

BORROWER'S NAME AND ADDRESS	ACCOUNT NUMBER
CO-BORROWER'S NAME AND ADDRESS	DATE

IN THIS AGREEMENT, "YOU" AND "YOUR" MEAN ANY PERSON WHO ACCEPTS THIS AGREEMENT OR USES THE CARD. THE "CARD" MEANS ANY CREDIT CARD ISSUED TO YOU OR THOSE DESIGNATED BY YOU UNDER THE TERMS OF THIS AGREEMENT. "WE", "US", "OUR" AND THE "CREDIT UNION" MEANS ARIZONA FEDERAL CREDIT UNION OR ITS SUCCESSORS. "ACCOUNT" MEANS THE CREDIT CARD ACCOUNT. "AUTHORIZED USER" MEANS ANY PERSON WHO HAS AUTHORITY, OR WHO ANY OWNER HAS GIVEN INFORMATION, ACCESS DEVICE, OR DOCUMENTATION THAT ENABLES A PERSON TO ACCESS, WITHDRAW, MAKE TRANSACTIONS OR USE YOUR CARD.

This is your Agreement and Disclosure Statement with Arizona Federal. Please read it carefully and keep it for your records.

By signing an Application for these services, or your use or continued use of any Account or Account services after receiving this Visa Credit Card Agreement, notice of its availability or notification of any change in terms, you, jointly and severally, agree that you understand and agree to these terms and conditions, as amended from time to time.

**Binding Contract.** This Credit Card Agreement, which includes the Credit Card Agreement and Truth-in-Lending Statement ("Agreement"), is a binding legal contract that will govern the terms of all advances that you obtain under this Account. You only sign once to open the Account; thereafter, you may request additional advances without signing any paperwork unless requested by us.

By signing below, you are:

1. **Agreeing to repay all advances you take.** All advances you take under the Account must be paid back, even if you don't sign any paperwork at the time of the advance.
2. **Pledging your shares and deposits in the Credit Union.** If you default, we may apply the shares and deposits in any of your accounts to the amount you owe us. We may also prevent you from withdrawing shares and deposits if you are in default. Please see the Credit Card Agreement for complete details.
3. **Agreeing to Cross-Collateralization: All other collateral you have pledged for any other loan with us (except your home and household goods) will also secure this Account. Release of Lien: We will not release a lien on any of the collateral you have pledged under other loans with us if you are delinquent or in default on your Account. For example: if you are in default of your Account, we will not release our lien on your vehicle loan, even if the vehicle loan is paid in full.**
4. **Authorizing us to obtain credit reports:** You authorize us to obtain a credit report or other credit information in connection with this Account. We may periodically obtain and review your credit information without notice to you for as long as the Account is open and we may use that information to change the terms or rates of the Account or terminate the Account, or to help collect any amounts under this Account, or for any other permitted purpose under applicable law.

**Interest Rates and Fees.** The rates and fees that apply to your Account are disclosed on the Truth-in-Lending Statement, which rates and fees may change from time to time in accordance with applicable law.

**Purchase of Optional Products:** If offered, you may apply for optional loan protection products such as credit insurance or debt protection. These products are voluntary and are not required to obtain a loan from us. The premium or fee for the product(s) will be added to the outstanding balance and becomes part of your minimum monthly loan payment. We will retain a portion of this fee as compensation for providing this service. Purchase of optional products may extend the time it takes to pay off your outstanding balance(s).

**Credit Limit:** \$ \_\_\_\_\_

**TRUTH-IN-LENDING STATEMENT**

See separate Truth-in-Lending Statement.

**BORROWER'S ACKNOWLEDGEMENT & SIGNATURES**

By signing below, you understand and agree as follows:

**Acknowledgement:** By signing below, you acknowledge that you have read, understand and accept the terms and conditions of this Agreement and the Truth-in-Lending Statement. You acknowledge that you have received copies of these documents. You also agree that by accepting, using or accessing your Account, you are bound to the aforementioned documents.

You grant Arizona Federal and our third-party servicers or agents the right to contact you on your cellular phone(s) when you deem necessary for a service or collection call, and/or for other account-related activity. You grant Arizona Federal and our third-party servicers or agents the right to use a pre-recorded or artificial voice and/or an auto dialer function to reach you on your cell phone.

**Overdraft Protection:** By signing below, you acknowledge the Account will be used as a form of overdraft protection.

**Negative Information Notice: We may report information about your Account to credit bureaus. Late payments, missed payments, or other defaults on your Account may be reflected in your credit report.**

**IMPORTANT NOTICE ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT**

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an Account. What this means for you: When you open an Account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying information.

BORROWER'S SIGNATURE	DATE
<b>X</b>	
<input type="checkbox"/> *TRUSTEE <input type="checkbox"/> **GUARANTOR	DATE
<b>X</b>	

CO-BORROWER'S SIGNATURE	DATE
<b>X</b>	
<input type="checkbox"/> *TRUSTEE <input type="checkbox"/> **GUARANTOR	DATE
<b>X</b>	

\*TRUSTEE: By signing above, Trustee(s) certifies that he/she is the duly authorized Trustee for the Trust named herein, and is duly authorized to borrow money on behalf of the Trust, to encumber Trust assets, and to execute this agreement.  
 \*\*GUARANTOR: Upon default, the credit union may seek immediate payment from the guarantor of any and all sums due on the loan. The guarantor waives all notice to which he or she would otherwise be entitled by law.

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**APPLICATION AND DISCLOSURES for DEBT PROTECTION PLAN**

**This Product is Optional.** Your purchase of the Debt Protection Plan ("Plan") is optional. Whether you purchase this protection will not affect your application for credit or the terms of any existing credit agreement you have with the Financial Institution. You may cancel the Program at any time. See the Program Agreement for an explanation of how the Program may be terminated.

<b>I ELECT:</b> <i>(Check only one box)</i>	<b>Plan 1*:</b>	<b>Plan 2*:</b>
	Plan #392633 <b>Death:</b> Cancels 6 Payments <b>Disability:</b> Cancels 6 Payments <b>Involuntary Unemployment:</b> Cancels 6 Payments <input type="checkbox"/> Single <input type="checkbox"/> Joint	Plan #392634 <b>Death:</b> Cancels loan balance <input type="checkbox"/> Single <input type="checkbox"/> Joint
<b>Cost</b> per \$1,000 monthly outstanding loan balance:	<b>\$3.43</b>	<b>\$0.99</b>
<p><b>*Benefit Maximums:</b> Under Plan 2, <b>Death Protection</b> cancels a maximum of <b>\$75,000</b>.  <b>Cancellations</b> listed are per occurrence.  <b>Monthly cancellations are limited to \$1,000 per month.</b>  <b>Disability and Involuntary Unemployment Protections</b> are limited to a total of <b>\$15,000</b>.</p>		
<input type="checkbox"/> No, you do not wish to apply for the voluntary Debt Protection Plan at this time. _____ (Borrower 1 signature) <span style="margin-left: 350px;">_____ (Borrower 2 signature)</span>		

**Application Eligibility:**

To be eligible to apply, you must meet the following conditions. By signing this Application, you are stating that: (1) you are under age 70; (2) *if applying for Disability or Involuntary Unemployment protection:* you are presently working twenty-four (24) or more hours per week; (3) *if applying for Involuntary Unemployment:* you are not self-employed, and you have not received unemployment benefits within the past 2 years.

**Borrower's Signature**

You acknowledge and agree that: **(a)** you meet the eligibility requirements listed above. If it is discovered that you do not meet the eligibility requirements above, your participation in the Plan will be terminated, you will receive a refund of any fees paid, and an otherwise valid claim will be denied; **(b)** you have received and thoroughly read the *Debt Protection Plan Agreement ("Agreement")*, and agree to abide by the terms of the Agreement; **(c)** you authorize the Plan fees to be added to your loan each month; and **(d)** you understand that you may not be eligible for all benefits contained in the Plan. This document is hereby incorporated into Borrower's loan documentation as if fully set forth therein. **There are eligibility requirements, conditions, and exclusions that could prevent you from receiving benefits under the Program. See the Program Agreement for details.**

BORROWER 1 SIGNATURE	DATE
<b>X</b>	

BORROWER 2 SIGNATURE <i>(if applying for Joint Protection)</i>	DATE
<b>X</b>	

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**SECURITY: YOU SPECIFICALLY GRANT US A CONSENSUAL SECURITY INTEREST IN ALL INDIVIDUAL AND JOINT ACCOUNTS YOU HAVE WITH US NOW AND IN THE FUTURE TO SECURE REPAYMENT OF CREDIT EXTENDED UNDER THIS AGREEMENT. YOU ALSO AGREE THAT WE HAVE SIMILAR STATUTORY LIEN RIGHTS UNDER STATE AND/OR FEDERAL LAW. THE GRANTING OF THIS SECURITY INTEREST IS A CONDITION FOR THE ISSUANCE OF CREDIT UNDER THIS AGREEMENT. IF YOU ARE IN DEFAULT, WE CAN APPLY YOUR SHARES TO THE AMOUNT YOU OWE.** Shares and deposits in an Individual Retirement Account or any other account that would lose special tax treatment under state or federal law if given are not subject to this security interest. If you have other loans with us, collateral securing such loans may also secure your obligations under this Agreement, unless that other collateral is your principal residence or non-purchase money household goods.

You agree we are not obligated to extend to you credit for any amount that would cause your outstanding balance to exceed your maximum credit limit, or for any amount if your outstanding balance already exceeds your maximum credit limit. Any increase in your maximum credit limit requested by you will require you to make a written credit application.

We reserve the right to refuse to honor any request for credit, to reduce your credit limit or terminate your Account at any time using our sole discretion, based on changes in the economy, your creditworthiness, or for any other reason not prohibited by law.

**Correcting the Credit Union's Credit Report.** If you think we reported erroneous information about you to a credit reporting agency, call us at the telephone number listed on your monthly billing statement. We will promptly investigate the matter and will contact each credit reporting agency whose records may reflect an error. We will require them to correct your report if the investigation determines you were correct. If we disagree with you after the investigation, we will advise you, in writing or by phone, and provide you instruction as to submitting to those agencies a statement of your position that will become a part of your credit record with them.

**Advances.** For purposes of this agreement, the term "advance" means cash advance or balance transfer.

**Using Your Card.** You can purchase or lease goods and services from any merchant who honors your Card, and you may obtain cash advances from financial institutions and ATM machines that accept the Card, up to your maximum credit limit. You agree not to present your Card or obtain a cash advance for any extension of credit in excess of your available credit limit; however, if you do exceed your credit limit, you agree to make immediate payment sufficient to bring the balance below the credit limit. Certain purchases and cash advances require authorization prior to completion of the transaction. In some cases, you may be asked to provide identification. If our system is not working, we may not be able to authorize a transaction, even though you have sufficient credit available. Also, for security reasons, we may block the use of your Card in certain countries or geographic areas. We will have no liability to you or others if any of these events occur.

**Insurance Protection.** If you elect insurance protection and your application is approved, then the charges will be added to your Account balance each month.

Each Card we issue will have an expiration date. Upon expiration of your Card your Account will automatically terminate; or we, in our sole discretion, may extend your Account and issue a new Card with a new expiration date.

**Automatic Payment Transfer Option.** If you request the automatic payment transfer option, all minimum payments due will automatically be deducted from your designated account on your payment due date. If your designated account does not contain sufficient funds, no automatic deduction will be made, your account will be charged an overdraft fee, and you will be responsible for making the payment by some other means.

You may not transfer or assign your Account or Card to any other person. We may assign or transfer this Account, your Account balance, or this Agreement to another person, who will have all of our rights. This Agreement is binding on your heirs and legal representatives.

**Overdraft Protection.** Available funds from this Account will be used as a form of Overdraft Protection. In the event your checking account is overdrawn, available funds will be transferred in a sufficient amount to cover the overdraft and any fees associated with the overdraft. Advances for overdraft protection are considered cash advances and are subject to applicable Interest Charges. The credit union has no obligation to notify you of any advance under the Overdraft Protection Plan Agreement.

You authorize us to honor any purchase or cash advance you make by telephone or mail on this Account. You agree that a signature is not necessary as identification in such cases.

**Interest Rate Adjustment (Default Rate).** We may adjust the interest rate on your Account whenever your Account is two (2) minimum payments past due. We may change your interest rate to the highest allowable APR. After six (6) consecutive billing cycles of your Account being paid pursuant to the terms of your agreement with us, we will change the interest rate to the rate that is then applicable to your Account, which will become effective on the first day of the billing cycle following the sixth consecutive billing cycle.

You agree that we may place a temporary freeze on all or part of your credit line any time we receive a large payment (\$1,000.00 or more), by a method other than cash, certified funds, or electronic transfer. In such cases, we may freeze your credit line until payment is actually collected by us.

**Skip Payment Program.** At our option, we may offer you the opportunity to not make ("skip") a minimum payment during certain designated billing cycles ("skip payment period"). If you skip a payment, you understand that we will continue to apply interest charges to your Account. We have no obligation to accept your application for any skip payment period offered, and you authorize us to investigate your creditworthiness including obtaining consumer credit reports.

**Personal Identification Number (PIN).** We may issue a Personal Identification Number (PIN) for use with your Card. This PIN is confidential and should not be disclosed to anyone. You may use your PIN and your Card to access your Account, and all sums advanced will be added to your Account balance. In the event a use of your PIN constitutes an Electronic Funds Transfer, the terms and conditions of your Electronic Funds Transfer Agreement may affect your rights.

**Information Disclosure.** We will disclose information to third parties about your Account or the transactions you make: (1) when it is necessary for completing transactions, or (2) in order to verify the existence and condition of your Account for a third party, such as a credit bureau or merchant, or (3) in order to comply with government agency or court orders, or (4) if you give us your written permission.

**Promise To Pay.** You promise to pay us in U.S. dollars for (a) all purchases, cash advances, and balance transfers made by you or anyone whom you authorize to use the Card; (b) all Interest Charges and all other charges or fees; (c) collection costs and attorney's fees as permitted by applicable law, and any costs incurred in the recovery of the Card; and (d) credit in excess of your credit limit that we may extend to you.

**Illegal Transactions.** You agree that your Card and Account will not be used to make or facilitate any illegal transactions as determined by applicable law; and that any such use will constitute an event of default under this Agreement. We may decline any transaction that we believe to be illegal under applicable law, including but not limited to any transaction involving or relating to any gambling activity. You agree that we will have no liability or responsibility for any such use by you or any authorized user(s); or for declining any such transaction. You further agree to indemnify and hold us harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from such illegal use. You promise to pay us any and all amounts owing on your Card for any transactions made by you, even if the transaction is determined to be illegal.

**Credit Limit.** Your maximum credit limit will be disclosed at the time of loan disbursement and on your monthly statement. At our discretion, we may change your credit limit at any time, and may provide separate limits for purchases and for cash advances. We will notify you if we do, either by mail or through your monthly billing statement. Your continued use of the Card will show your agreement to any such increase. If you object to an increase in your credit limit, you must notify us in writing. Upon receipt of such notice, your credit limit will be reduced to its prior limit; however, you will be responsible to pay promptly any amounts by which you have exceeded the reduced limit. You agree to pay any amounts you owe that exceed your maximum credit limit upon demand.

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**Joint Accounts.** Each of you will be responsible, jointly and severally, for the repayment of amounts owed, regardless of who initiated any transaction under the Account.

If there are joint obligors or authorized users for this Account, each of you will have the right to use the Account to obtain loans pursuant to the terms.

Any joint obligator has the right to cancel this Agreement by notifying us in writing. Cancellation does not relieve any obligor of liability for any and all charges incurred prior to cancellation. Each obligator is at all times responsible for all amounts borrowed by any authorized user(s). Authorized users and other users may also be required to repay the amount owed for charges they make; however, you remain, at all times, primarily responsible for all amounts owed.

**Others Using Your Account.** If you allow anyone else to use your Account, you will be liable for all credit extended to such persons. You promise to pay for all purchases and advances made by anyone you authorize to use your Account, whether or not you notify us that he or she will be using it. If someone else is authorized to use your Account and you want to end that person's privilege, you must notify us in writing, and if he or she has a Card, you must return that Card with your written notice for it to be effective.

You agree that all borrowers and authorized users may have access to information regarding transactions on your Account, (including but not limited to) purchases and cash advances, Account balances, Account history, payments, and other information.

**Ownership of Card.** Your Card remains our property and may be cancelled by us at any time without notice. You agree to surrender your Card and to discontinue use of the Account immediately upon our request.

**Electronic Disclosures, Statements, Agreements, and Notices.** You specifically agree that we may provide all disclosures, statements, agreements, notices, amendments, revisions and other documents electronically.

**Interest Charges on Account Balance.** An Interest Charge computed on a daily periodic rate will begin to accrue for new Purchases, if you do not pay the new balance in full within 25 days after the billing date of the statement on which the new Purchases first appear. An Interest Charge computed on a daily periodic rate will begin to accrue on the transaction date of purchases (unless the grace period applies), cash advance(s), and balance transfers, and will continue to be imposed until you have paid any outstanding balance in full. The Credit Union calculates the Interest Charge as follows:

The Interest Charge will be figured by applying the daily periodic rate indicated on the Truth in Lending Disclosure Statement to the average daily balance of purchases, cash advances, and balance transfers multiplied by the number of days in the billing cycle. The daily periodic rate and annual percentage rate (APR) to be used is determined by the account type approved by us pursuant to the terms of your application. The APR for purchases, cash advances, and balance transfers may vary on a monthly basis. We will calculate the variable APR by adding a margin to the rate disclosed as the U.S. Prime Rate reported in the "Money Rate" table of the Wall Street Journal (paper version) on the third Tuesday each month of the year. The new variable rate will be applied to all existing balances not paid in full after any applicable grace period. The variable rate will not be higher than 18% or as otherwise ordered by the National Credit Union Administration (NCUA) Board. Your variable rate will be selected from the following seven (7) APR tiers based on individual creditworthiness and our underwriting standards. Your variable rate will be disclosed to you in each monthly statement.

- APR Prime + 4.49%
- APR Prime + 6.24%
- APR Prime + 12.74%
- APR Prime + 13.74%
- APR Prime + 14.74%
- APR Prime + 15.74%
- APR Prime + 17.74%

**Fees.** In addition to the Interest Charges set forth above, you agree to also pay any and all fees that you incur as disclosed to you on your Truth-in-Lending Statement or similar disclosures (as may be amended from time to time), or as disclosed to you during the term of your Card.

**ATM Access.** Owners of non-proprietary ATMs may charge fees in addition to fees disclosed in this Agreement or the fee schedule. We will add these fees to your Account. The other owners are required to provide appropriate disclosures to you with regard to any such fees.

**If Your Card is Lost or Stolen or if an Unauthorized Use Occurs.** You agree to notify us immediately if your Card is ever lost or stolen or if an unauthorized use may have occurred. "Unauthorized use" means the use of the Card by someone other than you who does not have actual, implied or apparent authority for such use, and from which you receive no benefit. The telephone number to call is 602-683-1000 (in Maricopa County) or 800-523-4603 (outside Maricopa County). You agree to follow up your call with notice in writing to us at: Arizona Federal Credit Union, P.O. Box 60070, Phoenix, AZ 85082-0070. You also agree to assist us in determining the facts, circumstances and other pertinent information relating to any loss, theft or possible unauthorized use of your Card and comply with such procedures as we may require in connection with our investigation. You will be liable for any unauthorized use only if we can prove that you were grossly negligent in your use or handling of your Card, or if we can prove that you used your Card fraudulently.

Do not use the Card after you have notified the Credit Union, even if you find them or have them returned to you.

**Minimum Payment Due; Crediting of Payments.** Payments are due in the amount and on the date disclosed on your billing statement. Payments received at a staffed branch teller line will be credited to your Account that day. Mailed payments to the address disclosed on your billing statement received by 5:00 p.m. will receive credit that day. Mailed payments to the address noted on your billing statement received after 5:00 p.m. will be applied on the next business day. If payment is made at any location other than the address designated on the periodic statement, credit for such payment may be delayed up to five (5) days. Payments will be applied in any order we determine, subject to applicable law.

You can pay off your Account balance in full each month or you can pay in monthly installments. Refer to your monthly periodic statement for your next payment due date. If you do not pay your balance in full, you agree to pay at least a minimum payment of 2.7% of your new balance (rounded to the nearest whole dollar) or \$20.00, whichever is greater. If the new balance shown on your periodic statement is \$20.00 or less, you agree to pay this amount. Unless we take other action as a result of a default under this Agreement, the minimum payment due will also include any amount that is past due and any amount by which your new balance exceeds your credit limit. Payments and credits will be applied first to pay billed but unpaid interest charges, late charges, and similar charges and next to pay cash advances and purchases. You must pay at least the minimum payment each month, but you may pay more than that amount at any time without a penalty. The sooner you pay your new balance, the less you will have to pay in interest charges.

**Default; Acceleration; Credit Suspension; Collection Costs.** You will be in default if: (1) you fail to make any payment on time; (2) if you fail to keep any promises you have made under this Agreement or under other Agreements you have with us; (3) if you die; (4) if you file a petition in bankruptcy or have a bankruptcy petition filed against you, or if you become involved in any insolvency, receivership or custodial proceeding; (5) if anyone attempts to take any of your funds held by us via legal process or if you have a judgment or tax lien filed against you; (6) if you make any false, inaccurate, or misleading statements in any credit application or credit update; or (7) if we, in good faith, believe that your ability to repay what you owe is or soon will be impaired, or that you are unwilling to make your payments.

If you are in default, we have the right to demand immediate payment of your full Account balance without giving you notice. If immediate payment is demanded, you agree to continue paying interest charges and fees until what you owe has been paid, and any shares that were given as security for your Account may be applied towards what you owe. You agree to pay all reasonable costs of collection, including court costs and attorney's fees, and any costs incurred in the recovery of the Card, subject to applicable law. Even if your unpaid balance is less than your credit limit, you will have no credit available during any time that any aspect of your Account is in default.

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**Additional Benefits/Card Enhancements.** We may from time to time offer additional services to your Account at no additional cost to you. You understand that we are not obligated to offer such services and may withdraw or change them at any time.

In order to receive the reward card benefit (points stored and available for use) your Account must be open and in good standing (i.e., not cancelled or terminated by either party) at the time your request is made to redeem such points. The Credit Union reserves the right to suspend your participation in the reward program at any time. Once your Account is closed the points are forfeited and may not be restored if you qualify to re-open and/or open another credit card account.

**Convenience Checks.** We may, at our discretion, issue checks to you which may be used for any purpose other than making a payment for credit to your Account. By signing such check, you authorize us to pay the item for the amount indicated and post such amount as a cash advance to your Account. We do not have to pay any item which would cause the outstanding balance in your Account to exceed your credit limit.

**Credit Information.** We may from time to time request personal information from you or obtain credit reports from the credit reporting agencies for the purpose of updating your credit status. Your failure to provide such information when requested by us may result in suspension of credit privileges under this Agreement, including your ability to obtain any future advances by any means. You authorize us to investigate your credit standing when opening or reviewing your Account. You authorize us to disclose information regarding your Account to credit bureau and creditors who inquire about your credit standing.

**Multi-Currency International Service Assessment Fee.** Charges for Transactions in Foreign Currency and Cross Border Transactions.

**Currency Conversion Fee.** If you effect or authorize a transaction with your card in a currency other than United States dollars, VISA will convert the charge into a United States dollar amount. The Visa currency conversion procedure includes use of either a government mandated exchange rate, or a wholesale exchange rate selected by Visa, as applicable. The exchange rate Visa uses will be a rate in effect on the day the transaction is processed. This rate may differ from the rate in effect on the date of the purchase or the date the transaction was posted to your Account. A currency conversion fee, as disclosed on your Truth-in-Lending Statement and Rate and Fee Schedule, will be applied to transactions that are converted from foreign currencies to United States dollars.

**Cross-Border Transaction Fee.** In addition, VISA charges us a cross-border assessment on each transaction on all cross-border transactions regardless of whether there is a currency conversion. For purposes of this section, "cross-border transaction" shall include both (a) transactions initiated in a foreign country, which are subsequently settled in the United States, and (b) transactions initiated in the United States but which are ultimately settled in a country outside of the United States. We will assess cross-border fees, as disclosed on your Truth-in-Lending Statement and Rate and Fee Schedule, to you to reimburse us for the fee we are required to pay for each of your transactions subject to these terms. The fee(s) will be shown on your periodic billing statement(s).

**Termination; Change-in-Terms.** We may, by written notice, terminate this Agreement at any time, subject to applicable law. You may terminate this Agreement by written notice. Termination by either party shall not affect your obligation to repay any payments made for your Account resulting from use of the Card as well as Interest Charges and fees incurred. We may change the terms of this Agreement, including the method of calculating the periodic rate, at any time, by written notice, subject to applicable law. Use of the Card constitutes agreement and acceptance of any change in terms, unless applicable law requires otherwise. Our failure to exercise any of our rights or to take any action shall not constitute a waiver of those rights, or an amendment or change in any of the terms of this Agreement.

This is a variable rate credit card. Changes in interest rates corresponding to changes in the index do not constitute a change in terms.

You agree that any lawsuit based on a cause of action against us must be filed within one year from the date it arises, or you shall be barred from filing any lawsuit. This limitation includes tort, contract, and all other causes of action for which you and we may lawfully contract to limit.

**Late or Partial Payments.** Any payment that delays the reduction of your balance will increase your total interest costs. Partial payments or prepayments will not delay your next scheduled payment - you will still need to make the minimum scheduled payment by the next scheduled due date to keep your Account current. We may accept late payments, partial payments, checks or money orders marked "payment in full" and such action shall not constitute final settlement of your Account or a waiver or forgiveness of any amounts owing under this Agreement.

**Enforcement.** We do not lose our rights under this or any related agreement if we delay enforcing them. If any provision of this or any related agreement is determined to be unenforceable or invalid, all other provisions remain in full force and effect.

You waive the right to receive notice of any waiver or delay of presentment, demand, protest or dishonor. You also waive any applicable statute of limitations to the full extent permitted by law and any right you may otherwise have to require the Credit Union to proceed against any person before suing you to collect.

**Returns and Adjustments.** Merchants and others who honor the Card may give credit for returns or adjustments, and they will do so by submitting a credit slip which will be posted to your Account. Credit balances in excess of \$1.00 will be transferred to your share account within 30 days of the last activity.

**Plan Merchant Disputes.** We are not responsible for the refusal of any plan merchant or financial institution to honor your Card. Also, we are not responsible for goods or services that you purchase with the Card unless: (a) your purchase was made in response to an advertisement we sent or participated in sending you; or (b) your purchase cost more than \$50 and was made from a plan merchant in your state or within 100 miles of your home; and only if you have made a good faith attempt, but have been unable to obtain satisfaction from the plan merchant. You must resolve all other disputes directly with the plan merchant. We do not warrant any merchandise or services purchased by you with the Card.

**Statements and Notices.** Statements and notices will be mailed to you at the most recent postal address or e-mail address (if you have elected to receive such documents via electronic means) you have given us. Notice sent to any one of you will be considered notice to all.

**Notification of Name, Address, and Employment Changes.** You will notify us promptly if you change your name, address, or employment for any reason. In order to prevent identity theft, your identity may need to be verified before we act upon the notification.

**Money Transfer Services.** If you receive any transmittal amount from any Money Transfer Service (MTS) provider you agree to limit the daily amount to \$2,500. We may increase or decrease this limit from time to time or accept or decline any MTS request in our sole discretion or as allowed by regulation. Each transmittal amount that is sent to your Card will generally post to your Card within two business days after we receive the transmittal amount from the sender.

**Copy Received.** You acknowledge that you have received a copy of this Agreement.

**Governing Law.** This Agreement shall be construed under federal law and state law in the state in which we are primarily located, and the venue shall be located in the county and state in which we are primarily located. Operating regulations of Visa may also apply. This Agreement is the contract that applies to all transactions even though the sales, cash advance, convenience check, credit or other slips you sign or receive may contain different terms.

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**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 to us at the address(es) listed on your statement.

In your letter, give us the following information:

1. Your name and account number.
2. The dollar amount of the suspected error.
3. 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 address(es) listed on your statement.

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.

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**PROGRAM AGREEMENT for DEBT PROTECTION PLAN**

*As used in this Debt Protection Plan Program Agreement ("Agreement"), "You", "Your" or "Borrower" means the person(s) who are obligated to repay a loan to us who have purchased debt protection under this Agreement. "We", "Our", "Us" means Arizona Federal Credit Union, 333 N. 44th Street, Phoenix, AZ 85008. "Plan Administrator" means Minnesota Life Insurance Company, 400 Robert Street North, St. Paul, Minnesota, 55101, or one of its affiliates, or a contracted third party.*

This Agreement amends your loan or credit agreement. By enrolling in this Debt Protection Plan ("Plan"), you agree to abide by the terms of this Agreement. The Debt Protection Application is a part of this Agreement and is hereby incorporated as if fully set forth herein.

**DEFINITIONS**

**Effective Date** means that date on which your Plan becomes effective, which is the later of: (1) the date you enroll in, and your eligibility is approved for, the Plan; or (2) the date of your first advance under a protected open-end credit plan.

**Presently working twenty-four (24) or more hours per week:** This term means that you are actively working for income for twenty-four (24) hours or more per week. Working means actually performing your job duties and not off of work due to: leave of absence; layoff; routine or seasonal work interruption; or any other reason.

**Outstanding Balance and Payment:** "Outstanding Balance" means the outstanding loan balance as of the date a Protected Event occurs. "Payment" means the minimum monthly loan payment scheduled under your loan agreement. Outstanding Balance and Payment both refer to the protected amount under the Plan and include principal, interest, the Plan fee and any amounts which the creditor and borrower agreed to finance as part of the loan at the time the credit is extended. It does not include late fees or other fees; real estate taxes or property insurance premiums; or any amount that represents defaults in scheduled payments of either interest or principal. A scheduled lump-sum Balloon payment will only be protected if the Protected Event cancels the Outstanding Balance. Additionally, any advance taken during any period of Involuntary Unemployment or Disability will not be protected and the payment for that advance will not be cancelled. You will be responsible for re-paying any amounts that are not cancelled.

**Pre-existing condition:** means a condition for which you received or had medical treatment, advice or diagnostic tests either for that same condition or a related condition within the six-month period immediately prior to the Effective Date and immediately prior to each and every advance taken. However, any Protected Event resulting from any such condition or a related condition will not be excluded if the Protected Event commences six months or more after the Effective Date of protection or six months or more after the advance is taken.

**TERMS OF PROTECTION**

**Who is eligible for protection?** This Plan protects an eligible Borrower ("Borrower 1") against Protected Events that occur while you are enrolled in the Plan ("Single Protection"). You may also elect protection for a Co-Borrower ("Borrower 2") against the Protected Events within the Plan purchased ("Joint Protection"). Co-signers, guarantors, and non-borrower owners of collateral are not eligible for protection.

**What types of loans are eligible for protection under the Plan?** The following types of loans are eligible for protection if the Plan is made available to you on that loan type:

Plan 1: closed-end consumer loans; open-end consumer credit plans and unsecured lines of credit; credit cards; closed-end home equity loans (e.g. second mortgages); and home equity lines of credit.

Plan 2: closed-end consumer loans; open-end consumer credit plans and unsecured lines of credit; and credit cards.

**What is the Plan Fee and how is it collected?** The Plan Fee is the amount you pay for the Protection. It is calculated by applying the rate per \$1,000 of your monthly outstanding balance or loan amount and will be charged and collected monthly. For closed-end loans, the fee becomes part of your required monthly loan payment, if you choose that option, or the term of your loan will be extended. For open-end loans, or if Debt Protection is added after the start of your loan, the fee may be added to your outstanding balance as an advance each month without increasing your minimum monthly payment due. This may increase the time it takes to fully re-pay the loan and interest will accrue on the debt protection advance. If you fail to pay the fee, we can cancel the protection or, at our option, add the fee to your outstanding balance upon which it will accrue interest. Such addition may extend the term of your loan.

**Can the Plan Fee and terms of this Agreement Change?** Yes. We can change the terms of this Agreement, including the rates, at any time. If we do so, you will be provided prior notice and an opportunity to cancel your Agreement under the Plan.

**Can this Agreement be contested?** Yes. If we find that you did not meet the eligibility requirements at the time of your application, your protection under the Plan will be removed, you will receive a refund of fees paid, and an otherwise valid claim will be denied.

**PROTECTED EVENTS**

The following describes the types of Protected Events and the protection afforded under each Plan:

**DEATH** (Plans 1 & 2; Joint Protection Available)

**What is the Death benefit?**

Plan 1: If you, or your joint borrower protected under a Joint Plan, dies, we will cancel up to six (6) consecutive Payments as of the date of death. If both protected Borrowers die simultaneously, we will cancel twelve (12) Payments.

Plan 2: For each protected borrower, we will cancel the amount of your Outstanding Balance as of the date of death, up to \$75,000. If two protected Borrowers die simultaneously, we will cancel the Outstanding Balance, up to \$75,000. In no event will an excess of \$75,000 be cancelled.

**DISABILITY** (Plan 1; Joint Protection Available)

**What does Disability mean and how do I qualify for Disability?**

Disability means your continuous inability, due to sickness or injury, to perform the substantial and material duties of your regular occupation and you are under the regular care and treatment of a licensed physician or licensed health care provider. To qualify for Disability protection, you must be disabled for 30 consecutive days. Benefits begin to accrue on the thirty-first (31st) day that you are disabled.

**What amounts will be cancelled under the Disability protection?**

For each occurrence of Disability, we will cancel 1/30th of the Payment for each day that you are disabled beginning with the thirty-first (31st) day of Disability and continuing for up to six (6) Payment cancellations. However, cancellations will immediately cease if you recover or return to work; or if the loan is paid off, is refinanced, or is discharged for any reason. Cancellation is limited to a total of \$15,000 over the term of the loan per each protected Borrower, regardless of the number of occurrences. The maximum monthly cancellation is \$1,000.

**What if the same or related disability occurs?**

Please see the "What if I suffer a recurrence" question in the General Provisions section below.

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## **INVOLUNTARY UNEMPLOYMENT** (Plan 1; Joint Protection Available)

### **What does Involuntary Unemployment mean and how do I qualify for protection?**

Involuntary Unemployment means that you involuntarily lost your full-time employment and you are eligible for, and are receiving, unemployment benefits.

To qualify for Involuntary Unemployment protection, the following requirements must be met:

1. You are involuntarily unemployed for 30 consecutive days; and
2. You are receiving unemployment benefits for the period of unemployment for which you are making a claim under this Agreement.

### **What amounts are cancelled under Involuntary Unemployment protection?**

We will cancel 1/30th of the Payment for each day you are involuntarily unemployed, beginning with the thirty-first (31st) day of Involuntary Unemployment and continuing for: (a) up to six (6) Payment cancellations per occurrence of Involuntary Unemployment or (b) until you discontinue receiving unemployment benefits for any reason or (c) you regain employment; whichever is earlier. Cancellation is limited to no more than \$15,000 over the term of the loan per each protected Borrower, regardless of the number of occurrences. The maximum monthly cancellation is \$1,000.

## **EXCLUSIONS**

*Exclusions apply to both the Outstanding Balance and any and all advances under an open-end credit plan.*

### **Benefits will not be provided under any Protected Event if the Protected Event:**

(1) is due to suicide committed within the first 2 years of protection; (2) is due to an intentionally self-inflicted injury; (3) is due to a Pre-existing Condition; (4) results from war or any act of war, whether declared or undeclared; or (5) occurs on or after your 70th birthday.

The following exclusions apply in addition to the above:

### **Benefits will not be provided under Disability protection if:**

the disability is related to a normal pregnancy, normal childbirth, or elective abortions. Complications due to pregnancy or childbirth will only be protected if the complications themselves are the cause of the disability.

### **Benefits will not be provided under Involuntary Unemployment protection if:**

(1) your job is terminated because: (a) you retire; (b) you quit or resign your employment for any reason; (c) you lose your employment due to: (i) willful or criminal misconduct; (ii) a normal, routine or seasonal shut-down; (iii) discharge from active military service; (iv) disability caused by sickness or injury; or (v) a strike, lockout, or labor dispute; (2) the involuntary unemployment commences within 90 days after your Effective Date; or (3) you received unemployment benefits within 2 years prior to applying for the Plan.

## **GENERAL PROVISIONS**

### **How do I obtain benefits and verify a Protected Event under the Plan?**

To obtain benefits under the Plan, you must notify us of a Protected Event within 30 days or as soon as possible, but no later than six (6) months after the occurrence of the Protected Event, and provide any documentation or information required by us at the time of your claim and/or throughout the period for which Payments are being cancelled. You must be able to verify the Protected Event to our satisfaction. If your delay in filing a claim prevents us in any way from determining eligibility under the Plan, no benefit will be issued.

### **What if I sustain an unrelated injury or sickness while I am disabled?**

If you are disabled ("original occurrence") and sustain an additional sickness or injury which would be in and of itself disabling, the additional sickness or injury will not be considered a new occurrence of Disability, but rather will be considered the same occurrence. This means that you will receive benefits only if you did not exhaust your maximum per-occurrence benefits in connection with the original occurrence.

### **What if I suffer a recurrence of the same or related Protected Event?**

If you incur a claim for the same type of Protected Event again within six (6) months after you have recovered or returned to full-time work, we will consider this a continuation of the prior event. (For disability, however, this only applies if you are disabled due to the same condition.) This means that the maximum number of cancellations per occurrence for the prior event will still apply; if that maximum was already reached, no benefits will be issued. If you incur a claim for the same type of Protected Event again more than six (6) months after you have recovered or returned to full-time work, we will consider this a new event and the terms and conditions of the Plan apply as if no prior event occurred. This provision applies whether you return to work full-time with the same or different employer.

### **What is the status of my loan following the occurrence of a Protected Event?**

During the time it takes to process your request for benefits, you are responsible for making your monthly payment by the due date. Once benefits begin, you are responsible for any difference between the minimum payment due on the loan and the amount that is cancelled.

### **What if the term of my loan ends while I am receiving cancellations under the Plan?**

Regardless of the number of cancellations you may otherwise be entitled to, cancellations will cease if the loan is paid off, is refinanced, or is discharged for any reason.

### **How can the Plan be terminated?**

You may terminate this Agreement at any time by writing us at Arizona Federal Credit Union, P.O. Box 60070, Phoenix, Arizona 85082-0070. If you do so within thirty (30) days of your enrollment in the Plan, we will credit your loan account for any fees charged for this protection. **We** can terminate this Agreement by giving you written notice at least thirty (30) days in advance of the termination. Termination by us or you will be effective on the first of the month following termination. Fees for the month in which notice of termination is received will still be due and collected from the loan payment.

Your Plan participation will terminate without advance notice if: (1) your loan is paid off, refinanced, or discharged for any reason; (2) required loan payments are past due by 90 days or more; (3) you fail to pay the Plan Fee; (4) both protected Borrowers reach age 70 or die; or (5) the protected Outstanding Balance is paid off under the terms of the Plan or all maximum cancellations are reached. If you bring your loan current after your Protection has been terminated for delinquency, protection will not be reinstated automatically and you must re-apply for the Plan.

### **What are the tax implications?**

You may be subject to federal, state and local taxes on the amount of your cancelled loan payment or balance. You should consult your tax advisor. We or the Plan Administrator do not provide you with guidance on the tax implications, if any, of a cancelled debt.

### **What if I have questions about the Plan?**

Telephone us at 602-683-1000 or 1-800-523-4603 or write to us at Arizona Federal Credit Union, P.O. Box 60070, Phoenix, Arizona 85082-0070 if you have any questions regarding this Plan.