment transfer option, all minimum payments due will automatically be deducted from your designated account on your payment due date. If your designated account does not contain sufficient funds, no automatic deduction will be made, your account will be charged an insufficient funds fee, and you will be responsible for making the payment by some other means.

Overdraft Protection. You acknowledge the Account will be used as a form of overdraft protection. Our overdraft protection policy is set out in the most current version of the Membership Agreement.

Available funds from this Account will be used as a form of overdraft protection. In the event your checking account is overdrawn, available funds will be transferred in a sufficient amount to cover the overdraft. Advances for overdraft protection are considered cash advances and are subject to applicable Interest Charges. The credit union has no obligation to notify you of any overdraft advance.

Interest Rate Adjustment (Default Rate). We may adjust the interest rate on your Account whenever your Account is two (2) minimum payments past due. We may change your interest rate to the highest allowable APR. After six (6) consecutive billing cycles of your Account being paid pursuant to the terms of your agreement with us, we will change the interest rate to the rate that is then applicable to your Account, which will become effective on the first day of the billing cycle following the sixth consecutive billing cycle.

Skip Payment Program. At our option, we may offer you the opportunity to not make ("skip") a minimum payment during certain designated billing cycles ("skip payment period"). If you skip a payment, you understand that we will continue to apply interest charges to your Account. We have no obligation to accept your application for any skip payment period offered, and you authorize us to investigate your creditworthiness including obtaining consumer credit reports.

Information Disclosure. We will disclose information to third parties about your Account or the transactions you make: (1) when it is necessary for completing transactions, or (2) in order to verify the existence and condition of your Account for a third party, such as a credit bureau or merchant, or (3) in order to comply with government agency or court orders, or (4) if you give us your written permission.

Illegal Transactions. You agree that your Card and Account will not be used to make or facilitate any illegal transactions as determined by applicable law; and that any such use will constitute an event of default under this Agreement. We may decline any transaction that we believe to be illegal under applicable law, including but not limited to any transaction involving or relating to any illegal gambling activity. You agree that we will have no liability or responsibility for any such use by you or any authorized user(s); or for declining any such transaction. You further agree to indemnify and hold us harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from such illegal use. You promise to pay us any and all amounts owing on your Card for any transactions made by you, even if the transaction is determined to be illegal.

Joint Accounts. Each of you will be responsible, jointly and severally, for the repayment of amounts owed, regardless of who initiated any transaction under the Account.

If there are joint obligors or authorized users for this Account, each of you will have the right to use the Account pursuant to the terms of this Agreement.

Any joint obligator has the right to cancel this Agreement by notifying us in writing. Cancellation does not relieve any obligor of liability for any and all charges incurred prior to cancellation. Each obligor is at all times responsible for all amounts borrowed by any authorized user(s). Authorized users and other users may also be required to repay the amount owed for charges they make; however, you remain, at all times, responsible for all amounts owed.

Others Using Your Account. If you allow anyone else to use your Account, you will be liable for all credit extended to such persons. You promise to pay for all purchases and advances made by anyone you authorize to use your Account, whether or not you notify us that he or she will be using it. If someone else is authorized to use your Account and you want to end that person's privilege, you must notify us in writing, and if he or she has a Card, you must return that Card with your written notice for it to be effective.

You agree that all borrowers and authorized users may have access to information regarding transactions on your Account, (including but not limited to) purchases and cash advances, Account balances, Account history, payments, and other information.

Ownership of Card. Your Card remains our property and may be cancelled by us at any time without notice. You agree to surrender your Card and to discontinue use of the Account immediately upon our request.

**BY USING YOUR CARD, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS SET FORTH HEREIN.**

Electronic Disclosures, Statements, Agreements, and Notices. You specifically agree that we may provide all disclosures, statements, agreements, notices, amendments, revisions, and other documents electronically.

Interest Charges on Account Balance. An Interest Charge computed on a daily periodic rate will begin to accrue for new Purchases, if you do not pay the new balance in full within 25 days after the billing date of the statement on which the new Purchases first appear. An Interest Charge computed on a daily periodic rate will begin to accrue on the transaction date of purchases (unless the grace period applies), cash advance(s), and balance transfers, and will continue to be imposed until you have paid any outstanding balance in full. The Credit Union calculates the Interest Charge as follows:

The Interest Charge will be figured by applying the daily periodic rate indicated on the Truth in Lending Disclosure Statement to the average daily balance of purchases, cash advances, and balance transfers multiplied by the number of days in the billing cycle. The daily periodic rate and annual percentage rate (APR) to be used is determined by the account type approved by us pursuant to the terms of your application. The APR for purchases, cash advances, and balance transfers may vary on a monthly basis. We will calculate the variable APR by adding a margin to the rate disclosed as the U.S. Prime Rate reported in the "Money Rate" table of the Wall Street Journal (paper version) on the third Tuesday each month of the year. The new variable rate will be applied to all existing balances not paid in full after any applicable grace period. The variable rate will not be higher than 18% or as otherwise ordered by the National Credit Union Administration (NCUA) Board. Your variable rate will be disclosed to you in each monthly statement.

Grace Period on Purchases Only: You can avoid Interest Charges on purchases by paying the full amount of the new balance for purchases each month by the date on which the payment is due. Otherwise, the new balance of your account, and subsequent purchases/advances from the date they are posted to the account, will be subject to an Interest Charge. You cannot avoid Interest Charges on cash advances and balance transfers; even if you pay the entire cash advance balance or balance transfer balance by the payment due date, you will incur the Interest Charges accrued from the date the cash advance or balance transfer is posted to your account.

Fees. In addition to the Interest Charges set forth above, you agree to also pay any and all fees that you incur as disclosed to you on your Truth-in-Lending Statement or similar disclosures (as may be amended from time to time), or as disclosed to you during the term of your Card.

ATM Access. Owners of non-proprietary ATMs may charge fees in addition to fees disclosed in this Agreement or the fee schedule. We will add these fees to your Account. The other ATM owners are required to provide appropriate disclosures to you with regard to any such fees.

If Your Card is Lost or Stolen or if an Unauthorized Use Occurs. You agree to notify us immediately if your Card is ever lost or stolen or if an unauthorized use may have occurred. "Unauthorized use" means the use of the Card by someone other than you who does not have actual, implied or apparent authority for such use, and from which you receive no benefit. The telephone number to call is 602-683-1000 (in Maricopa County) or 800-523-4603 (outside Maricopa County). You agree to follow up your call with notice in writing to us at: Arizona Federal Credit Union, P.O. Box 60070, Phoenix, AZ 85082-0070. You also agree to assist us in determining the facts, circumstances and other pertinent information relating to any loss, theft or possible unauthorized use of your Card and comply with such procedures as we may require in connection with our investigation. You will be liable for any unauthorized use only if we can prove that you were negligent in your use or handling of your Card, or if we can prove that you used your Card fraudulently.

Do not use the Card after you have notified the Credit Union, even if you find it/them or have it/them returned to you.

Minimum Payment Due: Crediting of Payments. Payments are due in the amount and on the date disclosed on your billing statement. Payments received at a staffed branch teller line will be credited to your Account that day. Mailed payments to the address disclosed on your billing statement will be credited to your account the same business day they are received. Business days are Monday - Friday with the exclusion of federal holidays. If payment is made at any location other than the address designated on the periodic statement, credit for such payment may be delayed up to five (5) business days.

You can pay off your Account balance in full each month or you can pay in monthly installments. Refer to your monthly periodic statement for your next payment due date. If you do not pay your balance in full, you agree to pay at least a minimum payment of 2.7% of your new balance or \$20.00, whichever is greater. If the new balance shown on your periodic statement is \$20.00 or less, you agree to pay this amount. Unless we take other action as a result of a default under this Agreement, the minimum payment due will also include any amount that is past due and any amount by which your new balance exceeds your credit limit. Payments and credits will be applied first to pay late charges, interest on new cash advances, purchases, balance transfers, and fees and next to principal for cash advances, purchases, and balance transfers. You must pay at least the minimum payment each month, but you may pay more than that amount at any time without a penalty. The sooner you pay your new balance, the less you will have to pay in Interest Charges.

Default; Acceleration; Credit Suspension; Collection Costs. You will be in default if: (1) you fail to make any payment on time; (2) if you fail to keep any promises you have made under this Agreement or under other Agreements you have with us; (3) if you die; (4) if you file a petition in bankruptcy or have a bankruptcy petition filed against you, or if your assets become involved in any insolvency, receivership or custodial proceeding; (5) if anyone attempts to take any of your funds held by us via legal process or if you have a judgment or tax lien filed against you; (6) if you make any false, inaccurate, or misleading statements in any credit application or credit update; or (7) if we, in good faith, believe that your ability to repay what you owe is or soon will be impaired, or that you are unwilling to make your payments.

If you are in default, we have the right to demand immediate payment of your full Account balance without giving you notice. If immediate payment is demanded, you agree to continue paying interest charges and fees until what you owe has been paid, and any shares that were given as security for your Account may be applied towards what you owe. You agree to pay all reasonable costs of collection, including court costs and attorney's fees, and any costs incurred in the recovery of the Card, subject to applicable law. Even if your unpaid balance is less than your credit limit, you will have no credit available during any time that any aspect of your Account is in default.

Suspension of electronic services and access to share or deposit accounts. Subject to applicable law, we may suspend some or all electronic services and access to your checking or other account(s) if you are in default on any of your obligations to us or you cause a loss to us. We shall not be liable to you in any regard in connection with such suspension of services.

Additional Benefits/Card Enhancements. We may from time to time offer additional services to your Account at no additional cost to you. You understand that we are not obligated to offer such services and may withdraw or change them at any time.

Reward Card Benefit. The reward card benefit can earn points for eligible transactions. Merchant credits and disputed transactions will result in a subtraction of points. Reward points are not earned for the following ineligible transactions: finance charges, fees, cash advances, balance transfers, ATM transactions, overdraft transfers, convenience checks, and insurance charges posted to the Account. If multiple Card numbers are issued on the same Account, all points earned for each Card will be aggregated to a total points balance for that Account. All borrowers and authorized users will have access and may redeem reward points on the Account. See Reward Points Redemption for more information.

Reward Points Redemption. All borrowers and the authorized users of your Account may redeem accumulated reward points on the Account, regardless of which Card or user on the Account is responsible for the accumulation. Reward points are not considered your property and are generally non-transferrable to other programs or to others who are not listed on the account as a borrower or authorized user. The reward card benefit is administered by a third party. The Credit Union does not control the redemption options available through the reward card benefit provider or the redemption costs of an item or service. The Credit Union is not responsible for any inaccuracies in point accrual due to late or incorrect submissions, computer errors or any losses that may arise in connection to the use of these services. The number of rewards points required to redeem an item or service may change at any time without notice.

Reward Points Availability. In order to receive the reward card benefit (points stored and available for use) your Account must be open and in good standing at the time your points redemption request is made. An Account is not in good standing if closed, suspended, part of any bankruptcy, or past due. If the Account is closed by either you or us for any reason, all reward points that have been accumulated but unused will be forfeited. The Credit Union reserves the right to suspend your participation in the reward card benefit at any time. We reserve the right to alter the policies and the reward card benefit and will be the final authority on rewards credits and qualifications. Once your Account is closed the reward points are forfeited and may not be restored even if you qualify to re-open and/or open another Account.

Convenience Checks. We may, at our discretion, issue checks to you which may be used for any purpose other than making a payment for credit to your Account. By signing such check, you authorize us to pay the item for the amount indicated and post such amount as a cash advance to your Account. We do not have to pay any item which would cause the outstanding balance in your Account to exceed your credit limit.

Credit Information. We may from time to time request personal information from you or obtain credit reports from the credit reporting agencies for the purpose of updating your credit status. Your failure to provide such information when requested by us may result in suspension of credit privileges under this Agreement, including your ability to obtain any future advances by any means. You authorize us to investigate your credit standing when opening or reviewing your Account. You authorize us to disclose information regarding your Account to credit bureau and creditors who inquire about your credit standing.

Multi-Currency International Service Assessment. Charges in Foreign Currency and Cross Border Transactions are subject to the following:

Currency Conversion. If you effect or authorize a transaction with your Card in a currency other than United States dollars, VISA will convert the charge into a United States dollar amount. The Visa currency conversion procedure includes use of either a government mandated exchange rate, or a wholesale exchange rate selected by Visa, as applicable. The exchange rate Visa uses will be a rate in effect on the day the transaction is processed. This rate may differ from the rate in effect on the date of the purchase or the date the transaction was posted to your Account. A currency conversion fee, as disclosed on your Truth-in-Lending Statement and Rate and Fee Schedule, will be applied to transactions that are converted from foreign currencies to United States dollars.

Cross-Border Transaction. In addition, VISA charges us a cross-border assessment on each transaction on all cross-border transaction regardless of whether there is a currency conversion. For purposes of this section, "cross-border transaction" shall include both (a) transactions initiated in a foreign country, which are subsequently settled in the United States, and (b) transactions initiated in the United States but which are ultimately settled in a country outside of the United States. We will assess cross-border fees, as disclosed on your Truth-in-Lending Statement and Rate and Fee Schedule, to you to reimburse us for the fee we are required to pay for each of your transactions subject to these terms. The fee(s) will be shown on your periodic billing statement(s).

Termination; Change-in-Terms. We may, by written notice, terminate this Agreement at any time, subject to applicable law. You may terminate this Agreement by written notice. Termination by either party shall not affect your obligation to repay amounts owed for your Account resulting from use of the Card as well as Interest Charges and fees incurred. We may change the terms of this Agreement, including the method of calculating the periodic rate, at any time, by written notice, subject to applicable law. Use of the Card constitutes agreement and acceptance of any change in terms, unless applicable law requires otherwise. Our failure to exercise any of our rights or to take any action shall not constitute a waiver of those rights, or an amendment or change in any of the terms of this Agreement.

This is a variable rate Card. Changes in interest rates corresponding to changes in the index do not constitute a change in terms.

Arbitration Clause: This Agreement contains a provision permitting arbitration to resolve certain conflicts ("Arbitration Clause"), which is available upon request.

Lawsuit: You agree that any lawsuit based on a cause of action against us must be filed within one year from the date it arises, or you shall be barred from filing any lawsuit. This limitation includes tort, contract, and all other causes of action for which you and we may lawfully contract to limit.

**BY USING YOUR CARD, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS SET FORTH HEREIN.**

Late or Partial Payments. Any payment that delays the reduction of your balance will increase your total interest costs. Partial payments or prepayments will not delay your next scheduled payment - you will still need to make the minimum scheduled payment by the next scheduled due date to keep your Account current. We may accept late payments, partial payments, checks or money orders marked "payment in full" and such action shall not constitute final settlement of your Account or a waiver or forgiveness of any amounts owing under this Agreement.

Enforcement. We do not lose our rights under this or any related agreement if we delay enforcing them. If any provision of this or any related agreement is determined to be unenforceable or invalid, all other provisions remain in full force and effect.

You waive the right to receive notice of any waiver or delay of presentment, demand, protest or dishonor. You also waive any applicable statute of limitations to the full extent permitted by law and any right you may otherwise have to require the Credit Union to proceed against any person before suing you to collect.

Returns and Adjustments. Merchants and others who honor the Card may give credit for returns or adjustments, and they will do so by submitting a credit slip which will be posted to your account. If your credits and payments exceed what you owe us, the amount will be applied against future purchases and cash advances. If the credit balance amount is \$1 or more, it will be refunded upon your written or verbal request.

Plan Merchant Disputes. We are not responsible for the refusal of any plan merchant or financial institution to honor your Card. Also, we are not responsible for goods or services that you purchase with the Card unless: (a) your purchase was made in response to an advertisement we

sent or participated in sending you; or (b) your purchase cost more than \$50 and was made from a plan merchant in your state or within 100 miles of your home; and only if you have made a good faith attempt, but have been unable to obtain satisfaction from the plan merchant. You must resolve all other disputes directly with the plan merchant. We do not warrant any merchandise or services purchased by you with the Card.

Statements and Notices. Statements and notices will be mailed to you at the most recent postal address or e-mail address (if you have elected to receive such documents via electronic means) you have given us. Notice sent to any one of you will be considered notice to all.

Notification of Name, Address, and Employment Changes. You will notify us promptly if you change your name, address, or employment for any reason. In order to prevent identity theft, your identity may need to be verified before we act upon the notification.

Money Transfer Services. If you receive any transmittal amount from any Money Transfer Service (MTS) provider you agree to limit the daily amount to \$2,500. We may increase or decrease this limit from time to time or accept or decline any MTS request in our sole discretion or as allowed by regulation. Each transmittal amount that is sent to your Card will generally post to your Card within two business days after we receive the transmittal amount from the sender.

Copy Received. You acknowledge that you have received a copy of this Agreement.

Governing Law. This Agreement shall be construed under federal law and state law in the state in which we are primarily located, and the venue shall be located in the county and state in which we are primarily located. Operating regulations of Visa may also apply. This Agreement is the contract that applies to all transactions even though the sales, cash advance, convenience check, credit or other slips you sign or receive may contain different terms.

**IMPORTANT DISCLOSURES FOR ACTIVE MEMBERS OF THE MILITARY AND THEIR DEPENDENTS:**

The following applies if at the time this loan is made you are an active member of the military or a dependent (as those terms are defined in the Military Lending Act (MLA), 10 U.S.C. 987 and its implementing regulations ("MLA")), and (a) your loan is unsecured or secured by personal property or a vehicle that you did not purchase with the proceeds of the loan; or (b) it is otherwise determined by law that the MLA applies to your loan. If this loan is a revolving line of credit or credit card, the MLA ceases to apply at any time during which you are not a member of the military or a dependent (as defined in the MLA).

- 1. NOTICE:** Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: the costs associated with credit insurance premiums or debt protection fees; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specified credit transactions or accounts); and any participation fee charged (other than certain participation fees for a credit card account). To receive this notice verbally, please call toll-free 1-866-828-7715.
- This loan will not be secured by a consensual lien on shares or deposits in any of your accounts unless you agree to establish an account in connection with this loan ("Secured Account"). Only funds deposited into the Secured Account after the loan is made will secure this loan. Any cross-collateralization provision contained in your loan or account documents will not apply to the Secured Account or your other share or deposit accounts for any loan subject to the Military Lending Act. However, we reserve our statutory lien rights and rights to set-off or administrative freeze under federal or state law, which gives us the right to apply the sums in the Secured Account or any other account(s) you have with us to satisfy your obligations under this loan.
- Any reference in this consumer credit contract to the following are hereby inapplicable to your loan: (a) Mandatory arbitration; (b) Any requirement(s) to waive your rights to legal recourse under any applicable state or federal law; (c) Any demands or requirements construed as unreasonable notice from you in order to exercise your legal rights; or (d) Prepayment penalties.
- Any provisions in your consumer credit contract, loan, security, or account agreements that are determined to be inconsistent with or contradictory to these disclosures or the MLA (as they may be changed or amended from time to time) are inapplicable with regard to this loan. However, all other terms and conditions of the consumer credit contract shall remain in full force and effect.

**YOUR BILLING RIGHTS - KEEP THIS NOTICE FOR FUTURE USE**

This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

**What To Do If You Find A Mistake On Your Statement**

If you think there is an error on your statement, write to us at the address(es) listed on your statement.

In your letter, give us the following information:

1. Your name and account number.
2. The dollar amount of the suspected error.
3. If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us:

- Within 60 days after the error appeared on your statement.
- At least 3 business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

You must notify us of any potential errors in writing. You may call us, but if you do, we are not required to investigate any potential errors and you may have to pay the amount in question.

**What Will Happen After We Receive Your Letter**

When we receive your letter, we must do two things:

1. Within 30 days of receiving your letter, we must tell you that we received your letter. We will also tell you if we have already corrected the error.
2. Within 90 days of receiving your letter, we must either correct the error or explain to you why we believe the bill is correct.

While we investigate whether or not there has been an error:

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

**After we finish our investigation, one of two things will happen:**

- If we made a mistake: You will not have to pay the amount in question or any interest or other fees related to that amount.
- If we do not believe there was a mistake: You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount you owe and the date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe.

If you receive our explanation but still believe your bill is wrong, you must write to us within 10 days telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first \$50 of the amount you question even if your bill is correct.

**Your Rights If You Are Dissatisfied With Your Card Purchases**

If you are dissatisfied with the goods or services that you have purchased with your Card, and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the purchase.

To use this right, all of the following must be true:

1. The purchase must have been made in your home state or within 100 miles of your current mailing address, and the purchase price must have been more than \$50. (Note: Neither of these are necessary if your purchase was based on an advertisement we mailed to you, or if we own the company that sold you the goods or services.)
2. You must have used your Card for the purchase. Purchases made with cash advances from an ATM or with a check that accesses your Account do not qualify.
3. You must not yet have fully paid for the purchase.

If all of the criteria above are met and you are still dissatisfied with the purchase, contact us in writing at the address(es) listed on your statement.

While we investigate, the same rules apply to the disputed amount as discussed above. After we finish our investigation, we will tell you our decision. At that point, if we think you owe an amount and you do not pay, we may report you as delinquent.