



Card Holder Name
Address Line 1
Address Line 2
City, State Zip

September 12, 2016

RE: Card ending in XXXX

Dear Valued Cardholder,

We are excited to announce that beginning November 14, 2016 your current North Hawaii Community Visa® card will be replaced with a new HFS Federal Credit Union Visa® chip card. Your new HFS Visa® Credit Card has an outstanding set of features including:

- **Worldwide Recognition**
- **24-Hour Online Access** through HFS Online Banking
- **A Variable Rate** designed to be among the lowest available – in any interest rate environment
- **No Annual Fee** to minimize the cost of owning a credit card
- **EMV Chip Technology** embeds a microchip in your card to protect your data
- **Real-Time Payment** ensures that your card is available for use quickly
- **A Fresh Look** featuring artwork from the Big Island’s very own Extreme Exposure Art Gallery
- **Auto Rental Collision Damage Waiver** insuring your automobile rentals
- **\$500,000 Travel/Accident Insurance**
- **Travel and Emergency Assistance Services** should you require assistance while travelling
- **Local Servicing** at any HFS branch location
- **Earn UChoose Rewards®** on every purchase and redeem for cash back, gift cards, merchandise or travel

Please review the important information below and refer to the Change in Terms document and your new HFS Visa Credit Card Agreement included with this letter for additional details.

IMPORTANT DATES AND STEPS TO TAKE <input checked="" type="checkbox"/>	
October 24, 2016	<input type="checkbox"/> Look for your new Visa® chip card in the mail. Please allow seven to 10 business days for your card to arrive, and place this card in a secure location until activation day.
November 14, 2016	Old NHC FCU Visa® card becomes inactive at 12:45am HST
November 14, 2016	<input type="checkbox"/> Activate your new HFS Visa® chip card any time after 12:45am HST.
November 14, 2016	<input type="checkbox"/> Register your new card for UChoose Rewards by visiting www.uchooserewards.com

IMPORTANT INFORMATION ABOUT CHANGES TO YOUR ANNUAL PERCENTAGE RATE (APR)

Changes to your Annual Percentage Rate (APR) and applicable fees will take effect on November 11, 2016. Please reference the enclosed Change in Terms document for a complete description of the new card program.

We are excited to make our new Visa[®] chip card available to you. As with any card change, there are steps that you will need to take to ensure a smooth transition. For your convenience we have included answers to frequently asked questions. If you have any additional questions, please call us at 808-930-1400 or stop by any of our seven offices, island-wide.

Sincerely,

A handwritten signature in black ink, appearing to read "Nathan Abe", with a long horizontal flourish extending to the right.

Nathan N. Abe, President/Chief Executive Officer
HFS Federal Credit Union

FREQUENTLY ASKED QUESTIONS

Why am I receiving a new credit card?

All current North Hawaii Community Federal Credit Union (NHC FCU) Visa® card holders will be issued a new HFS Visa® chip card due to the merger between HFS Federal Credit Union and NHC FCU.

What is EMV?

EMV stands for Europay, MasterCard® and Visa®. EMV chip technology is becoming the global standard for credit card and debit card payments. This technology features credit cards with an embedded computer chip that stores and protects cardholder data. This standard has many names worldwide and may also be referred to as: "chip and PIN" or "chip and signature."

Will all merchants be able to accept my EMV (chip) credit card?

Yes. Your new chip card will be accepted at all merchant locations that accept Visa® as a form of payment.

Will my interest rate change as part of this conversion from a NHC FCU card to an HFS card?

Yes. Your HFS Visa® chip card has a new low interest rate. Please reference the enclosed Change in Terms document for a complete description of the new card program.

Will I have a new PIN number so I can access cash from my credit card?

Yes. You will need to select your unique PIN by calling the number on the activation label and choosing the PIN option.

My existing card does not expire for quite a while; can I continue using my existing card until expiration?

No. Your existing card will not work after November 14, 2016 at 12:45am HST. Instructions will come with your new card to ensure it is ready for use on or after November 14, 2016.

My spouse and I used to have the same credit card number, but now they are different. Why the change?

As a security feature, all credit cards will have a unique number even if they access the same credit card account.

Will I need to provide my new card number to companies that automatically charge my credit card on a monthly or recurring basis?

Yes. Any company that automatically charges your credit card will need the new card number and expiration date for any charges made **after** November 13, 2016.

Will I need to update any company or service that makes automatic payments to my card?

Yes. Please review all your automatic, recurring payments to ensure they have both the new card number and payment address. This will ensure any payments made to your card after November 13, 2016 will be applied correctly. The new payment address is:

P O Box 2711
Omaha, NE 68103-2711

Will I need to send my check payment to this address?

Yes. Any payments made after November 13, 2016 must go to this new address.

Will the due date for my credit card payment change?

For simplicity, all credit card due dates will now be the 26th of each month.

Will my previous card history transfer to my new card number so I have access to the information if needed?

Your previous card history will be retained for customer service inquiries. However, you will not be able to access statements/history online after November 11, 2016, so we recommend you save the statements to your computer or print hard copies before this date.



VISA CREDIT CARD CHANGE IN TERMS

Changes to your Visa Account: HFS Federal Credit Union (HFS) is making important changes to your Visa Credit Card Agreement. The following is a summary of changes that are being made to your Visa Account terms, including converting your Annual Percentage Rate (“APR”) from a Non-Variable APR to a Variable APR. The changes are being made because of the merger between HFS and North Hawaii Community Federal Credit Union (NHC) and the conversion from the NHC Visa credit card program to the HFS Visa credit card program.

IMPORTANT CHANGES TO YOUR ACCOUNT TERMS

The following is a summary of changes that are being made to your Visa Account terms. For more detailed information, please refer to the information below the table.

These changes will impact your Visa Account as follows:

Transactions posted on or after the Effective Date: Changes to the APR described below will apply to transactions posted on or after the Effective Date.

Transactions posted before the Effective Date: Your current APR will continue to apply to transactions posted before the Effective Date.

Effective Date: The changes to your APR will take effect on November 11, 2016 (the “Effective Date”).

Other Change Dates: Changes to fees occur November 11, 2016. Changes for the payment address, notices and billing inquiries occur November 14, 2016. Commencing December 1, 2016, the billing cycle begins on the first day and ends on the last day of each month, with monthly payments due on the 26th of each month.

You have the right to reject these changes. However, if you do reject these changes you will not be able to use your Visa Account for new transactions. You can reject the changes by calling us at (808) 930-1400, or toll free at 1-800-216-2666 before November 7, 2016. See “Opting Out” below for more information.

REVISED TERMS, AS OF THE EFFECTIVE DATE	
APR for Purchases	9.00% ¹ This APR will vary with the market based on the Prime Rate.
APR for Balance Transfers and Cash Advances	9.00% ¹ This APR will vary with the market based on the Prime Rate.
Penalty APR	None
Annual Fee	None
Transaction Fees	
- Balance Transfer Fee	None
- Cash Advance Fee	None
- Foreign Transaction Fee	1.00% of the transaction amount in U.S. dollars for transactions with a currency conversion 0.80% of the transaction amount in U.S. dollars for transactions without a currency conversion
Penalty Fees:	
- Late Payment Fee	Up to \$25.00 ²
- Over-the-Credit Limit Fee	None
- Returned Payment Fee	Up to \$25.00 ²

¹ **Variable APR:** The variable 9.00% ANNUAL PERCENTAGE RATE for Purchases, Balance Transfers and Cash Advances as of January 1, 2016 corresponds to a daily periodic rate of 0.0247%. The APR is subject to change on the first day of the billing cycle of each calendar quarter. The APR is based on the value of an index plus a margin. The index is the U.S. Prime Rate published in the "Money Rates" section of *The Wall Street Journal*. We will use the index value available 10 days prior to the first day of each calendar quarter (January, April, July and October). If the index is no longer available, we will select a new index based upon comparable information. We will add a margin of 5.50 percentage points to the index value to determine the APR. The APR will never be greater than 18.00%. Any increase in the APR will take the form of additional payments shown as Total Minimum Payments on the periodic statement. The Effective Date for changes to your APR is November 11, 2016.

Periodic Rates:

The Purchase APR is 9% which is a daily periodic rate of .0247%.

The Balance Transfer APR is 9% which is a daily periodic rate of .0247%.

The Cash Advance APR is 9% which is a daily periodic rate of .0247%

Margin:

Purchases will be charged at 5.50% above the Index.

Balance Transfers will be charged at 5.50% above the Index.

Cash Advances will be charged at 5.50% above the Index.

Current Month's Minimum Payment. 2.00% of our total new balance or \$35.00, whichever is greater.

Total Minimum Payment Due. The sum of any prior minimum payments that you have not made, any amount you are over your credit limit, plus the Current Month's Minimum Payment.

² **Fees:** The following changes apply as of November 11, 2016:

- Late Payment Fee: 10% of the current required minimum payment due if you are 10 or more days late; however, the fee will not exceed \$25.00.
- Returned Payment Fee: \$25.00 or your current required minimum payment due, whichever is less.
- Statement Copy Fee: \$5.00 per copy
- Document Copy Fee: \$25.00 per copy
- Rush Fee: \$80.00
- Card Replacement Fee: \$10.00
- Research Fee: \$25.00 per hour (minimum 1 hour)
- Emergency Card Replacement Fee: \$100.00 for requests originating and delivered inside the U.S.
- Emergency Card Replacement Fee: \$165.00 for requests originating or delivered outside the U.S.

Billing Cycle and Payment Due Date: Commencing on December 1, 2016, the billing cycle for your Visa Account will begin on the first day and end on the last day of each month, with monthly payments due on the 26th of each month.

Foreign Transactions. Purchases and cash advances made in foreign currencies will be debited from your account in U.S. dollars. The exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by Visa from a 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 exchange rate used on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date.

A fee (finance charge), calculated in U.S. dollars, will be imposed on all multiple currency foreign transactions, including purchases, cash advances and credits to your account. A fee (finance charge), calculated in U.S. dollars, will be imposed on all single currency foreign transactions, including purchases, cash advances and credits to your account. A foreign transaction is any transaction that you complete or a merchant completes on your card outside of the United States, with the exception of U.S. military bases, U.S. territories, U.S. embassies or U.S. consulates. The Foreign Transaction Fee is set forth on the Disclosure accompanying this Agreement.

PAYMENTS. Each month you must pay at least the total minimum payment shown on your statement by the date specified on the statement. You may pay more frequently, pay more than the total minimum payment or pay the total new balance in full. If you make extra or larger payments, you are still required to make at least the total minimum payment each month your account has a balance (other than a credit balance). The total minimum payment is 2.00% of your total new balance, or \$35.00 whichever is greater, plus the amount of any prior minimum payments that you have not made, all outstanding unpaid fees and charges, and any amount you are over your credit limit by the date specified on the statement. The Credit Union also has the right to demand immediate payment of any amount by which you are over your credit limit. In accordance with applicable law, the Credit Union may not post payments to your account or reflect them in your available credit limit on the date they are received. The Credit Union may delay replenishing your credit limit until the date the payment is posted or the Credit Union confirms the payment has cleared.

PAYMENT ALLOCATION. Unless otherwise required by law, payments will be applied in the following order: (a) fees and charges; (b) interest; (c) principal. However, in every case, in the event you make a payment in excess of the required minimum periodic payment, the Credit Union will allocate the excess amount first to the balance with the highest annual percentage rate and any remaining portion to the other balances in descending order based on applicable annual percentage rate.

GAMBLING TRANSACTIONS PROHIBITED. You may not use your card to initiate any type of gambling transaction.

Notice to the Credit Union: Section 12 of your Visa Credit Card Agreement is revised as of November 14, 2016 to include new contact information in the event of loss, theft, or unauthorized use:

LIABILITY FOR UNAUTHORIZED USE — LOST/STOLEN CARD NOTIFICATION — You agree to notify us immediately of the loss, theft, or unauthorized use of your credit card by calling us Toll Free at (844) 546-8218 or for International calls use: (571) 526-3632, seven days a week, 24 hours a day, or in writing at Card Services: PO Box 182477 Columbus, OH 43272-4935. You may be liable for the unauthorized use of your credit card. You will not be liable for unauthorized use that occurs after you notify us of the loss, theft, or possible unauthorized use. You will have no liability for unauthorized transactions made with your credit card, unless you are grossly negligent in the handling of your card. In any case, your liability will not exceed \$50.00.

Billing Rights: The Credit Union has modified the section titled “Your Billing Rights” to include new contact information as of December 1, 2016.

If you think there is an error on your Visa statement, write to us at:

Card Services
PO Box 182477
Columbus, OH 43272-4935

Your Rights if You are Dissatisfied With Your Credit Card Purchases:

If you are dissatisfied with the goods or services that you have purchased with your credit 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 credit card for the purchase. Purchases made with cash advances from an ATM or with a check that accesses your credit card 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 listed on your statement:

Card Services
PO Box 182477
Columbus, OH 43272-4935

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.

Additional Benefits/Card Enhancements: The Credit Union may from time to time offer additional services to your account, such as travel accidental insurance, at no additional cost to you. You understand that the Credit Union is not obligated to offer such services and may withdraw or change them at any time without prior notice. To find out the current benefits and enhancements, please contact the Credit Union or visit www.hfsfcu.org. For example, as of November 14, 2016, current benefits include \$500,000 of Travel Accident Insurance.

Opting Out: You can reject the changes to your Visa Account by calling us at (808) 930-1400, or toll free at 1-800-216-2666, or by writing to us at HFS Federal Credit Union 632 Kinoole Street, Hilo HI 96720 before November 7, 2016. Include your name, address and account number on your letter. If you opt-out, you can pay down your outstanding balance under your current terms; however your Visa Account will be closed and you will no longer be able to charge new purchases. If you opt-out and are using your Visa Account for any recurring payments, please contact the merchants who regularly or automatically bill your Visa Account to set up an alternative form of payment. Your current North Hawaii Community Federal Credit Union Visa Credit Card will no longer be accepted. If you do not want to opt-out, you do not need to send us any notice, and the changes described above will apply as of the dates specified.

Date: The information about the costs of your Visa Account and other terms is accurate as of January 1, 2016, but will not be effective until the Effective Date. This information may have changed after January 1, 2016. To find out what may have changed, please contact the Credit Union.

Please keep this document with your records.



VISA
CONSUMER CREDIT CARD AGREEMENT

In this Agreement, "Agreement" means this Consumer Credit Card Agreement. "Disclosure" means the Credit Card Account Opening Disclosure. The Account Opening Disclosure is incorporated into this Consumer Credit Card Agreement and is part of the Agreement. In this Agreement the words "you," "your," and "yours" mean each and all of those who agree to be bound by this Agreement; "card" means the Visa credit card and any duplicates, renewals, or substitutions the Credit Union issues to you; "account" means your Visa credit card line-of-credit account with the Credit Union; and "Credit Union" means the Credit Union whose name appears on this Agreement or anyone to whom the Credit Union transfers this Agreement.

1. USING YOUR ACCOUNT — If you are approved for an account, the Credit Union will establish a line of credit for you. You agree that your credit limit is the maximum amount (purchases, cash advances, finance charges, plus "other charges") which you will have outstanding on your account at any time. Unless disclosed otherwise, the Credit Union will not allow advances over the credit limit. If the Credit Union has a program whereby it allows payment of advances that exceed your credit limit, subject to a fee, the Credit Union will provide you with notice, either orally, in writing, or electronically (notwithstanding the requirements of the paragraph entitled "Statements and Notices") explaining your right to opt in to the Credit Union's program whereby it will honor advance requests over the credit limit. In the event you opt in to such a program, you agree to the terms of such a program. You may request an increase in your credit limit only by a method acceptable to the Credit Union. The Credit Union may increase or decrease your credit limit, refuse to make an advance and/or terminate your account at any time for any reason not prohibited by law. If you are permitted to obtain cash advances on your account, we may, from time to time, issue convenience checks to you that may be drawn on your account. Convenience checks may not be used to make a payment on your account balance. If you use a convenience check, it will be posted to your account as a cash advance. We reserve the right to refuse to pay a convenience check drawn on your account for any reason and such refusal shall not constitute wrongful dishonor.

You may request that we stop the payment of a convenience check drawn on your account. You agree to pay any fee imposed to stop a payment on a convenience check issued on your account. You may make a stop payment request orally, if permitted, or in writing. Your request must be made with sufficient time in advance of the presentment of the check for payment to give us a reasonable opportunity to act on your request. In addition, your request must accurately describe the check including the exact account number, the payee, any check number that may be applicable, and the exact amount of the check. If permitted, you may make a stop payment request orally but such a request will expire after 14 days unless you confirm your request in writing within that time. Written stop payment orders are effective only for six months and may be renewed for additional six month periods by requesting in writing that the stop payment order be renewed. We are not required to notify you when a stop payment order expires. If we re-credit your account after paying a check or draft over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to assign to us all of your rights against the payee or other holders of the check or draft and to assist us in any legal action. You agree to indemnify and hold us harmless from all costs and expenses, including attorney's fees, damages, or claims, related to our honoring your stop payment request or in failing to stop payment of an item as a result of incorrect information provided to us or the giving of inadequate time to act upon a stop payment request.

2. USING YOUR CARD — You understand that the use of your credit card or credit card account will constitute acknowledgement of receipt and agreement to the terms of the Credit Card Agreement and Credit Card Account Opening Disclosure (Disclosure). You may use your card to make purchases from merchants and others who accept your card. The credit union is not responsible for the refusal of any merchant or financial institution to honor your card. If you wish to pay for goods or services over the Internet, you may be required to provide card number security information before you will be permitted to complete the transaction. In addition, you may obtain cash advances from the Credit Union, from other financial institutions that accept your card, and from some automated teller machines (ATMs). (Not all ATMs accept your card.) If the credit union authorizes ATM transactions with your card, it will issue you a personal identification number (PIN). To obtain cash advances from an ATM, you must use the PIN issued to you for use with your card. You agree that you will not use your card for any transaction that is illegal under applicable federal, state, or local law. Even if you use your card for an illegal transaction, you will be responsible for all amounts and charges incurred in connection with the transaction. If you are permitted to obtain cash advances on your account, you may also use your card to purchase instruments and engage in transactions that we consider the equivalent of cash. Such transactions will be posted to your account as cash advances and include, but are not limited to, wire transfers and money orders. This paragraph shall not be interpreted as permitting or authorizing any transaction that is illegal.

3. PROMISE TO PAY — You promise to pay all charges (purchases, cash advances, balance transfers, use of convenience checks or any other charge) made to your account by you or anyone you authorize to use your account. You also promise to pay all finance charges and other charges added to your account under the terms of this Agreement or another agreement you made with the Credit Union. If this is a joint account, the paragraph on JOINT ACCOUNTS also applies to your account.

4. PERIODIC RATES — The periodic rates applicable to purchases, cash advances, and balance transfers are disclosed on the Disclosure that accompanies this Agreement. Any penalty rate that may be imposed for failing to make a payment by the payment due date is also disclosed on the Disclosure. Any rate change will be made pursuant to applicable law. If the rate for your account is variable, as indicated on the accompanying Disclosure, the rate charged on purchases, cash advances, balance transfers and any penalty rate will vary periodically as disclosed in the Disclosure accompanying this Agreement. The initial rate on your account for certain types of transactions may be an introductory discounted rate (Introductory Rate) that is lower than the rate that would ordinarily apply for that type of transaction. If an Introductory Rate applies to your account, the rates and the period of time it will be effective is shown on the Disclosure accompanying this Agreement. After the Introductory Rate period expires, the periodic rate will automatically increase to the rates that would ordinarily apply for that type of transaction based on the terms of this Agreement.

5. FINANCE CHARGES — New purchases posted to your account during a billing cycle will not incur a finance charge for that billing cycle if you had a zero or credit balance at the beginning of that billing cycle, or you paid the entire new balance on the previous cycle's billing statement by the payment due date of that statement; otherwise a finance charge will accrue from the date a purchase is posted to your account. To avoid an additional finance charge on the balance of purchases, you must pay the entire new balance on the billing statement by the payment due date of that statement. A finance charge begins to accrue on cash advances from the date you get the cash advance or from the first day of the billing cycle in which the cash advance is posted to your account, whichever is later (transaction date).

The finance charge is calculated separately for purchases and cash advances. For purchases, the finance charge is computed by applying the periodic rate to the average daily balance of purchases. To calculate the average daily balance of purchases, we take the beginning outstanding balance of purchases each day, add any new purchases, and subtract any payments and/or credits. This gives us the daily balance of purchases. We then add all of the daily balances of purchases for the billing cycle together and divide the total by the number of days in the billing cycle. This gives us the average daily balance of purchases.

For cash advances, the finance charge is computed by applying the periodic rate to the average daily balance of cash advances. To calculate the average daily balance of cash advances, we take the beginning outstanding balance of cash advances each day, add in any new cash advances, and subtract any payments and/or credits that we apply to the cash advance balance. This gives us the daily balance of cash advances. We then add all of the daily balances of cash advances for the billing cycle together and divide the total by the number of days in the billing cycle. This gives us the average daily balance of cash advances. Balance transfers are calculated in the same manner as cash advances.

6. FOREIGN TRANSACTIONS — Purchases and cash advances made in foreign currencies will be debited from your account in U.S. dollars. The exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by Visa from a 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 exchange rate used on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date.

A fee (finance charge), calculated in U.S. dollars, will be imposed on all multiple currency foreign transactions, including purchases, cash advances and credits to your account. A fee (finance charge), calculated in U.S. dollars, will be imposed on all single currency foreign transactions, including purchases, cash advances and credits to your account. A foreign transaction is any transaction that you complete or a merchant completes on your card outside of the United States, with the exception of U.S. military bases, U.S. territories, U.S. embassies or U.S. consulates. The Foreign Transaction Fee is set forth on the Disclosure accompanying this Agreement.

7. FEES — In addition to the periodic rate, the following additional fees may be imposed on your account. If applicable to your account, the fee amounts and explanations are disclosed on the Disclosure accompanying this Agreement. Your account may also be subject to additional fees as set forth on the Disclosure accompanying this Agreement.

a. Annual Fee. If your account is subject to an Annual Fee, the fee will be charged to your account. The fee may be charged each year until your account is closed and/or paid in full.

b. Balance Transfer Fee (Finance Charge). If your account is subject to a Balance Transfer Fee (finance charge), the fee as disclosed on the Disclosure accompanying this Agreement will be charged to your account when you transfer a balance from an account of another creditor to the account subject to this Agreement.

c. Cash Advance Fee (Finance Charge). If your account is subject to a Cash Advance Fee (finance charge), the fee will be charged to your account when you obtain a cash advance from an ATM, the Credit Union or other financial institution.

d. Foreign Transaction Fee (Finance Charge). If your account is subject to a Foreign Transaction Fee (finance charge), a fee may be charged to your account for transactions made outside of the United States or in a foreign currency.

e. Late Payment Fee. If your account is subject to a Late Payment Fee, the fee will be charged to your account when you do not make the required minimum payment by or within the number of days of the statement Payment Due Date set forth on the Disclosure accompanying this Agreement.

f. Returned Payment Fee. If your account is subject to a Returned Payment Fee, the fee will be charged to your account when a payment is returned for any reason.

g. Statement Copy Fee. If your account is subject to a Statement Copy Fee, except as limited by applicable law and when the request is made in connection with a billing error made by the Credit Union, a fee may be charged to your account for each copy of a statement that you request.

h. Document Copy Fee. If your account is subject to a Document Copy Fee, except as limited by applicable law, a fee may be charged to your account for each copy of a sales draft or statement that you request (except when the request is made in connection with a billing error made by the Credit Union).

i. Rush Fee. If your account is subject to a Rush Fee, except as limited by applicable law, a fee may be charged to your account for each rush card that you request, providing delivery of the card is also available by standard mail service, without paying a fee for delivery.

j. Card Replacement Fee. If your account is subject to a Card Replacement Fee, a fee will be charged for each replacement card that is issued to you for any reason.

k. Research Fee. If your account is subject to the Research Fee, a fee will be charged to your account as disclosed on the Disclosure accompanying this Agreement.

l. Emergency Card Replacement Fee. If your account is subject to the Emergency Card Replacement Fee, a fee will be charged to your account as disclosed on the Disclosure accompanying this Agreement.

8. PAYMENTS — Each month you must pay at least the total minimum payment shown on your statement by the date specified on the statement. You may pay more frequently, pay more than the total minimum payment or pay the total new balance in full. If you make extra or larger payments, you are still required to make at least the total minimum payment each month your account has a balance (other than a credit balance). The total minimum payment is 2.00% of your total new balance, or \$35.00, whichever is greater, plus the amount of any prior minimum payments that you have not made, all outstanding unpaid fees and charges, and any amount you are over your credit limit by the date specified on the statement. The Credit Union also has the right to demand immediate payment of any amount by which you are over your credit limit. In accordance with applicable law, the Credit Union may not post payments to your account or reflect them in your available credit limit on the date they are received. The Credit Union may delay replenishing your credit limit until the date the payment is posted or the Credit Union confirms the payment has cleared.

9. PAYMENT ALLOCATION — Unless otherwise required by law, payments will be applied in the following order: (a) fees and charges; (b) interest; (c) principal. However, in every case, in the event you make a payment in excess of the required minimum periodic payment, the Credit Union will allocate the excess amount first to the balance with the highest annual percentage rate and any remaining portion to the other balances in descending order based on applicable annual percentage rate.

10. SECURITY INTEREST — You grant the Credit Union a security interest under the Uniform Commercial Code and under any common law rights the Credit Union may have in any goods you purchase. If you give the Credit Union a specific pledge of shares by signing a separate pledge of shares, your pledged shares will secure your account. You may not withdraw amounts that have been specifically pledged to secure your account until the Credit Union agrees to release all or part of the pledged amount.

Your Account is secured by all other shares you have in any individual or joint account with the Credit Union, except for shares in an Individual Retirement Account or in any other account that would lose special tax treatment under state or federal law if given as security. These other shares may be withdrawn unless you are in default under this agreement. You authorize the Credit Union to apply the balance in your individual or joint share accounts to pay any amounts due on your Account if you should default.

Collateral securing other loans you have with the Credit Union may also secure this loan, except that a dwelling will never be considered as security for this account, notwithstanding anything to the contrary in any other agreement.

11. DEFAULT — You will be in default if you fail to make any minimum payment or other required payment by the date that it is due. You will be in default if you break any promise you make under this Agreement. You will be in default if you die, file for bankruptcy or become insolvent, that is, unable to pay your obligations when they become due. You will be in default if you make any false or misleading statements in any credit application or credit update. You will also be in default if something happens that the Credit Union believes may substantially reduce your ability to repay what you owe.

When you are in default, the Credit Union has 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 finance charges at the periodic rate charged before default, 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.

12. LIABILITY FOR UNAUTHORIZED USE — LOST/STOLEN CARD NOTIFICATION — You agree to notify us immediately of the loss, theft, or unauthorized use of your credit card by calling us Toll Free at (844) 546-8218 or for International calls use: (571) 526-3632, seven days a week, 24 hours a day, or in writing at Card Services: PO Box 182477 Columbus, OH 43272-4935. You may be liable for the unauthorized use of your credit card. You will not be liable for unauthorized use that occurs after you notify us of the loss, theft, or possible unauthorized use. You will have no liability for unauthorized transactions made with your credit card, unless you are grossly negligent in the handling of your card. In any case, your liability will not exceed \$50.00.

13. CHANGING OR TERMINATING YOUR ACCOUNT — As permitted by law, the Credit Union may change the terms of this Agreement and any attached Disclosure from time to time. Notice of any change will be given in accordance with applicable law. If permitted by law and specified in the notice to you, the change will apply to your existing account balance as well as to future transactions.

Either you or the Credit Union may terminate this Agreement at any time, but termination by you or the Credit Union will not affect your obligation to pay the account balance plus any finance and other charges you owe under this Agreement. Your obligation to pay the account balance plus any finance and other charges you owe under this agreement are subject to all applicable laws and regulations regarding repayment requirements. You are also responsible for all transactions made to your account after termination, unless the transactions were unauthorized.

The card or cards you receive remain the property of the Credit Union and you must recover and surrender to the Credit Union all cards upon request or upon termination of this Agreement whether by you or the Credit Union. If this is a joint account, the paragraph on JOINT ACCOUNTS of this Agreement also applies to termination of the account.

14. CHANGING OR TERMINATING AUTHORIZED USERS — Upon your request, we may issue additional cards for authorized users that you designate. You must notify us in writing of any termination of an authorized user's right to access your account. Your letter must include the name of the authorized user and your account number and/or any subaccount number issued to the authorized user along with the authorized user's card and any convenience or other access checks issued to the authorized user. If you cannot return the authorized user's card or access checks and if you request your account to be closed, we will close your account and you may apply for a new account.

15. CREDIT REVIEW AND RELEASE OF INFORMATION — You authorize the Credit Union to investigate your credit standing when opening or reviewing your account. You authorize the Credit Union to disclose information regarding your account to credit bureaus and creditors who inquire about your credit standing. If your account is eligible for emergency cash and/or emergency card replacement services, and you request such services, you agree that we may provide personal information about you and your account that is necessary to provide you with the requested service(s).

16. RETURNS AND ADJUSTMENTS — Merchants and others who honor your card may give credit for returns or adjustments, and they will do so by sending the Credit Union a credit slip which will be posted to your account. If your credits and payments exceed what you owe the Credit Union, the amount will be applied against future purchases and cash advances. If the credit balance amount is \$1.00 or more, it will be refunded upon your written request or automatically after six months.

17. ADDITIONAL BENEFITS/CARD ENHANCEMENTS — The Credit Union may from time to time offer additional services to your account, such as travel accident insurance, at no additional cost to you. You understand that the Credit Union is not obligated to offer such services and may withdraw or change them at any time.

18. MERCHANT DISPUTES — The Credit Union is not responsible for the refusal of any merchant or financial institution to honor your card. The Credit Union is subject to claims and defenses (other than tort claims) arising out of goods or services you purchase with the card if you have made a good faith attempt but have been unable to obtain satisfaction from the merchant or service provider, and (a) your purchase was made in response to an advertisement the Credit Union sent or participated in sending to you; or (b) your purchase cost more than \$50.00 and was made in your state or within 100 miles of your home.

19. JOINT ACCOUNTS — If this is a joint account, each of you will be individually and jointly responsible for paying all amounts owed under this Agreement. This means that the Credit Union can require any one of you individually to repay the entire amount owed under this Agreement. Each of you authorizes the other(s) to make purchases or cash advances individually. Any one of you may terminate the account and the termination will be effective as to all of you.

20. EFFECT OF AGREEMENT — This Agreement is the contract which applies to all transactions on your account even though the sales, cash advances, credit or other slips you sign or receive may contain different terms.

21. NO WAIVER — The Credit Union can delay enforcing any of its rights any number of times without losing them.

22. STATEMENTS AND NOTICES — Statements and notices will be mailed or delivered to you at the appropriate address you have given the Credit Union. Notice sent to any one of you will be considered notice to all.

23. SEVERABILITY AND FINAL EXPRESSION — This Agreement and the Disclosure are the final expression of the terms and conditions of your account. This written Agreement and Disclosure may not be contradicted by evidence of any alleged oral agreement. Should any part of this Agreement or the Disclosure be found to be invalid or unenforceable, all other parts of this Agreement and Disclosure shall remain in effect and fully enforceable to the fullest extent possible under this Agreement.

24. COPY RECEIVED — You acknowledge that you have received a copy of this Agreement and Disclosure.

25. GAMBLING TRANSACTIONS PROHIBITED — You may not use your card to initiate any type of gambling transaction.

26. PENALTY RATE DISCLOSURES — If applicable to your account, all rates for your account, including the rates for purchases, cash advances, and balance transfers, will increase to the Penalty Rate when you meet one or more of the conditions as set forth in the Disclosure accompanying this Agreement. Any rate increases applied to your account are subject to applicable notice requirements. Please refer to the Disclosure for additional information regarding the Penalty Rate.

27. NOTICE TO UTAH BORROWERS — This written agreement is a final expression of the agreement between you and the Credit Union. This written agreement may not be contradicted by evidence of any oral agreement.

28. THE FOLLOWING IS REQUIRED BY VERMONT LAW — NOTICE TO CO-SIGNER — YOUR SIGNATURE ON THIS NOTE MEANS THAT YOU ARE EQUALLY LIABLE FOR REPAYMENT OF THIS LOAN. IF THE BORROWER DOES NOT PAY, THE LENDER HAS A LEGAL RIGHT TO COLLECT FROM YOU.

Your Billing Rights: Keep this Document 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:

Card Services

PO Box 182477

Columbus, OH 43272-4935

In your letter, give us the following information:

- **Account information:** Your name and account number.
- **Dollar amount:** The dollar amount of the suspected error.
- **Description of problem:** 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** or electronically. 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 Credit Card Purchases

If you are dissatisfied with the goods or services that you have purchased with your credit 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 credit card for the purchase. Purchases made with cash advances from an ATM or with a check that accesses your credit card 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 listed on your statement:

Card Services

PO Box 182477

Columbus, OH 43272-4935

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.