

**HAPO COMMUNITY CREDIT UNION
VISA CLASSIC AND PLATINUM CREDIT CARD
ACCOUNT AGREEMENT**

1. **INTRODUCTION.** This Agreement covers this VISA Credit Card account, issued by HAPO Community Credit Union (“Lender”). 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 word “Card” means any one or more credit cards issued under the Credit Union’s VISA Platinum, Classic, Share Secured, and Student Card programs. **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.**
2. **ACCOUNT ACCESS.**
 - a. **Purchase Transactions and Cash Transactions.** You must sign the Card to use it. Once you have signed the Card, you can use it to purchase goods or services, 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, other participating financial institutions, or automated teller machines (ATM). No purchase or cash transaction may exceed the available funds in your Account. The Credit Union reserves the right to refuse any transaction that would exceed your credit limit, and/or daily purchase or cash limit. Purchases are limited to 10 transactions a day. Cash transactions are limited to 3 transactions per day and cannot exceed \$2,500 a day for Classic, Share Secured, and Student Accounts and \$5,000 a day for Platinum Accounts. ATM transactions cannot exceed \$505 per single transaction.
 - b. **Convenience Checks.** You may obtain advances under your Account by writing preprinted convenience checks that we offer to you. Your use of convenience checks will be shown as cash advances on your monthly statement. We may not honor your convenience check if: your check is post-dated; payment of the check would exceed your credit limit and/or daily cash advance limit; a check is signed by a person without authorized access; the amount of the check 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 convenience check if you provide us with the exact information describing the check. If you give us incorrect information, we will not be responsible for failing to stop payment. You understand there may be a charge for each stop payment order requested. Our liability for a wrongful dishonor is limited to your actual charges; however, a dishonor for the reasons stated above is not a wrongful dishonor. Only the person whose name is printed on a convenience check may sign it. All convenience checks must be written in U.S. dollars. We will not certify a convenience check. You may write these checks for any amount providing your total outstanding balance does not exceed your available credit limit and your credit card remains in good standing. A convenience check may not be used to make a payment on your Account.
3. **YOU PROMISE TO PAY.** You promise to pay us all such 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 payroll deduction.
4. **CREDIT LINE.** This Agreement will constitute a revolving line of credit for an amount which will be the credit line under your Account. You may access your credit line through Card purchase and/or cash transactions at participating merchants. 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 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 on the limit 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. 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.
5. **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. If your outstanding balance is less than \$25.00, you agree to pay the balance in full. You may pay in full for all your purchase and cash transactions each month, or you may repay in monthly installments. Minimum monthly payments include all amounts past due, late charges, and the regular payment. The regular minimum payment is 2% of your outstanding balance (“New Balance”) or \$25.00, whichever is greater. 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. Payments will be applied first to any previously billed and unpaid **FINANCE CHARGES**, next to outstanding late fees, return payment charges, card retrieval charges, and replacement card charges.
6. **SECURITY INTEREST.** You grant the Credit Union a security interest under the Washington Uniform Commercial Code in any goods purchased with your Card. You agree that all collateral you have given the Credit Union to secure other consumer loan obligations (except real estate), in the past and in the future, will secure your obligations under this Agreement. In addition, by signing the credit card Application, you have given us a security interest in all your shares and deposits, present and future, and all accounts (except Individual Retirement Accounts) with the Credit Union. For Secured Card accounts, you have given us a specific pledge of your Credit Union shares up to 110% of the credit limit and we may prevent your withdrawal of the pledged shares. You agree, upon default, the Credit Union may apply all that is secured to pay any amounts due under this Agreement, without further notice to you.
7. **MONTHLY STATEMENTS.** Each month we will send you a statement showing purchase transactions, cash transactions, payments, and credits made to your Account during the billing cycle, as well as your New Balance, any **FINANCE CHARGE** and any late charge or other charges. Your statement also will identify 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.

8. **PERIODIC RATE AND CORRESPONDING ANNUAL PERCENTAGE RATE.** The **FINANCE CHARGE** imposed during the billing cycle will be determined by multiplying the Average Daily Balance by the Monthly Periodic Rate. The **ANNUAL PERCENTAGE RATE (APR)** is divided by 12 to produce the monthly rate. Your APR may vary with changes to an index which is the Prime Rate as published in *The Wall Street Journal* five business days before the closing date shown on your billing statement. If *The Wall Street Journal* stops publishing the Prime Rate, we will select a similar reference rate and inform you on your billing statement or through a separate notice. The rate table shows which rates, if any, are variable rates. When you have an APR that varies with changes to the Prime Rate, we calculate your APR by adding a percentage (a “margin”) to the Prime Rate. The margin will change semi-annually based on your credit score. Scores will be obtained in January (for April interest rate changes), and July (for October rate changes) by Equifax P.O. Box 740241 Atlanta, GA 30374-0241. If we are unable to obtain a credit score for your account, the rate will reflect that of a zero score. The rate table lists the margin for each variable rate and any minimum periodic rate and corresponding APR. If our calculation results in a change to a daily periodic rate from the previous billing cycle because the Prime Rate or your credit score has changed, the new rate will apply as of the first day of your billing cycle in which we made the calculation. If the daily periodic rate increases, you may have to pay a higher periodic finance charge and a higher minimum payment. All accounts have a ceiling limit of 18.00% APR, and will not exceed that amount at any given time.

Account Type	Credit Score Range		Annual Percentage Rate	Periodic Rate
Platinum	750	999	Prime* + 5.75%, currently 9.00%	0.007500
	700	749	Prime* + 8.00%, currently 11.25%	0.009375
	650	699	Prime* + 10.00%, currently 13.25%	0.011041
	600	649	Prime* + 11.50%, currently 14.75%	0.012291
	No Score or 0	599	Prime* + 14.75%, currently 18.00%	0.015000
Classic	750	999	Prime* + 8.25%, currently 11.50%	0.009583
	700	749	Prime* + 9.25%, currently 12.50%	0.010416
	650	699	Prime* + 11.00, currently 14.25%	0.011875
	600	649	Prime* + 12.50%, currently 15.75%	0.013125
	No Score or 0	599	Prime* + 14.75%, currently 18.00%	0.015000
Student Card	N/A	N/A	18.00%	0.015000
Share Secured	N/A	N/A	18.00%	0.015000

*Estimated variable APRs above are based on the 3.25% Prime Rate on January 15, 2010.

In the event you are in default of this Agreement, your **ANNUAL PERCENTAGE RATE** will be 18.00% (0.015000% Periodic Rate). The **ANNUAL PERCENTAGE RATE** will be increased on the first day of the second month following notice of default.

The “**TOTAL FINANCE CHARGE**” shown on your monthly statement consists of the periodic **FINANCE CHARGE** on purchase transactions, and the periodic **FINANCE CHARGE** on cash transactions.

9. **METHOD USED TO DETERMINE THE BALANCE ON WHICH THE FINANCE CHARGE MAY BE COMPUTED AND AMOUNT OF FINANCE CHARGE.** The Credit Union calculates the Periodic **FINANCE CHARGE** on your Account by applying the Periodic Rate to the “Average Daily Balance” of purchases and cash advances for your Account. To get the “Average Daily Balance” we take the beginning purchase and cash balance of your Account each day, add any new purchase and cash transactions, and subtract any payments or credits, unpaid **FINANCE CHARGES** and unpaid late charges. This gives us the daily balance. Then we add up all the daily balances for the billing cycle and divide by the number of days in the billing cycle. This gives us the Average Daily balance for both purchase and cash transactions.
10. **CIRCUMSTANCES UNDER WHICH A FINANCE CHARGE WILL BE IMPOSED.** The total outstanding balance of purchases and cash transactions 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.”
- Cash Transactions.** A **FINANCE CHARGE** will be imposed on cash transactions from the date each cash transaction is made to the date paid. There is no time period within which to pay to avoid a periodic **FINANCE CHARGE** on cash advances, including convenience checks, and balance transfers.
 - Purchases.** A **FINANCE CHARGE** will be imposed on purchase transactions included in the new balance when the entire new balance is not paid in full within 25 days of the closing date. This “grace period” allows you to avoid a **FINANCE CHARGE** on purchases for a billing cycle. If you do not pay within the grace period, your **FINANCE CHARGE** will accrue from the date of purchase.
11. **CONDITIONS UNDER WHICH OTHER CHARGES MAY BE IMPOSED.** We may impose the following fees and charges on your Account:
- Late Charges.** \$25.00 fee may be assessed for payments made later than the due date.
 - Returned Payment Charge.** If any check or draft we receive from you as payment for any amount you owed to us is returned to us unpaid, we may impose a returned item fee of \$10.00.
 - Miscellaneous Photocopying.** If you request a copy of a sales draft or monthly statement, we may charge your Account \$2.00 per copy and \$20.00 per hour. These charges cover the costs of locating, copying, and delivering the documents to you. If a request is related to a billing error and an error is found, we will reverse any photocopying charges.
 - ATM Fees.** 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.
 - 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, reasonable attorney fees, collection agency costs whether or not there is a lawsuit, incurred both before and after judgment; fees for bankruptcy proceedings, appeals, and any post judgment collection services. The Credit Union may commence an action to enforce this Agreement in the county in which the Credit Union is located, or where you reside, if you live outside the state of Washington.
 - Replacement Charges.** If a card is lost or damaged there will be a \$5.00 replacement fee and \$25.00 fee to rush standard processing of a card. A replacement or rush fee will not be charged in the event the credit union is at fault.

12. **CONDITIONS OF CARD USE.** The use of your Card and Account are subject to the following conditions:
- 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 at our sole discretion without demand or notice. You cannot transfer your Card or Account to another person. You may not use the Card for any illegal or unlawful transactions and we may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness.
 - Honoring the Card.** 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.
 - Currency Conversion.** 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 if effect for the applicable central processing date, in each instance, plus 1.00%.
 - Notices and Payments.** All notices will be sent to your address as shown in on your HAPO share account. You agree to advise us promptly if you change your mailing address. We may, at our option, accept mailing address changes from the United States Postal Service, and update your VISA account as well as your HAPO account based on these changes. 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.
 - Personal Identification Number.** We will issue you a Personal Identification Number (“PIN”) for use with your Card 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.
13. **DEFAULT.** You will be in default under this Agreement if any of the following occur: (a) your account becomes more than two months past due; (b) you become insolvent, bankrupt, or you die; (c) you violate any part of this Agreement, or any other agreement with us; or (d) if we reasonably deem ourselves insecure on your credit line. We will notify you in writing of any such action as soon as practical if it occurs. 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 including collection agency costs incurred by us. We can delay enforcing any right under this Agreement without losing that right or any other right.
14. **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 updated credit information upon request. We may investigate your credit directly or through a credit reporting agency.
15. **LOSS OR THEFT OF VISA CREDIT CARD.** You agree to notify us immediately of the loss, theft, or use without your permission, of any Card or other credit instrument or device which we supply to you. You may be liable for the unauthorized use which occurs after you notify: VISA Department, PO Box 31216, Tampa, FL 33631-3281 or Telephone 800-449-7728 orally or in writing of loss, theft, or possible unauthorized use. If you notify us of your lost or stolen Credit Card after discovery, you may not be liable for any losses related to credit transactions. This zero liability will apply provided you were not grossly negligent or fraudulent in handling your Card; otherwise your liability for unauthorized VISA Credit Card transactions shall not exceed \$50. You and any Guarantor of this Agreement agree the liability limits in this section will not apply to your Guarantor’s obligation for use of the Card, including unauthorized use of the Card.
16. **BILLING ERRORS NOTICE RIGHTS FOR VISA CREDIT CARD TRANSACTIONS.**
- Notify Us in Case of Errors or Questions About Your Bill.** This notice contains important information about your rights and our responsibilities for VISA Credit Card transactions under the Fair Credit Billing Act. If you think your statements is wrong, or if you need more information about a transaction on your statement, write to us at: VISA Department, PO Box 31216, Tampa, FL 33631-3281. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first statement 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 VISA Credit Card transaction 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 Account Statement automatically from your share 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 statement 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 send statements to you for the amount you question, including **FINANCE 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 statement that are not in question.

If we find that we made a mistake on your statement, you will not have to pay any **FINANCE CHARGE** related to any questioned amount. If we did not 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 report you to that you have a question about your statement. And, we must tell you the name of anyone to whom we reported you. 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 statement 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:
 - 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
 - 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.

17. **AMENDMENTS.** We have the right to change any terms and conditions, subject to applicable laws, of this Agreement at any time. If we change the periodic rate, and subsequent purchases or advances are made under this Agreement, the entire balance will be subject to the new rate.
18. **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.
19. **ATM SAFETY NOTICE.** The following information is a list of safety precautions regarding the use of Automated Teller Machine (ATM) and Night Deposit Facilities.
 - a. Be aware of your surroundings, particularly at night.
 - b. Consider having someone accompany you when the ATM or night deposit facility is used after dark.
 - c. If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction.
 - d. Refrain from displaying your cash at the ATM or night deposit facility. As soon as your transaction is completed, place your money in your purse or wallet. Count the cash later in the safety of your car or home.
 - e. If you notice anything suspicious at the ATM or night deposit facility, consider using another ATM or night deposit facility or coming back later. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, take your ATM access device or deposit envelope, and leave.
 - f. If you are followed after making a transaction, go to the nearest public area where people are located.
 - g. Do not write your personal identification number or code on your ATM Card.
 - h. Report all crimes to law enforcement officials immediately.

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