VISA®

CREDIT CARD AGREEMENT

Valley Oak Credit Union
P. O. Box 279, Three Rivers, CA 93271

NOTICE: See reverse side for important information regarding your rights to dispute billing errors.

In this Agreement, the words *you* and *your* mean the person or persons who use or authorize the use of, or who sign an application for, a Valley Oak Credit Union VISA Credit Card. *Card* means the Valley Oak Credit Union VISA credit card and any duplicates and renewals the Credit Union issues to you. *Account* means your VISA credit card line of credit account with the Credit Union. *Credit Union* means Valley Oak Credit Union.

1. Using the Account. If your application for a VISA credit card account is approved, the Valley Oak Credit Union will establish a line of credit for you and notify you of its amount when the card is sent to you. You agree not to let your account balance exceed your approved credit limit. Each payment you make on the account will restore your credit limit by the amount of the payment which is applied to the principal amount of purchases and cash advances. You may request an increase in your credit limit only by written application submitted to the Credit Union. The Credit Union has the right to reduce or terminate your credit limit at any time.

2. Using the Card. You may use your card to purchase goods and services in person, and by mail or telephone from merchants and others who accept VISA credit cards. In addition, you may obtain cash advances from the Credit Union, from other financial institutions participating in the VISA program and from automated teller machines (ATMs), such as VISA ATM Network, that provide access to the VISA system. (Not all ATMs provide such access.) You will need to use your Personal Identification Number (PIN) to obtain a cash advance from an ATM.

3. Illegal Use of VISA Credit Card. You agree that your VISA Credit Card Account will not be used to make or facilitate any transaction(s) that are or might be construed to be illegal pursuant to applicable law, rule or ordinance, including but not limited to gambling. Said use, including any such authorized use, will constitute an event of default under this Agreement. You agree that the Credit Union has no liability, responsibility or culpability whatsoever for any such use by you or any authorized user(s). You agree that you are responsible for repayment of any and all debts incurred for these transactions. You further agree to indemnify and hold the Credit Union harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from such illegal use.

4. Responsibility. You agree to pay all charges (purchases and cash advances) to your account made by you or anyone who you authorize to use your account. You also agree to pay all other charges added to your account, pursuant to Paragraph 5 below. Your obligation to pay the amount owed on your account continues until paid in full even though an agreement, divorce decree or other court judgement to which the Credit Union is not a party may direct someone else to pay the account balance. Each of you who signs the application for a card, or who use the account is individually and jointly responsible for all amounts owed on the account.

5. Finance Charges. For Credit Purchases - A **FINANCE CHARGE** will be imposed on Credit Purchases only if you elect not to pay the entire New Balance shown on your monthly statement for the previous billing cycle within 25 days from the closing date of that statement. If you elect not to pay the entire New Balance on your monthly statement for the previous billing cycle within 25 days from the closing date of that statement. If you elect not to pay the entire New Balance shown on your previous monthly statement within that 25-day period, a **FINANCE CHARGE** will be imposed on the unpaid average daily balance of such Credit Purchases from the previous statement closing date and on the new Credit Purchases from the date of posting to your account during the current billing cycle, and will continue to accrue until the closing date of the billing cycle preceding the date on which the entire New Balance is paid in full or until the date of payment if more than 25 days from the closing date.

The **FINANCE CHARGE** for a billing cycle is computed by applying the monthly Periodic Rate to the average daily balance of Credit Purchases, which is determined by dividing the sum of the daily balances for credit purchases during the billing cycle by the number of days in the cycle. Each daily balance of Credit Purchases is determined by adding to the outstanding unpaid balance of Credit Purchases at the beginning of the billing cycle any new 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.**

For Cash Advances - A **FINANCE CHARGE** will be imposed on Cash Advances from the date made or from the first day of the billing cycle in which the Cash Advance is posted to your account, whichever is later, and will continue to accrue until the date of payment. There is no grace period for cash advances.

The **FINANCE CHARGE** for a billing cycle is computed by applying the monthly Periodic Rate to the average daily balance for cash advances, which is determined by dividing the sum of the daily balances for cash advances during the billing cycle by the number of days in the cycle. Each daily balance is determined by adding to the Previous Balance (the outstanding balance of your cash advance at the beginning of the billing cycle) any new Cash Advances received or credits as posted to your account, but excluding any unpaid **FINANCE CHARGES.**

Payments - Payments made to your account will be applied in the following order: **FINANCE CHARGES**; Fees; Balance-cash advances and Balance-credit purchases. We may accept checks marked "payment in full" or with words of similar effect without losing any of our rights to collect the full balance of your account with us.

Fixed Rate Accounts

Your VISA Account will be subject to a **FINANCE CHARGE** (interest) at an **ANNUAL PERCENTAGE RATE** and a corresponding monthly Periodic Rate which will be determined by your credit score. The **ANNUAL PERCENTAGE RATE** and the corresponding monthly Periodic Rate will apply to both purchases and cash advances. Please refer to the approval letter provided to you at time of approval for your **ANNUAL PERCENTAGE RATE.** If the minimum monthly payment shown on your statement is received five (5) days after the payment due date two (2) or more times in a six (6) month period, the entire balance on your account will be subject to a **FINANCE CHARGE** (interest) at the **ANNUAL PERCENTAGE RATE** of **21.00%,** which is a corresponding periodic rate of **1.7500%** per month. If you would like to have your account reviewed for a rate decrease, you will need to contact the Credit Union after six (6) consecutive months of no late payments.

6. Other Charges. The following Other Charges will be added to your account, as applicable:

- OVER LIMIT FEE: You will be charged an over limit fee of $10.00 for each billing cycle that the outstanding balance on your account exceeds your credit limit by Five Hundred Dollars ($500.00) or 120% whichever is less.
- COPIES: If you request a copy of any document, we may charge your account $5.00 per copy requested. If your request is related to a billing error and an error is found, we will credit any copying charges to your account.
- LATE PAYMENT FEE: We reserve the right to charge a late payment fee of $10.00 to your account each billing period that the minimum monthly payment is not received by 10 days after the due date.
- NSF CHECKS: A fee of $25.00 will be assessed for each VISA payment check that is returned to the Credit Union for non-sufficient funds.
- CASH ADVANCE FEE **(FINANCE CHARGE)**: You will be charged a cash advance fee of 2% of the amount advanced or $5.00, whichever is greater.
- RESEARCH FEE: If you request research on your account or authorize others to request it, we will charge you a $15.00 per hour research fee. We will not charge this fee if your are making an inquiry about an error on your bill.
- CARD REPLACEMENT FEE: A fee of $10.00 will be assessed if your Visa card needs to be replaced due to damage, loss or theft.
- PIN REPLACEMENT FEE: A fee of $2.00 will be assessed if you request a PIN replacement.

7. Monthly Payment. Each month you must pay at least the minimum payment shown on your statement within 25 days of the statement closing date. You may, of course, pay more frequently, pay more than the minimum payment, or pay the Total New Balance in full. If you make extra payments or larger payments, you are still required to make at least the minimum payment each month your account has a balance. The minimum payment is 1 % of your Total New Balance but not less than $25.00, plus the amount of any prior minimum payments that you have not paid. In addition, if at any time your Total New Balance exceeds your credit limit, you must immediately pay the excess upon demand. Subject to applicable law, your payments will be applied to what you owe the Credit Union in any manner the Credit Union chooses.

8. 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 which 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 immediately terminate this Agreement and demand immediate payment of your full account balance. If immediate payment is demanded, you will continue to pay a **FINANCE CHARGES**, at the periodic rate charged before default, until what you owe has been paid, and any shares that were given as security will be applied towards what you owe. To the extent permitted by law, you will also be required to pay the Credit Union's collection expenses, including court costs and reasonable attorney's fees.

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9. Lost or Stolen Card Notification. If you believe your credit card has been lost or stolen, or if you believe someone is using your card without your permission, immediately notify the Credit Union by calling: (800) 543-5073. You will not be liable for unauthorized use that occurs after you notify the Credit Union of the loss, theft, or possible unauthorized use of the card. You agree to cooperate fully in any investigation the Credit Union may conduct in connection with the loss, theft, or possible unauthorized use of your card.

10. Limitations to Liability for VISA Transactions. If there is unauthorized use on your consumer VISA Credit Card your liability will be zero ($0.00). This provision limiting your liability does not apply to either VISA commercial cards or ATM cash disbursements. Additionally, your liability with respect to unauthorized transactions may be greater than the above limit, to the extent allowed under applicable law, if the Credit Union reasonably determines, based on substantial evidence, that you were grossly negligent or fraudulent in the handling of your account or card.

11. Changing or Terminating Your Account. The Credit Union may change the terms of this Agreement from time to time after giving you any advance notice required by law. Your use of the card after receiving notice of a change will indicate your agreement to the change. To the extent the law permits, and except as otherwise indicated in the notice to you, the change will apply to your existing account balance as well as to future transactions.

Either the Credit Union or any one of you 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. The 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.

12. Credit 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. Pursuant to state law, you are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations.

13. Returns and Adjustments. Merchants and others who honor the 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 amount is $1 or more, it will be refunded upon your written request or automatically after six months.

14. Foreign Transactions. Foreign Transactions in Foreign Currency- Purchases and cash advances made in foreign currencies will be billed to you in U.S. dollars. Transactions processed outside of the United States, or in a foreign currency may be charged a foreign transaction fee, regardless of whether there is a currency conversion associated with the transaction. The conversion rate in 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 in each instance, plus a one percentage point (1%) fee charged by the Issuer.

Foreign Transactions in U.S. Currency- Purchases and cash advances made in foreign countries will be billed to you in U.S. dollars. Effective April 1, 2008, transactions processed outside of the United States, in U.S. dollars, may be charged a foreign transaction fee of point eight percent (.8%), regardless of whether there is a currency conversion associated with the transaction.

15. Merchant Disputes. The Credit Union is not responsible for the refusal of any merchant or financial institution to honor the 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 and was made in your state or within 100 miles of your home.

16. 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.

17. No Waiver. The Credit Union can delay enforcing any of its rights any number of times without losing them.

18. Statements and Notices. You will receive a statement each month showing transactions on your account. Statements and notices will be mailed to you at the most recent address you have given the Credit Union. Notice sent to any one of you will be considered notice to all. You agree to promptly notify the Credit Union if you change your mailing address.

19. Transfer of Account. You cannot transfer or assign your account to any other person.

20. Governing Law. This Agreement and your account shall be governed by California law without regard to any conflict of law rules.

YOUR BILLING RIGHTS - KEEP THIS NOTICE FOR FUTURE USE

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

Notify Us In Case of Errors or Questions About Your Bill

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet at the address listed on your bill. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

- Your name and account number.
- The dollar amount of the suspected error.
- Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

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

Your Rights and Our Responsibilities After We Receive your Written Notice

We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill was correct.

After we receive your letter, we cannot try to collect any amount you question or report you as delinquent. We can continue to bill you for the amount you question, including finances charges, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, you will not have to pay any finance charges related to any questioned amount. If we didn't make a mistake, you may have to pay finance charges and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten days telling us that you still refuse to pay, we must tell anyone we reported you to that you have a question about your bill. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally Is.

If we don't follow these rules, we can't collect the first $50 of the questioned amount even if your bill was correct.

Special Rule for Credit Card Purchases

If you have a problem with the quality of property or services that you purchased with a 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 property or services. There are two limitations on this right:

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

b) The purchase price must have been more than $50.

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

CROSS COLLATERALIZATION CLAUSE

By signing below, you acknowledge your understanding of and consent to the terms of the following clause.

THIS SECURITY AGREEMENT SECURES NOT ONLY THIS LOAN, BUT ALL OTHER LOANS WHICH YOU MAY NOW HAVE, OR MAY LATER HAVE, WITH THE CREDIT UNION, EXCEPT IF THIS LOAN IS SECURED BY YOUR PRIMARY RESIDENCE OR BY REAL PROPERTY.
PROPERTY SECURING OTHER LOANS MAY SECURE THIS LOAN EXCEPT IF THE OTHER LOANS ARE SECURED BY YOUR PRIMARY RESIDENCE OR BY OTHER REAL PROPERTY.

Signature: X _____ Date: _____