HAPO COMMUNITY CREDIT UNION
VISA 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 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. **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.

3. **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. 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 sending us a signed, written request. 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.

4. **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 Share Secured, or $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. A convenience check may not be used to make a payment on your Account.

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. You may pay in full for all your purchase and cash transactions each month, or you may repay in monthly installments. The minimum payment is calculated at 3% of your outstanding balance or $25.00, whichever is greater, plus any amounts past due and/or overlimit. If your outstanding balance is less than $25, you agree to pay the balance in full. 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. Your minimum payment due will be applied first to any outstanding **FINANCE CHARGES** and fees, then to lower rate balances, with any excess being applied to the balance with the highest APR.

6. **MONTHLY STATEMENTS**. Each month we will provide 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.

7. **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.

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. The rate table lists the margin for each variable rate and any minimum periodic rate and corresponding APR.

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 be updated semi-annually based on your FICO credit score. FICO scores will be obtained in January (for April interest rate updates), and July (for October rate updates) 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. If this calculation results in a change to your APR 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 the update occurs. 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
Low Rate Platinum	750-999	8.25%, Prime* + 5.00%	0.687500%
	700-749	10.75%, Prime* + 7.50%	0.895833%
	650-699	14.25%, Prime* + 11.00	1.187500%
	600-649	16.50%, Prime* + 13.25%	1.375000%
	000-599	18.00%, Prime* + 14.75%	1.500000%
Platinum with CURewards	750-999	8.75%, Prime* + 5.50%	0.729167%
	700-749	11.25%, Prime* + 8.00%	0.937500%
	650-699	14.75%, Prime* + 11.50%	1.229167%
	600-649	17.00%, Prime* + 13.75%	1.416667%
	000-599	18.00%, Prime* + 14.75%	1.500000%
Platinum with Cash Back	750-999	9.25%, Prime* + 6.00%	0.770833%
	700-749	11.75%, Prime* + 8.50%	0.979167%
	650-699	15.25%, Prime* + 12.00%	1.270833%
	600-649	17.50%, Prime* + 14.25%	1.458333%
	000-599	18.00%, Prime* + 14.75%	1.500000%
Share Secured	N/A	18.00%	1.500000%

*Estimated variable APRs above are based on the 3.25% Prime Rate on November 1, 2011.

In the event you are in default of this Agreement, your **ANNUAL PERCENTAGE RATE** will be 18.00% (1.500000% Periodic Rate). The **ANNUAL PERCENTAGE RATE** will be increased on the first day of the second month following notice of default.

9. **FINANCE CHARGE CALCULATION: AVERAGE DAILY BALANCE METHOD.** We calculate the Periodic **FINANCE CHARGE** on your Account by applying the Periodic Rate to the "Average Daily Balance" of purchase and cash activity 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.**
    a. **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.
    b. **Purchases**. You have a 25-day grace period in which to repay your balance for purchase transactions before a **FINANCE CHARGE** will be imposed. A **FINANCE CHARGE** will be imposed on any balance remaining from purchase transactions not paid within the "grace period".

    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."

11. **CONDITIONS UNDER WHICH OTHER CHARGES MAY BE IMPOSED.** We may impose the following fees and charges on your Account:
    a. **Late Charges.** $25.00 fee may be assessed for payments made later than the due date.
    b. **Returned Payment Charge.** If any payment we receive from you is returned to us unpaid, we may impose a returned item fee of $10.00.
    c. **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.
    d. **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.
    e. **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.
    f. **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:
    a. **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.
    b. **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.

c. **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 in effect for the applicable central processing date, in each instance, plus 1.00%.

d. **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.

e. **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. 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 as needed 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. Call us at 800-449-7728, or write to: VISA Department, PO Box 31216, Tampa, FL 33631-3281.

16. **AMENDMENTS**. We have the right to change any terms and conditions of this Agreement, subject to applicable laws, at any time.

17. **GOVERNING LAW.** This Agreement and your account will be governed by federal law, as well as the law of Washington State, and will apply no matter where you live or use this account.

18. **YOUR BILLING RIGHTS: KEEP THIS DOCUMENT FOR FUTURE USE.** This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

What to do if you find a mistake on your statement. If you think there is an error on your statement, write us at: VISA Department, PO Box 31216, Tampa, FL 33631-3281. 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 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 **FINANCE CHARGE** 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 **FINANCE CHARGES** 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.

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.

November 2011