
VISA CLASSIC CREDIT CARD ACCOUNT AGREEMENT

This Agreement covers the Visa Classic Credit Card Account issued by PrimeSource Credit Union ("Credit Union"). In this Agreement the words "you," "your," "yours," "applicant," and "Borrowers" mean any person who signs the application for this Account, any joint obligor, guarantor, authorized user, or the person whose name is embossed on the Card. The words "we," "us," "our," and "Credit Union" mean PrimeSource Credit Union. The word "Card" means any one or more credit cards issued under this Account. **If you sign an application for this Account or sign or use any Card or PIN, or allow others to use the Card or PIN, you and they will have accepted this Agreement just as if you and they signed it, and you and they, jointly and severally, will be bound by the following terms and conditions which will govern this Account.**

- 1. You Promise to Pay.** You promise to pay us all amounts, plus any **FINANCE CHARGES**, which arise from use of the Card or Account by you or any other person, and to be jointly and severally liable with such a person, unless such other person does not have actual, implied, or apparent authority for such use, and you received no benefit from the use. You promise to pay us either by direct payment or by automatic transfers from shares or by payroll deduction.
- 2. Purchases And Cash Advances.** You must sign the Card to use it. Once you have signed the Card, you can use it to buy or lease goods, services, or insurance wherever the Card is honored, up to the full amount of your Credit Line. You may use your Account to get cash advances from us. You may also use your Card to get a cash advance from participating financial institutions and to access your line of credit at automatic teller machines (ATMs) within the VISA network or any other ATMs we designate.
- 3. Balance Transfers.** After account opening you may request credit card balance transfers of your account balances at another institution. Balance transfer transactions will be treated as cash advances for interest accrual.
- 4. Loan Drafts.** If we approve, you may obtain advances under your account by writing preprinted loan drafts that we supply to you. Your use of loan drafts will be shown as credit advances on your monthly statement. We may not honor your loan draft if your draft is postdated, payment of the draft will exceed your credit limit, a draft is signed by a person without authorized access, the amount of the draft is less than the minimum required amount, your account has been terminated or suspended, or any drafts have been reported lost or stolen. You may stop payment on a loan draft if you provide us with the exact information describing the draft. If you give us incorrect information, we will not be responsible for failing to stop payment. You understand there may be a charge for loan draft printing and charges for stop payment requests, returned items, draft copies, and other fees or costs we incur in handling your loan drafts. Our liability for a wrongful dishonor is limited to your actual losses; however, a dishonor for the reasons stated above is not a wrongful dishonor.
- 5. Credit Line.** If we approve your application, this Agreement will constitute a revolving line of credit for an amount which will be the Credit Line under your Account. We will advise you of the amount of your Credit Line. That amount will be the maximum amount you may have outstanding at any one time. You agree not to attempt to obtain more credit than the amount of your Credit Line. However, if you temporarily exceed your Credit Line, you agree to pay any overlimit fees and repay the excess immediately, even if we have not yet billed you. Obtaining such credit does not increase your Credit Line. We retain the right to increase or decrease your Credit Line at any time for any reason. Any increase or reduction in the amount of your Credit Line will be shown on your monthly statement or by separate notice together with any changes in the applicable Minimum Monthly Payments. Your eligibility for this Credit Line is determined by our loan policy and may be terminated at our sole discretion, without demand or notice. You may close your Credit Line at any time by notifying us in writing and returning all Cards cut in half. If you terminate this Agreement or if we terminate or suspend your credit privileges, the provisions of this Agreement and your liability hereunder shall otherwise remain in full force and effect until you have paid us all sums due us under this Agreement and returned all Cards.
- 6. Overdraft Protection.** If we approve overdraft protection, you may access your Account by overdrawing your checking account. We will treat any overdraft item as a request for a loan advance on your Account. Overdraft transfers will be made in increments of \$100. You understand that any owner on your checking account may obligate you to repay overdraft advances by overdrawing the checking account.

7. **Minimum Monthly Payment.** You agree that you will pay each month not less than the Minimum Monthly Payment on or before the scheduled monthly due date. Minimum Monthly Payments include all amounts past due, late charges, any balance over the limit, and the minimum regular payment. The minimum regular payment will be equal to 2% of the outstanding balance, or \$10, whichever is greater. If your outstanding balance is \$10 or less, you agree to pay the entire balance. Every month you must pay the Minimum Payment by the due date shown on your statement. You may pay in full for all your purchases and cash advances each month, or you may repay in monthly installments. We can accept late payments or partial payments, or checks, drafts, and money orders marked "payment in full," without prejudice to our rights under this Agreement, which are hereby explicitly reserved. To the extent permitted by law, payments will be applied first to fees or charges, then to previously billed and unpaid **FINANCE CHARGES**, previously billed and unpaid purchases and cash advances, and the remainder, if any, to any new purchases.
8. **Security Interest.** By signing your application, to secure your Account, you grant us a purchase money security interest under the Uniform Commercial Code in any goods purchased through your Account. If you default, we will have the right to recover any of these goods which have not been paid for through application of your payments in the manner described above. In addition, you agree that all collateral you give (or have given) the Credit Union to secure other loan obligations (except real estate or a dwelling) in the past and in the future, also secures your obligations under this Agreement. You also give us a security interest in all of your share or deposit accounts (except for Individual Retirement Accounts and Keogh accounts) with the Credit Union. You agree that we may apply the balance in any individual or joint account on which you are an owner to pay any amounts owed under this Account without further notice to you.
9. **Periodic Statements.** Each month, if your outstanding balance exceeds \$1, we will send you a statement showing purchases, cash advances, payments, and credits made to your Account during the billing cycle, your Previous Balance, your "New Balance," any **FINANCE CHARGE**, and any other charges. Your statement also will identify the remaining credit limit available and the Minimum Monthly Payment you must make for that billing period and the date it is due. You agree to retain for statement verification copies of transaction slips resulting from each purchase, each advance, and other transaction on your Account. Unless you notify us of a billing error as described below, you accept your monthly statement as an accurate statement of your Account with us.
10. **Circumstances Under Which a FINANCE CHARGE Will Be Imposed.** The total outstanding balance of purchases and cash advances in the Account on the closing date of a billing cycle, including any **FINANCE CHARGE** will be shown on the Periodic Statement for that billing cycle as the "New Balance."
 - a. **Cash Advances.** A **FINANCE CHARGE** will be imposed on cash advances from the date each cash advance is made, and will continue to accrue until the date of payment.
 - b. **Purchases.** Your due date will be at least 23 days after the closing date. A **FINANCE CHARGE** will be imposed on the unpaid portion of purchases included in the new balance when the entire new balance is not paid in full by the due date shown on the statement. This "grace period" allows you to avoid a **FINANCE CHARGE** on purchases for a billing cycle (if there is no unpaid purchase balance from the prior cycle). If you do not pay within the grace period, your **FINANCE CHARGE** will accrue from the first day of the billing cycle in which payment is due, and will accrue on any unpaid purchase transactions from the date of purchase.
11. **Method Used to Determine The Balance on Which The FINANCE CHARGE May Be Computed And Amount of FINANCE CHARGE.** The Credit Union figures the **FINANCE CHARGE** on your Account by applying the Periodic Rate separately to the "Average Daily Balance" of purchases, balance transfers and cash advances for your Account. The "Average Daily Balance" is determined by dividing the sum of the daily balances during each billing cycle by the number of days in the cycle. Each daily balance of cash advances and credit purchases is determined by adding to the outstanding balance of cash advances and credit purchases at the beginning of the billing cycle any new cash advances and credit purchases posted to your account and subtracting any payments as received and credits as posted to your account, but excluding any unpaid Finance Charges.
12. **Periodic Rate And Corresponding ANNUAL PERCENTAGE RATE.** The Periodic Rate that is used to compute the **FINANCE CHARGE** and the corresponding **ANNUAL PERCENTAGE RATE** will be disclosed to you at the time you open your Account on a document that is incorporated into this Agreement.
13. **Conditions under Which Other Charges May Be Imposed.** We may impose fees and charges on your Account as set forth below. The Credit Union reserves the right to assess other fees in the future, including a late payment fee. You will be notified of any new fees as required by law.

- a. **Annual Fee.** You will pay an annual fee of \$20.00. This fee will be charged on the first statement after your account is opened, and each 12 months thereafter.
- b. **Late Fee.** You agree to pay a late fee equal to \$25 for each minimum payment not paid within 10 days of the due date.
- c. **Returned Check Charge.** A \$25 charge will be assessed against your Account when a check submitted for payment on the Account is returned, regardless of the reason.
- d. **Card Replacement Fee.** You will pay a \$6.00 fee for each replacement card that you request.
- e. **Foreign Transaction Fee.** A fee equal to 0.8% percent of the amount of the transaction will be charged for all transactions conducted in U.S. dollars with a merchant or institution that is located outside the U.S. A fee equal to 1.0% percent of the amount of the transaction (calculated in U.S. dollars) will be charged for all transactions conducted in foreign currency with a merchant or institution that is located outside the U.S.
- f. **Research and Copying Fees.** We may charge you \$10 for each copy, or \$25 for each original sales draft and \$25 per hour of research required if you request copies of any items or documents related to your Account. If the request relates to a billing error and we determine that a billing error was made, any photocopying charges will be refunded.
- g. **Attorney's Fees and Costs.** If you default on any part of this Agreement, you agree to pay us all costs to collect your Account, including court costs and reasonable attorney fees whether or not there is a lawsuit, and fees on any appeal and fees for bankruptcy proceedings, appeals, and any post judgment collection services, if applicable. These fees and costs may be added to your Account balance and will bear interest at the **ANNUAL PERCENTAGE RATE** in effect at that time.

14. **Conditions of Card Use.** The use of your Card and Account are subject to the following conditions:

- a. **Use.** Your Card and Account may be used only for valid and lawful purposes. You may not use your Card (i) to make Purchases or obtain Cash Advances for any illegal transaction, or (ii) for any internet or online gambling transactions. If you use your Card for any illegal or prohibited transaction, this Agreement also applies to such transaction and you agree to pay any and all amounts related to such transaction pursuant to the terms of this Agreement. We may, at our sole discretion and without warning, restrict the use of or terminate your Card if we notice excessive use of your Card or other suspicious activities or if we reasonably believe the Card is or has been used for one or more illegal or prohibited transactions.
- b. **Ownership of Cards.** Any Card or other credit instrument or device which we supply to you is our property and must be returned to us, or to any person whom we authorize to act as our agent, or to any person who is authorized to honor the Card, immediately according to instructions. The Card may be repossessed at any time in our sole discretion without demand or notice. You cannot transfer your Card or Account to another person.
- c. **Honoring the Card.** We may decline to honor any transaction for any reason. Neither we nor merchants authorized to honor the Card will be responsible for the failure or refusal to honor the Card or any other credit instrument or device we supply to you. If a merchant agrees to give you a refund or adjustment, you agree to accept a credit to your Account in lieu of a cash refund. You may not use the Card or Account for any transaction that is illegal or unlawful. We may refuse to authorize any transaction that we believe may be illegal or unlawful.
- d. **Foreign Transactions.** Purchases and cash advances made in foreign countries and foreign currencies will be billed to you in U.S. dollars. The exchange rate used to convert the transaction to U.S. dollars will be 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.
- e. **Notices and Payments.** All notices will be sent to your address as shown in the application. You agree to advise us promptly in writing if you change your mailing address. All payments should be mailed to us at the remittance address shown on your monthly statements. Payments received at that address will be credited to your Account as of the date received. Written notices and inquiries to us must be sent to:

PrimeSource Credit Union
9707 N. Nevada St.
Spokane, WA 99218
(800) 808-7230

- f. Personal Identification Number.** If we issue you a Personal Identification Number (“PIN”) for use with your Card in accessing your Account at automatic teller machines (“ATMs”), these numbers are issued to you for your security purposes. These numbers are confidential and should not be disclosed to third parties. You are responsible for safekeeping your PIN. You agree not to disclose or otherwise make available your PIN to anyone not authorized to sign on your Accounts. To keep your Account secure, please do not write your PIN on your Card or keep it in the same place as your Card.
15. **Default.** You will be in default under this Agreement if any of the following occur: (a) Any Minimum Monthly Payment is not made when due; (b) You become insolvent, bankrupt, or you die; (c) You violate any part of this Agreement, or any other agreement with us; (d) if we reasonably deem ourselves insecure with respect to your Account; or (e) you make any false or misleading statements on a credit application to the Credit Union. Upon default, we may declare the entire unpaid balance immediately due and payable, and you agree to pay that amount plus any attorney’s fees and costs incurred by us. We can delay enforcing any right under this Agreement without losing that right or any other right. We will notify you in writing of any such action as soon as practical if it occurs.
16. **Governing Law.** This Agreement will not take effect until it is approved by us. This Agreement shall be governed by the laws of the State of Washington.
17. **Severability.** If any provision of this Agreement is held invalid, the remaining provisions that are severable shall remain in effect.
18. **Loss or Theft of Card.** You agree to notify us immediately at PrimeSource Credit Union, 9707 N. Nevada St., Spokane, WA 99218 (800) 808-7230 or (800) 991-4964 after hours of the loss, theft or unauthorized use of your Card. You may be liable for the unauthorized use of your Card. You will not be liable for any losses provided you promptly notify us and you were not grossly negligent or fraudulent in handling your Card. In any event, your liability for unauthorized VISA credit card transactions shall not exceed \$50.
19. **Credit Information/financial Statements.** You authorize us to release information to others (e.g., credit bureaus, merchants, and other financial institutions) regarding the status and history of your Credit Line. You agree to provide us, at any time we deem necessary, with a current financial statement and/or a new credit application upon request. We may investigate your credit directly or through a credit reporting agency.
20. **Acknowledgment and Amendments.** You understand and agree to the terms and conditions in this Agreement and the Fair Credit Billing Notice made a part hereof. You also understand and agree that you may be subject to other agreements with us regarding transfer instruments or access devices which may access your credit line. We reserve the right to amend the terms of this Agreement at anytime as permitted by and subject to any limitations and notice requirements of applicable law.
21. **Billing Errors Notice, Your Billing Rights.**
22. **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: PrimeSource Credit Union, PO Box 48275, Spokane, WA 99228. 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. 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 above address. 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.

23. Military Lending Disclosures. The following disclosures are provided and apply to a borrower who is a Covered Member or a dependent of a Covered Member as described below.

- a. **Borrower Certification of Active Duty.** By requesting a Credit Card you certify to the Credit Union that you are a Covered Member as a member of the Armed Forces who is currently serving on active duty (under a call or order not less than 30 days), Active Guard and Reserve duty, or you are dependent of the Covered Member. You authorize the Credit Union to verify your status as a Covered Member or dependent by obtaining information from the database of the Department of Defense or from a consumer report obtained from a consumer reporting agency.

- b. Military Annual Percentage Rate.** 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%. This rate must include, as applicable to the credit transaction or account: the costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for a credit card account); and any participation fee charged (other than certain participation fees for a credit card account).
- c. Payment Obligation.** Your payment obligation under your Credit Card Account is set forth in Sections 1 and 5 above.
- d. Security Interest.** The Credit Union's security interest in all your Credit Union shares or deposits pursuant to the Visa Classic Credit Card Account Agreement will not apply your Credit Card Account. A security interest in shares or deposits granted in connection with any other credit card account, loan or line of credit does not secure the Credit Card Account under this Agreement, in spite of any provision that collateral securing one loan secures all of your other Credit Union obligations. However, if you establish a deposit or share account specifically in connection with your Credit Card Account, funds deposited in that account after you establish the Credit Card Account are subject to our security interest as set forth above in the Agreement.
- e. Credit Union Toll-Free Telephone Number** – (800) 660-0444. Call this number for verbal information about the Military Annual Percentage Rate and your payment obligation.