Visa Cardholder Agreement and Disclosure
Platinum | Blue | Gold | Blue Secured

This Visa Cardholder Agreement (Agreement) and the Account Disclosures accompanying this Agreement will govern your Visa Gold, Blue, Blue Secured and Platinum Credit Card and account issued by Sound Credit Union. By having signed the Visa Credit Application or signing or using the card, you agree to be bound by and perform the terms and conditions of the Visa Cardholder Agreement and Disclosure Statement.

In this Agreement the words you or your mean each and all of those who apply for the card or who sign this Agreement. Card means the Visa Credit Card and any duplicates and renewals we issue. Account means your Visa Credit Card Line of Credit account with us. We, us, and ours mean this Credit Union.

RESPONSIBILITY
If we issue you a card, you agree to repay all debts and the Interest Charges arising from the use of the card and the card account. For example, you are responsible for charges made by yourself, your spouse and minor children. You are also responsible for charges made by anyone else to whom you give the card, and this responsibility continues until the card is recovered. You cannot disclaim responsibility by notifying us, but we will close the account for new transactions if you so request and return all cards. Your obligation to pay the account balance continues even though an agreement, divorce decree or other court judgment to which we are not a party may direct you or one of the other persons responsible to pay the account. Any person using the card is jointly and individually responsible with you for charges he or she makes, but if that person signs the card he or she becomes a party to this Agreement and is also jointly and individually responsible for all charges on the account, including yours. We are not responsible if a merchant, bank, or ATM refuses to honor your card. Although you may have credit available, we may not authorize credit for a particular transaction due to operational difficulties or, in our discretion, for any other appropriate reason.

LOSS OR THEFT OF CARD
You agree to notify us immediately, orally or in writing, at Sound Credit Union, PO Box 1595, Tacoma, WA 98401 or telephone 253.383.2016 or Visa at 800.VISA.911 and advise us of the loss, theft or unauthorized use of your credit card(s). If you notify us of your lost or stolen credit card(s), you will not be liable for any losses, unless you were grossly negligent or fraudulent in handling your credit card(s). Otherwise your liability for unauthorized credit card transactions may be up to $50.

CREDIT LINE
The approval of your application will establish a Line of Credit for you. We will notify you of this amount when we issue you the card(s). You agree not to let the account balance exceed this approved Credit Line. Each payment you make on the account will restore your Credit Line by the amount of the payment which is applied to the principal. You may request an increase in your Credit Line by submitting a new application, which must be approved by Sound Credit Union. You agree that we may change this limit at any time, and we will notify you of any such change that is not temporary. You agree not to permit your unpaid balance to exceed your total credit limit.

CANCELLATION OF YOUR ACCOUNT
Cancellation by You: You may cancel your Account at any time by: (i) returning all Cards to us and (ii) by sending us a letter that you wish to cancel the account. Your card(s) and letter should be addressed to us at our address appearing on your monthly statement.

Cancellation by Us: By giving you written notice we may reduce your Credit Line from time to time, or with good cause revoke your card and terminate the Agreement. Good cause includes your failure to comply with the Agreement, or our adverse reevaluation of your creditworthiness. If we cancel your account you must return all cards immediately to us. Any use of the Account or Card(s), after we have cancelled or suspended your Account, may be considered fraudulent.

You Continue to be Liable: If your Account is terminated, cancelled or suspended, each of you will continue to be liable for all sums owed on it until the Account is paid in full. You will also remain liable for any use of any Card(s) not returned to us. If your account is suspended, it will not be returned to active status until we specifically inform you, regardless of your receipt of any monthly statement.

CREDIT INFORMATION

You authorize us to investigate your credit standing when opening, renewing or reviewing your account, and you authorize us to disclose information regarding your account to credit bureaus and other creditors who inquire of us about your credit standing. You also understand that our Privacy Policy, as may be amended from time to time, applies to you and your account.

MONTHLY PAYMENT

We will mail you a billing statement every month showing your previous balances of purchases and cash advances, the current transactions on your account, the remaining credit available under your Credit Line, the New Balances of purchases and cash advances, the Total New Balance, the Interest Charge due to date, any other billed fees, and the Minimum Payment required. Every month you must pay at least the Minimum Payment due. You may pay more frequently, pay more than the Minimum Payment or pay the New Balance in full. The Minimum Payment will be either (a) 2% of your Total New Balance or $25 whichever is greater; or (b) your Total New Balance if it is less than $25 plus (c) any portion of the Minimum Payments(s) shown on prior statement(s) which remains unpaid. In addition, if at any time your Total New Balance exceeds your credit line, you must immediately pay the excess upon notification. Borrowing the full amount of your credit line may result in an increased minimum payment to cover the interest due. Payments are posted in the order as follows: The system applies payments to the balances outstanding as of the last statement in the following order:

- Late Charges
- Purchase new interest unpaid (includes insurance interest unpaid)
- Cash Advance new interest unpaid
- Other Fees (both those that have appeared on a statement and those posted in the current cycle that have not yet appeared on a statement)
- Purchase new balance (includes insurance premiums)
- Cash Advance new balance
- Promotional balances

Payments along with your remittance stub should be mailed directly to us so we receive the payment on or before the payment due date. Payment shall be made by a check or money order made in U.S. funds or an electronic credit issued by a U.S. financial institution naming us as payee. Payments will be credited on the date received. Payments received at the address shown on your statement on or before 5:00 PM on any business day will be credited to your Account as of that date; payments received by mail at that address after 5:00 PM or on a weekend will be posted to your Account as of the next business day.

INTEREST CHARGES

You can avoid Interest Charges on purchases by paying the purchase amounts in the New Balance of Purchases each month within 25 days of your statement closing date. Otherwise, the New Balance of Purchases, and subsequent purchases from the date they are posted on your account, will be subject to Interest Charge. Cash advances are always subject to Interest Charges from the date they are posted to your account. Interest Charge (interest) is calculated by applying a periodic rate to the average daily principal balances of purchases and cash advances on the account. The principal balances of purchases and cash advances are determined each day during the statement period, beginning with the principal portion of your Previous Balances, reduced by payments you make and credits we apply and increased by purchases and cash advances you make and debit adjustments. The daily principal balances for purchases and cash advances are totaled, and divided by the number of days in the statement period, to produce separate average daily principal balances for purchases and cash advances to which the periodic rate is then applied. The Periodic Rate that is used to compute the Interest Charge is variable, and will change based on changes in an index, which is the highest "Prime Rate" as published in the Wall Street Journal as of the fifth day before the end of the previous calendar month. We add a margin to the index to obtain the Annual Percentage Rate. The Annual Percentage Rate is divided by 12 to obtain the periodic rate. The rate will be adjusted on the first day of each billing cycle. The amount of the margin that will apply to your account is based on your credit profile and will be provided to you on, or before, you receive your card. In addition to the interest charge, a cash advance fee (Interest Charge) equal to 4% of the advance or $10, whichever is greater, will apply to each cash advance.

DEFAULT

You will be in default if you fail to make any minimum payment within 25 days after your monthly statement closing date. You will also be in default if your ability to repay us is materially reduced by a change in your employment, an increase in your obligations, bankruptcy or insolvency proceedings involving you, your death or your failure to abide by this Agreement. We have the right to demand immediate payment of your full account balance if you default, subject to our giving you any notice required by law. To the extent permitted by law, you will also be required to pay our collection expenses, including collection agency costs, court costs and reasonable attorneys' fees.

USING THE CARD

To make a purchase or cash advance, there are two alternative procedures to be followed. One is for you to present the card to participating Visa plan merchants, to us or to another financial institution which honors Visa, and sign the sales or cash advance draft which will identify your card. The other is to complete the transaction by using your Personal Identification Number (PIN) in conjunction with an Automated Teller Machine (ATM) which provides access to the Visa system. Sound Credit Union reserves the right to impose a dollar limit on ATM cash advances made within a single day. Your monthly statement will identify the merchant, electronic terminal or financial institution at which the transactions were made, but sales, cash advance, credit or other slips cannot be returned with the statement. You will retain the copy of such slips furnished at the time of the transaction in order to verify the monthly statement. Sound Credit Union may make a reasonable charge for photocopies of slips which you may request. You may not use the card or account for any unlawful or illegal transaction, and you agree to hold us harmless if you do. We may refuse to honor any transaction that we believe is illegal or unlawful.

RETURNS AND ADJUSTMENTS

Merchants and others who honor the Card(s) may give credit for returns or adjustments and they will do so by issuing this credit to your account. You should retain a copy of this credit slip until you verify the posting of the credit to your account on a monthly billing statement. If your credits or any payments exceed what you owe us, we will apply this credit balance against future purchases and cash advances, or if it is $1 or more, we will refund it upon your written request or automatically after 6 months.

FOREIGN TRANSACTIONS

Purchases and cash advances made in foreign countries will be billed to you in U.S. dollars. The currency conversion rate for international transactions as established by Visa International, Inc. is a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable central processing date. In addition, you will be charged a Foreign Transaction Fee of up to 1% of the transaction amount for any card transaction made in a foreign country.

EFFECT OF AGREEMENT

We reserve the right to amend the terms of the Agreement at any time as permitted by and subject to any limitations and notice requirements of applicable law. If you do not accept the new Annual Percentage Rate, you may pay off your balance. We may sell or transfer your account and any amounts owed on your account to another person at any time. If we do, this Agreement will still be in effect and any successor will have our rights in this Agreement to the extent assigned. The Agreement will be governed by the laws of the state of Washington.

LIMIT ON ADVANCES

For advances taken from an ATM, there is a limit for each transaction and a $500 daily limit that you may obtain.

SECURITY INTEREST—COLLATERAL

You pledge to us and grant us a consensual security interest in all joint and individual share and deposit accounts you have with us now and in the future to secure your Visa account. You authorize us to apply the balance in these account(s) to pay any amount due to your Visa account if you should default, without further notice to you. Additionally, any collateral (except your principal dwelling) securing other loans with us in the past and in the future will also secure your Visa account.

PLEDGE OF SHARE ACCOUNT

This paragraph applies only if you have a Visa Blue Secured credit card, which requires a separate security agreement. To secure your obligation, you grant us a security interest in your deposit account under the Visa Blue Secured Pledge Form that you have signed. The Visa Blue Secured Pledge Form is incorporated into and made part of this Agreement and Disclosure by this reference.

OTHER FEES

ANNUAL FEES
Gold: none
Blue: none
Blue Secured: none
Platinum: $39 (waived with $2,500 or more in annual purchases)

REPLACEMENT CARDS: We will charge your account $5 for replacement of a card.

DRAFT COPY CHARGES: There is a minimum charge of $6 per copy for each sales draft requested. If your request is related to a billing error and an error is found, we will reverse any copy charges made to your account.

LATE FEES: up to $25 when payment is not received by the due date

CASH ADVANCE: 4% of advanced amount ($10 minimum)

CARD RECOVERY FEES: There is a $65 charge for card recovery due to over limit or delinquent accounts.

COLLECTION FEES: If you fail to comply with this Agreement, you will promise to pay our collection costs and reasonable attorneys' fees to enforce any provision of this Agreement in accordance with state and federal laws.

STATEMENT COPY CHARGES: There will be a charge of $2 for each copy requested. The fee will be billed directly to your Visa account.

ATM SURCHARGES: If you use an ATM to obtain a cash advance and the ATM is not operated by us, you may be charged an ATM surcharge by the ATM operator or an ATM network utilized for such a transaction. The ATM surcharge may be charged to your account if you complete the transaction. You will also be charged the normal cash advance fee.

YOUR CREDIT CARD 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: Sound Credit Union, PO Box 1595, Tacoma WA 98401. 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 the 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.

Platinum Awards Program Terms and Conditions

Platinum cardholders earn one (1) awards point for each net purchase dollar on the card. Merchandise returns and other non-payment credits will be deducted from accumulated awards points. Purchases do not include cash advances (including balance transfers). Awards points do not accumulate for fees or finance charges. Sound Credit Union will determine what constitutes a qualifying purchase.

Awards points must be redeemed through the Extra Awards redemption center by going to soundcu.com or calling 877.909.1450, or from outside the US or Canada 206.352.3478, collect. Please refer to soundcu.com for complete program rules and details.

Any itinerary modifications after ticketing are the sole financial responsibility of the traveler. Travel is based on availability at the time of ticketing. Sound Credit Union is not responsible for over-sold or sold out flights, cancelled flights or changed flights and assumes no responsibility. Tickets may be purchased for any individual that the cardholder designates.

Awards points cannot be used in conjunction with any other type of awards program, promotion, frequency reward program, or coupons.

Awards points will expire on the last day of the calendar quarter, four (4) years after the quarter they were earned, on a first-in, first-out basis. For example, awards points earned during January 2011 will expire on March 31, 2015.

For awards points to be redeemed the Visa Platinum account must not be past due or over limit at the time the awards points are redeemed. If the Visa Platinum account is closed by the cardholder or Sound Credit Union, the cardholder cannot redeem awards points. The Credit Union will determine what constitutes a closed account.

Awards points are not the property of the cardholder and cannot be bought, sold or transferred in any way. Awards points have no cash value and cannot be used to pay other obligations to Sound Credit Union or any other party. No cardholder or claimant is entitled to compensation from Sound Credit Union if awards points are revoked, terminated or lost.

Sound Credit Union reserves the right to amend the program at any time.

NCUA
EQUAL HOUSING OPPORTUNITY
CU SERVICE CENTERS
The Member-Friendly Financial Network

Revised August 2011

SOUND CREDIT•UNION

Visa Blue and Blue Secured Credit Card Account Disclosures

INTEREST RATES AND INTEREST CHARGES	
Annual Percentage Rate (APR) for Purchases	**10.95%-17.95%** After account opening, your APR will vary with the market based on Prime Rate.
APR for Balance Transfers and Cash Advances	**10.95%-17.95%** After account opening, your APR will vary with the market based on Prime Rate.
Paying Interest	Your due date is 25 days after the close of each billing cycle. We will not charge any interest on the portion of the purchases balance that you pay by the due date each month.
For Credit Card Tips from the Federal Reserve Board	To learn more about factors to consider when applying for or using a credit card, visit the website of the Federal Reserve Board at http://federalreserve.gov/creditcard.
FEES	
Annual Fee • Platinum • Blue , Blue Secured, and Gold	 $39 (waived with $2,500 or more in annual purchases) None
Transaction Fees • Cash Advance • Foreign Transaction	 4% of amount advanced ($10 min) Up to 1% of the US dollar amount of the foreign transaction
Penalty Fees • Late Payment	 $25
Other Fees • Return Check • Card Recovery	 $29 $65
OTHER FEATURES	
Loan Protection	If you elect to obtain the optional loan protection coverage and pay the monthly protection fees, we will cancel your payments and outstanding balance if you die, become disabled or become involuntarily unemployed.

VARIABLE RATE INFORMATION: The Annual Percentage Rate may increase or decrease if the Index increases or decreases. The Index is the highest rate of interest identified as the 'Prime Rate' in the 'Money Rates' column of the Wall Street Journal. The Annual Percentage Rate will be equal to the Prime Rate plus a margin of: For Visa Blue and Visa Blue Secured: 7.70%-14.70%. For Visa Platinum: 8.70%-15.70%. The interest rate can change monthly on the first day of each month following a change in the Prime Rate as of 5 days before the end of the previous month. The Annual Percentage Rate will never be more than the maximum rate allowed by applicable law. Any increase will take the form of more payments of the same amount.
HOW WE CALCULATE YOUR BALANCE: We use a method called "average daily balance" (including new purchases).
BILLING RIGHTS: Information on your rights to dispute transactions and how to exercise those rights is provided in your Credit Card Account Agreement.

We reserve the right to amend this Visa Credit Card Agreement as permitted by law. The above rates and fees are current as of August 30, 2011.