

# VISA CREDIT CARD AGREEMENT AND TRUTH IN LENDING DISCLOSURE

Interest Rates and Interest Charges		
Annual Percentage Rates (APRs) for purchases	<input type="checkbox"/> Non-Variable Rate Program	
	<input type="checkbox"/> Variable Rate Program	This APR will vary with the market based upon Prime Rate
APR for Balance Transfers	<input type="checkbox"/> Non-Variable Rate Program	
	<input type="checkbox"/> Variable Rate Program	This APR will vary with the market based upon Prime Rate
APR for Cash Advances	<input type="checkbox"/> Non-Variable Rate Program	
	<input type="checkbox"/> Variable Rate Program	This APR will vary with the market based upon Prime Rate
Penalty APR and When It Applies	<b>No penalty rate will be applied</b>	
Paying Interest	Your due date is at least 25 days after the close of each billing cycle. We will not charge you interest on purchases if you pay your entire balance by the due date each month. We will begin charging interest on cash advances and balance transfers on the transaction date.	
For Credit Card Tips from the Federal Reserve Board	To learn more about factors to consider when applying for or using a credit card visit the website of the Consumer Financial Protection Bureau at <a href="http://www.consumerfinance.gov/learnmore">http://www.consumerfinance.gov/learnmore</a>	

Fees	
Annual Fee	<b>\$0</b>
Transaction Fees:	
• Balance Transfer fee	<b>\$0</b>
• Cash Advance Fee	<b>\$0</b> if cash advance performed at RCU location. <b>2%</b> of the advance amount or <b>\$20</b> , whichever is greater, if cash advance performed at a non-RCU location.
• Foreign Transaction fee	<b>\$0</b>
Penalty fees:	
• Late Payment	<b>Up to \$15</b>
• Over-the-Credit Limit	<b>\$0</b>
• Returned Payment	<b>Up to \$22</b>
Other Fees	
• RedwoodRewards Plus	<b>\$0</b>

**How We Will Calculate Your Balance:** We use a method called “average daily balance (including new purchases).” See your account agreement for more details.

**Billing Rights:** Information on your rights to dispute transactions and how to exercise those rights is provided in your account agreement.

Please note that this Agreement contains a BINDING INDIVIDUAL ARBITRATION PROVISION AND JURY AND CLASS ACTION WAIVER which affects my rights with respect to any claims or disputes by or against RCU. I may opt out of that provision as described on pages 5 and 6.

This is a disclosure of the terms of my REDWOOD CREDIT UNION Visa® CREDIT CARD ACCOUNTS. I have applied for a consumer Visa® Credit Card with Redwood Credit Union (RCU). I represent that credit extended to me under this Agreement will be for personal, family or household purposes. I agree that if I sign this Agreement or sign or use any card(s) issued or personal identification number (PIN), or allow others to use the account, card(s), or PIN, or any other Access Device issued to me here under, I and they will have accepted this Agreement just as if I and they signed it, and I and they will be jointly and severally bound by the following terms. “I” refers to all persons who submitted the application as applicants for credit, or who use this account, or who otherwise agree to be liable on the account. “Access Device” refers to any means that a person can use to obtain a loan advance, such as a credit card or special access checks. A co-signer is a person who does not

have access to the credit but who signs the application and will be responsible for repaying all amounts borrowed. Please read the entire Agreement and save a copy for your future reference.

#### A. LOAN ADVANCES

1. If RCU approves my application, each applicant will be issued a Credit Card and will be able to access the account. Each applicant will also be individually and jointly responsible for repaying the account under the terms of this Agreement.
2. I am also obligated to repay any charges resulting from the use of the Credit Card by another person with my permission, whether or not the person stays within the scope of permission I have given them.
3. To make a purchase or get a cash advance on my Credit Card, I must present the card or give my Credit Card number to a participating Visa® plan merchant, to RCU, or to another financial institution. If I make my transaction in person, I may sign a sales receipt or cash advance draft imprinted with my truncated Credit Card number. I will keep a copy of the receipt or draft to verify with my monthly statement. I can also access my account at designated ATMs.
4. I agree not to use my Credit Card for illegal transactions, such as illegal on-line gambling. I am responsible for determining the legality of transactions I make. The illegality of any authorized transaction will not be a defense to my obligation to pay for it.
5. My account will be an open-end or revolving account. This means that I can borrow the full amount of the line of credit, repay the principal in full or in part, and borrow again up to my maximum line of credit as long as I continue to be creditworthy and a Member in good standing of RCU.
6. Each joint borrower may borrow on the account to the extent of the credit limit and will be responsible with any other joint borrower to repay the loan. Each joint borrower will remain responsible for payment, even though another person has been directed to pay the debt by an agreement or court order such as a divorce decree to which RCU is not a party. No release from the obligation to pay will be valid unless (a) in writing and signed by an authorized RCU employee or (b) pursuant to a court order in an action to which RCU is a party, such as a bankruptcy.
7. RCU may send me Access Checks on my Credit Card account from time to time or upon request. Access Checks are subject to the following:
  - 7.1 Any borrower on the Credit Card account can obtain a cash advance by writing an Access Check payable to any party.
  - 7.2 When the Access Check clears, it will post to my Credit Card account as a cash advance. Use of an Access Check will be considered a cash advance for purposes of calculating cash advance fees (if any) and finance charges.
  - 7.3 Access Checks are not subject to fees except cash advance fees (if any). However, if I request a special service on an Access Check, such as a stop payment, the fee that RCU would normally charge for such a service on an RCU checking account will be charged with respect to the Access Check. I will refer to the current RCU Cost Recovery Schedule for details.
  - 7.4 If I want to stop payment on an Access Check, I must notify RCU before the Access Check clears. My notice must exactly identify the Access Check by check number and dollar amount. If I give RCU an incorrect check number or the dollar amount varies by even one penny, the stop payment may not be made. RCU will have no liability to me for failing to stop payment on an Access Check if I do not accurately identify the Access Check, or if the Access Check clears within the first 24 hours after I first notify RCU to stop payment. RCU has the right to require me to confirm an oral stop payment request in writing. If RCU requires me to do this, and I do not do so within fourteen (14) days after RCU's request, my oral stop payment request will lapse.
  - 7.5 I have sixty (60) days from the date RCU sends me the first statement on which a forged, altered or otherwise improper Access Check appears to report the problem to RCU. If I report the improper Access Check on time, RCU's responsibility for the item will be governed by the California Commercial Code and other applicable laws regarding improperly paid checks. If I do not report the improper Access Check within sixty days, RCU will not be responsible for it. Access Checks are processed in an automated environment and RCU cannot physically examine the Access Checks presented for payment on my Credit Card account. For this reason, RCU requires, in consideration for making Access Checks available to me, my consent to this shortening of the time limit otherwise available under the Commercial Code for imposing responsibility on RCU for improperly paid checks.
  - 7.6 If I do not wish to use Access Checks that RCU sends me, I will destroy them.
8. RCU has the right to refuse my request to borrow against my credit line for any reason, in its sole and absolute discretion. RCU will generally notify me in writing of the reason for any such denial of credit. Among the reasons for refusing to advance me credit are my having already borrowed up to my credit limit, my failure to meet obligations to RCU, or an adverse change in my credit standing.

B. CREDIT LIMIT - RCU sets my credit limit at RCU's sole discretion. The loans which RCU may extend to me under this account may only exceed the assigned credit limit at RCU's discretion. RCU may review my account from time to time. RCU's review may include asking me to provide current information or complete a new application, and/or checking my credit with third-party sources at any time I have open accounts that are subject to this Agreement. RCU may increase or decrease my credit limit, change the interest rate that applies to future advances on my loan account, or close my loan account, based on RCU's review. I can request an increase in my credit limit by submitting a written application.

#### C. REPAYMENT TERMS

1. I promise to pay RCU, at the address designated for payment on my statement all sums advanced to me under this Agreement at any time plus a finance charge determined by RCU. The finance charge is the amount of money that I pay for the money that I borrow. The finance charge is computed by applying an Annual Percentage Rate (APR) to the amounts I owe. To make credit available to as many Members as possible, RCU may offer a range of rates on Credit Cards. The rate offered will depend on RCU's evaluation of my creditworthiness and ability to pay.

#### 2. The Credit Card program and Annual Percentage Rate (APR) that applies to my card is checked below:

**Variable Rate Program:** The APR that applies to this credit card is a variable rate based on the Prime Lending Rate plus a margin of \_\_\_\_\_ for purchases and balance transfers and \_\_\_\_\_ for cash advances. The APR on the credit card will increase or decrease as the Prime Lending Rate increases or decreases and can change every billing cycle. An increase to my rate will result in a longer repayment period and higher payments. Changes to the APR will take effect on the first day of the billing cycle following a change to the Prime Lending Rate. The resulting rate will apply to all outstanding balances unless a promotional rate applies to a particular balance. The APR cannot exceed 21.00% while the credit card is open.

The APR and resulting daily periodic rate on my card is currently:

**APR for Purchases and Balance Transfers:**

**Daily Periodic Rate:**

**APR for Cash Advances:**

**Daily Periodic Rate:**

These rates are accurate as of \_\_\_\_\_

**Non-Variable Rate Program:** The APR that applies to this credit card is the rate disclosed in the Interest Rates and Interest Charges section on the first page of this agreement. This rate will not increase on existing balances but may increase for future advances as provided for in Section G: Change of Terms.

The APR and resulting daily periodic rate on my card is:

**APR for Purchases and Balance Transfers:**

**Daily Periodic Rate:**

**APR for Cash Advances:**

**Daily Periodic Rate:**

3. My minimum periodic payment on any Credit Card account balance will be the greater of the amount shown on my current monthly billing statement or \$10, plus any overlimit or delinquent amounts. The minimum payment is generally 2% of the new balance.
4. Calculation of Finance Charges--Average Daily Balance Method: The Finance Charge on Credit Card loan advances accrues from the date each transaction posts to my account. RCU arrives at the Finance Charge by first calculating the average daily principal balance for the statement period. To do this, RCU obtains the balances for each day of the statement period by adding any cash advances or purchases to, and subtracting any payments or credits from, the previous day's balance. Then RCU adds up the daily balances for each day of the statement period and divides that total by the number of days in the statement period to get the Average Daily Balance. Then RCU multiplies the Average Daily Balance by the Monthly Periodic Rate (1/12 of the APR) to determine the finance charges for the statement period.
5. Grace Period for Purchases Only: If I either had a zero balance at the end of the previous statement period or paid my previous month's new balance in full on or before the due date, I will have twenty-five (25) days from the close of the statement period to pay my new balance of purchases without the specified Finance Charge. After the grace period, I must pay the specified Finance Charge. A partial payment of my balance will not reduce the Finance Charge. No grace period applies to cash advances. Finance Charges accrue from the day a cash advance posts to my account.
6. Credit Card account payments are applied to the components of my account in the following order: In accordance with applicable law, RCU will choose the order in which any payment will be applied to my indebtedness to RCU at the time the payment is made.
7. I can repay the balance I owe, including the accrued finance charge, at any time, in full or in part, without prepayment penalty. Any partial payment of my account will not advance my next payment due date.
8. My minimum monthly payment will increase when the outstanding balance increases, as stated in the periodic statement or payment notice.
9. RCU will provide me with a periodic statements of my Credit Card account that will advise me of the status of my loan, including any information required by law.
10. I will make monthly payments on or before the day specified in my billing statements.
11. If my balance exceeds my authorized credit limit, I must immediately, upon receipt of written notice from RCU, make a single lump-sum payment to reduce my outstanding balance to the authorized credit limit.
12. Foreign Transactions. For transactions initiated in foreign currencies, the exchange rate between the transaction currency and the billing currency (U.S. dollars) will be (a) a rate selected by Visa® from the range of rates available in wholesale currency markets, which rate may vary from the rate Visa itself receives, or (b) the government mandated rate in effect for the applicable central processing date, in each instance, plus or minus any adjustment determined by RCU. As of the printing date of this Agreement, RCU does not add a currency conversion fee to the transaction amount. The currency conversion rate used by Visa® on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date. RCU has no control over the conversion rate. RCU reserves the right to add a currency conversion fee to transaction amounts in the future. Notice of fee or surcharge changes will be provided as required by law.

#### D. OTHER CHARGES

1. Dishonored Loan Payments: Any payment I make with a non-cash item that is not honored may result in a fee of \$22 being added to my account.
2. Cash Advances: For cash advances performed at non-RCU offices, I will be assessed a fee equal to 2% of the advance amount or \$20, whichever is greater. If assessed, the fee is added to the account balance and may accrue finance charges on the same basis as a purchase or cash advance.

#### E. SECURITY INTERESTS

1. CONSENT TO RECOVERY OF PAYMENT DELINQUENCY FROM SHARES. In consideration for and as a condition of RCU issuing to me a Credit Card, I agree that if I do not make my required payments on the Credit Card, RCU can, without advance notice to me, take any RCU shares in which I have an interest to recover all or part of my delinquent obligation, unless otherwise prohibited by law. This consent is not a pledge of any shares and will not affect my right to withdraw funds prior to my default or RCU's exercise of RCU's rights under this consent. Any exercise of this right by RCU is not an election of remedies.
2. Specific Account Pledge: At RCU's option, a specified amount in one or more of my RCU share accounts may be pledged as security for the repayment of all amounts loaned to me under the terms of this Agreement. The amount pledged and the account will be as shown on a separate security agreement. I cannot withdraw the pledged funds from the account as long as the pledge is in effect. If I default on my payments under the terms of this Agreement, RCU has the right to apply the amount specifically pledged to pay off the loan in full or in part.

#### F. CHANGES IN TERMS

1. RCU may change the terms of this Agreement, including my APR, from time to time for any reason not inconsistent with applicable law after giving me any advance notice required by law. My failure to exercise any right I may have to reject the change in terms in a timely manner will indicate my agreement to the change. Except as restricted or prohibited by law, any change in terms will apply to my existing account balance as well as to future transactions.
2. The terms of this Agreement may also be changed by mutual written agreement between RCU and me or by the order of a court in an action to which RCU is a party.
3. RCU can cancel this Agreement and revoke any privilege I have at RCU if I fail to meet RCU's credit standards at any time or for other lawful reason. I can cancel this Agreement at any time. My obligation to pay what I owe continues after RCU or I cancel this Agreement or any sub-account under this Agreement, or if RCU cancels any of my RCU privileges.

G. HONEST DEALING - I will promptly notify RCU of any information that affects my creditworthiness or ability to pay what I owe, including but not limited to a change in my name, address, or employment. I will not use my Credit Card or any credit access device issued to me if I have reason to believe I will be unable to make the scheduled payments.

H. ADDITIONAL TERMS APPLICABLE TO CO-SIGNERS - As a co-applicant or co-signer, I understand and agree that I must repay any amount borrowed under this Agreement to the same extent as the borrower, whether or not I get any of the money borrowed or even obtain any benefit from the loan. I understand that if I had not agreed to repay the amounts borrowed, RCU would not have approved the credit application. RCU can proceed against me if payments are delinquent even before RCU seeks to recover from the borrower. RCU will give me notice required by law of any action it takes that could adversely affect me. Any extension of the loan or partial settlement with the borrower will not waive any of RCU's rights against me as the co-applicant or co-signer. I acknowledge receipt of the separate Cosigner's Notice.

#### I. DEFAULT-LIEN-ACCELERATION

If I default on my loan payments, or breach this Agreement or any other agreement I have with RCU, if I make false statements to obtain credit, or if I die or become the debtor in a bankruptcy or other insolvency proceeding, RCU may declare the entire unpaid balance of the Credit Card account due and payable immediately, without notice. Even if RCU accepts a late payment or partial payment, RCU is not waiving its right to accelerate the payment of the Credit Card account and declare the entire unpaid balance due. The regular interest required under the terms of this Agreement will continue to accrue even after my default and acceleration of the obligation.

#### J. COLLECTION COSTS

1. If I do not make my payment to RCU within fifteen (15) days after the due date, a single late charge of \$15.00 will be added to my account. I agree to pay all reasonable collection costs RCU incurs before suit is filed. If RCU takes legal action to collect what I owe RCU, subject to the arbitration provision below, I agree to pay RCU's reasonable attorney's fees and costs, whether the legal action is a collection lawsuit, a proceeding to protect RCU's interests if I become a bankruptcy debtor, or any other type of legal action. RCU can add collection costs and attorney's fees to my loan balance and they will accrue interest at the stated interest rate for my loan.

2. I understand that RCU may submit a negative credit report to a credit-reporting agency that will reflect on my credit record if I fail to fulfill the terms of my credit obligations.

#### K. OTHER RIGHTS APPLICABLE TO CREDIT CARDS

1. Unauthorized Use of Credit Cards - If there is unauthorized use on my consumer VISA Credit Card my liability will be zero (\$0.00). This provision limiting my liability does not apply to either VISA commercial cards, ATM cash disbursements or non-VISA PIN-less debit transactions. Additionally, my liability with respect to unauthorized transactions may be greater than the above limit, to the extent allowed under applicable law, if the Credit Union reasonably determines, based on substantial evidence, that I was grossly negligent or fraudulent in the handling of my account or card. I agree to immediately notify RCU of the loss or theft of my card at RCU's telephone numbers, (707) 545-4000 or 1 (800) 479-7928, or by writing to RCU at Redwood Credit Union, PO Box 6104, Santa Rosa, CA 95406-0104. I also agree to assist RCU in determining the facts and circumstances relating to any such unauthorized use.
2. Merchant Disputes - RCU is not responsible for the refusal of any merchant or financial institution to honor my Credit Card. RCU is subject to good faith claims and defenses recognized by law (other than tort claims) arising out of goods or services I purchase with the card, only if I have made a good faith attempt but have been unable to obtain satisfaction from the plan merchant, and (a) my purchase was made in response to an advertisement RCU sent or participated in sending me or from a merchant RCU owns or operates, or (b) my purchase cost more than \$50 and was made in my home state or within 100 miles from my home. RCU is relieved from liability if I have already paid RCU for the disputed transaction. Any other disputes I must resolve directly with the merchant.
3. Credits - A merchant who honors my Credit Card and later gives me credit for a return or adjustment will do so by sending RCU a credit slip, which RCU will post to my account. If my credits and payments exceed what I owe RCU, RCU will hold and apply the credit balance against future purchases and cash advances, or refund it on my written request if it is \$1.00 or more. If I have had a credit balance with RCU, RCU will automatically refund it within 6 (six) months via a deposit to an RCU share account of mine or by sending me a check at my last address in RCU's records. As required by law, RCU will promptly post payments to my account so that I will not pay improper finance charges. However, RCU has the right to reasonably delay refunding credit balances to me or increasing my credit limit for the maximum time allowed by law until final collection of non-cash items presented for payment of my account.

#### L. ERROR CORRECTION

RCU can correct clerical errors in loan documents, including but not limited to errors in the interest rate quoted to me. I will be notified of any corrections and the reasons for them.

#### M. TERMINATION

RCU can terminate this Agreement at any time for any lawful reason by sending me a written notice of the termination and the business reasons for it, such as RCU's discontinuing a type of loan or the inadequacy of funds to make loans. RCU can also terminate this Agreement if I fail to meet my obligations to RCU or cease to be a Member in good standing. Termination of this Agreement does not relieve me of the obligation to repay the full balance due under this Agreement.

#### N. PAYMENT PROTECTION

I may voluntarily elect to purchase Payment Protection. I do not have to obtain this insurance to borrow money. RCU can cancel my payment protection if I don't make my payments on time. RCU will add the premiums to the monthly principal balance of the VISA®/loan account and the premium will accrue finance charges until paid. Exact unit cost, will be stated in a separate insurance document. Payment Protection is also subject to a separate written agreement.

#### O. GENERAL TERMS

The singular implies the plural if more than one person signs this Agreement. If any part of this Agreement is found invalid, the other parts shall remain in effect. This Agreement shall not be construed against either party. The Agreement is made in California and applicable Federal and California law shall govern its interpretation to the extent permitted by law. NOTICE: Important information about rights to dispute billing errors follows below.

**WAIVER, DELAY IN ENFORCEMENT** – RCU may delay enforcing any of its rights under this Agreement at any time without affecting any of its other rights under this Agreement.

**OWNERSHIP** – The Visa® Credit Card(s) remain the property of RCU and must be collected and surrendered to RCU upon our request and/or upon termination of this account.

**ATM DISCLOSURE** - This part of the disclosure includes special provisions applicable to the use of a Credit Card to obtain cash at ATMs. My Visa® Credit Card may allow me to get cash through a nationwide network of Visa® ATMs. The separate Electronic Funds Transfer Disclosure contained in my Redwood Credit Union Membership Account Disclosure provides information about using ATMs to access RCU accounts such as share (savings) and share draft (checking).

#### AVAILABLE SERVICES

1. Obtain up to \$500 per 24-hour period each business day. Cash withdrawals conducted on non-business days are included in the totals for the next business day.
2. ATM service is generally available twenty-four (24) hours a day, seven (7) days a week.

**DOCUMENTATION OF TRANSACTIONS** - Cash advances using a Visa® Credit Card will be shown on a receipt dispensed by the ATM and on the periodic statement. RCU's LIABILITY: If RCU does not properly complete a transaction according to RCU's agreement with me, RCU is liable for my direct losses or damages. However, there are some exceptions. RCU will not be liable if:

1. Through no fault of RCU's, I lack sufficient available credit to make the transaction.
2. The ATM system is not working properly, and I knew about the breakdown when I started the transaction.
3. The money in my accounts is subject to legal process or other claim.
4. My Personal Identification Number (PIN) has been reported missing and RCU has blocked its use.
5. Circumstances beyond RCU's reasonable control such as fire, flood, electrical failure, or malfunction of the central data processing system prevent RCU from completing the transaction despite RCU's reasonable precautions.
6. RCU establishes other lawful exceptions and notifies me of them in advance.

In no event will RCU be liable for consequential, indirect or punitive costs or damages.

**BUSINESS DAYS** - RCU's business days are Monday through Friday, excluding holidays.

**SECURITY** - I will not use an ATM unless it appears safe to do so. I will not key in my PIN if someone is looking. I will take my card and receipt when I am done. I will put my money away quickly and leave the site.

#### P. TELEPHONE CONSUMER PROTECTION ACT EXPRESS CONSENT

I hereby give my express consent to RCU and its successors and assigns, and to any third party acting on behalf of any of them to contact me regarding my accounts and/or any other business relationship I have now or at any time in the future with RCU. This includes my consent for RCU to contact me by telephone or text message

at any telephone number or numbers I provide to RCU now or later for any purpose or that RCU obtains from any other source, including (but not limited to) any telephone number assigned to a cellular telephone service or any other service for which I am charged for the call. This consent applies even if RCU uses an automatic telephone dialing system or an artificial or prerecorded voice to make the call or send the message. (I promise I will tell RCU in writing if any telephone number I provide to RCU is assigned to a cellular telephone service or to any other service for which anyone may be charged for the call. I also promise to tell RCU in writing if I am not the person who subscribes to the related telephone service or if I am not the most common user of any such telephone number.

#### Q. GOVERNING LAW AND DISPUTE RESOLUTION

This Agreement will be governed by and interpreted in accordance with federal law and regulation, and to the extent that there is no applicable federal law or regulation, by the laws of the State of California, without giving effect to its conflict of laws provisions of your actual state or country of residence. To the extent permitted by applicable law and subject to the terms of the arbitration paragraph below, I agree that any legal action regarding this Agreement shall be brought in the county in which RCU's headquarters office is located.

#### R. ARBITRATION AND WAIVER OF CLASS ACTION AND JURY TRIAL

*Please read this provision carefully. It affects my rights and may have a substantial impact on how legal claims I and RCU have against each other are resolved if I do not opt-out as permitted below.*

##### ARBITRATION

To the extent permitted by the Federal Arbitration Act (the "FAA") and any other applicable federal law, binding arbitration may be elected by either party with respect to any past, present or future claim or controversy arising out of or relating to this Agreement and/or a Credit Union account, even if that party has already initiated a lawsuit with respect to a different claim. Arbitration is elected by giving a written demand for arbitration to the other party, by filing a motion to compel arbitration in court, or by initiating arbitration against the other party. You and we agree, upon such written demand, motion or initiation, to submit to, and that such claim shall be settled by, binding arbitration.

The arbitration will be subject to the Rules of the American Arbitration Association ("AAA") in effect at the time the arbitration is initiated, or such similar rules as may be adopted by AAA. Neither party will demand the arbitration of an action filed in small claims court, or its state's equivalent court, for any claim or dispute within the scope of the small claims court's jurisdiction. But if a claim is transferred, removed or appealed to a different court, such claim shall be subject to arbitration. This arbitration provision shall be interpreted and enforced in accordance with the FAA by a single arbitrator appointed by the AAA. The arbitrator shall be an attorney or retired judge with experience and knowledge regarding financial institutions and transactions.

RCU will advance and/or pay, as applicable, the fees and costs of the arbitration pursuant to this Agreement (i) if applicable law requires RCU to, (ii) if I prevail in the arbitration, or (iii) if RCU must advance such fees and costs in order for this arbitration provision to be enforced, subject to the arbitrator's award, if any, of arbitration fees and costs to the prevailing party.

In each case, each party will pay for its own attorney fees and costs, if any, for prosecuting and defending claims, except that the arbitrator may award the prevailing party all its attorney fees and costs, including expert witness fees.

Arbitration hearings will be held in a location reasonably convenient to my residence, or at another location if mutually agreed. Any issue concerning whether or the extent to which a dispute or claim is subject to arbitration, including issues relating to the validity or enforceability of these arbitration provisions, shall be determined by the arbitrator. Only a court, and not an arbitrator, however, shall determine the validity and effect of the class action and jury trial waivers below. All statutes of limitations or other defenses relating to the timeliness of the assertion of a dispute or claim that otherwise would be applicable to an action brought in a court of law must be followed by the arbitrator, and the commencement of an arbitration under this Agreement shall be deemed the commencement of an action for such purposes. The arbitrator's decision shall be final and binding and may be entered in any state or federal court having jurisdiction. The arbitrator may award any remedy provided by the substantive law that would apply if the action were pending in court. For more details, check the American Arbitration Association's website, [www.adr.org](http://www.adr.org), OR call the American Arbitration Association's Customer Service telephone number at (800) 778-7879.

##### WAIVER OF CLASS ACTION AND JURY TRIAL

THE PARTIES EACH AGREE THAT ANY AND ALL DISPUTES, WHETHER SUBMITTED TO ARBITRATION OR DECIDED BY A COURT, MUST BE BROUGHT IN THE PARTY'S INDIVIDUAL CAPACITY AND NOT AS A CLASS ACTION PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. I AGREE TO WAIVE THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR LITIGATE ON A CLASS-WIDE BASIS. I AGREE THAT I HAVE EXPRESSLY AND KNOWINGLY WAIVED THESE RIGHTS. I AND RCU HEREBY VOLUNTARILY AND KNOWINGLY WAIVE THE RIGHT TO TRIAL BY JURY OF ALL DISPUTES, CONTROVERSIES AND CLAIMS BY, BETWEEN OR AGAINST EITHER ME OR RCU WHETHER THE DISPUTE, CONTROVERSY OR CLAIM IS SUBMITTED TO ARBITRATION OR IS DECIDED BY A COURT, TO THE FULLEST EXTENT ALLOWED BY LAW.

##### MY RIGHT TO OPT OUT; ARBITRATION AND WAIVER OF CLASS ACTION AND JURY TRIAL

IF I DO NOT WANT THIS ARBITRATION AND WAIVER OF CLASS ACTION AND JURY TRIAL PROVISION TO APPLY, I MAY OPT-OUT BY SENDING A WRITTEN REQUEST TO THE CREDIT UNION POSTMARKED WITHIN SIXTY (60) DAYS OF MY RECEIPT OF THIS AGREEMENT. THE OPT-OUT MUST INCLUDE MY FULL NAME, ADDRESS, TELEPHONE NUMBER, ACCOUNT NUMBER AND PERSONAL SIGNATURE, AND MUST BE MAILED TO REDWOOD CREDIT UNION, PO BOX 6104, SANTA ROSA, CA 95406. OPTING OUT WILL NOT TERMINATE THIS AGREEMENT OR AFFECT ANY OTHER RIGHTS AND OBLIGATIONS I OR THE CREDIT UNION HAVE UNDER THIS AGREEMENT.

This arbitration provision does not preclude me from bringing issues regarding my accounts to the attention of any federal, state or local agency or entity. Such agency or entity may be able to seek relief on my behalf.

Nothing in this arbitration provision shall limit my or RCU's right, whether before, during, or after the pendency of any arbitration proceeding, to exercise any self-help remedies, such as set-off or repossession and sale of collateral, or to obtain provisional remedies (including but not limited to, injunctive relief or interpleader relief). The exercise of such rights will not constitute a waiver of the right to submit any dispute to arbitration.

This Arbitration and Waiver of Class Action and Jury Trial provision shall survive my death, the closing of any of my accounts, the termination of any of my business or transaction(s) with RCU, and any bankruptcy filing to the extent consistent with applicable bankruptcy law, and shall also survive as to any claim within the scope of this Agreement.

If any term or provision of this Arbitration and Waiver of Class Action and Jury Trial provision is held to be invalid or unenforceable, the remaining provisions shall be enforced without regard to the invalid or unenforceable term or provision.

**MY BILLING RIGHTS - KEEP THIS NOTICE FOR FUTURE USE**

**STATE AND LOCAL LAW** - The following summary of my rights under federal law does not cover all rights I may have under state and local law. If, under state or local law, I have a longer period of time in which to send an inquiry to RCU concerning my statement, reliance on any such longer period of time may result in my losing important rights, which could be preserved by acting more promptly under federal law. State or local provisions, if any, only become operative upon the expiration of the time period provided by Federal Reserve Regulation Z for submitting a proper written notification of an error. This notice contains important information about my rights and responsibilities under the Fair Credit Billing Act.

If I think my statement is wrong, or if I need more information about a transaction on my statement, I will write RCU at the address shown on my statement or to Redwood Credit Union, PO Box 6104, Santa Rosa, CA 95406-0104. I will write as soon as possible. RCU must hear from me no later than sixty (60) days after RCU sent me the first statement on which the error or problem appeared. I can telephone RCU at 1 (800) 479-7928, but doing so will not preserve my rights. My letter should give RCU the following information.

- My name and account number
- The dollar amount of the suspected error
- A description of the error and an explanation, if I can make one, or why I believe there is an error. If I need more information, I will describe the item I am not sure about.

If I have authorized RCU to pay my credit card bill automatically from my savings or checking account, I can stop the payment on any amount I think is wrong. To stop the payment my letter must reach RCU three business days before the automatic payment is scheduled to occur.

**MY RIGHTS AND RCU’S RESPONSIBILITIES AFTER RCU RECEIVES MY WRITTEN NOTICE** - RCU must acknowledge my letter within thirty (30) days, unless RCU has corrected the error by then. Within ninety (90) days, RCU must either correct the error or explain why RCU believes the statement was correct. After RCU receives my letter, RCU cannot try to collect any amount I question, or report me as delinquent. RCU can continue to bill me for the amount I question, including finance charges, and RCU can apply any unpaid amount against my credit limit. I do not have to pay any questioned amount while RCU is investigating, but I am still obligated to pay the parts of my statement that are not in question.

If RCU finds that RCU made a mistake on my statement, I will not have to pay any finance charges related to any questioned amount. If RCU did not make a mistake, I may have to pay any finance charges, and I will have to make up any missed payments on the questioned amount. In either case, RCU will send me a statement of the amount I owe and the date that it is due.

If I fail to pay the amount that RCU thinks I owe, RCU may report me as delinquent. However, if RCU’s explanation does not satisfy me and I write to RCU within ten (10) days telling RCU that I still refuse to pay, RCU must tell anyone to whom RCU reports me that I have a question about my statement. And, RCU must tell me the name of any person to whom RCU reported me. RCU must tell anyone to whom RCU has reported me that the matter has been settled between us when it finally is. If RCU does not follow these rules, RCU cannot collect the first \$50 of the questioned amount, even if my statement was correct.

**SPECIAL RULE FOR CREDIT CARD PURCHASES** - If I have a problem with the quality of goods or services that I purchased with a Credit Card, and I have tried in good faith to correct the problem with the merchant, I may have the right not to pay the remaining amount due on the property or services. There are two limitations on this right:

1. I must have made the purchase in my home state or, if not within my home state, within 100 miles from my home.
  2. The purchase price must have been more than \$50.
- These limitations do not apply if RCU owns or operates the merchant or if RCU mailed me the advertisement for the property or services.

**CALIFORNIA RESIDENTS**

A. Under California law, RCU’s rights to recover credit extended to me for credit card purchases is subject to any defenses I have against the seller if:

1. The purchase price of the item in question exceeded \$50.
2. I made the purchase in California.
3. I made a written demand to the retailer and made a good faith attempt to get satisfaction of my complaint.
4. I notify RCU in writing of the name of the seller, the date of the purchase, the price paid, the goods or services purchased, the nature of my defense, and the acts I took to obtain satisfaction from the seller.

B. The amount to which the defense applies is limited to the amount outstanding on the purchase as well as Late Charges and Finance Charges at the time RCU receives the written demand.

C. This remedy is the only one I have against RCU. My rights are limited to those circumstances outlined in California Civil Code Section 1747.90. Purchases with cash or check are not included even though I used my Credit Card to validate my credit.

D. RCU cannot penalize me either by giving out unfavorable credit information about me or canceling or refusing to renew my Credit Card solely because I obtained relief under the rights I have to correct billing errors.

**HOW TO CONTACT RCU** – RCU may be contacted at:

- Email:
  - Secured Email: In Online Banking, click on the “Messages” option
  - General Email: [www.redwoodcu.org](http://www.redwoodcu.org) - click on “Contact Us”
- Phone: Local - (707) 545-4000 or Toll-Free - 1 (800) 479-7928
- Mail: Redwood Credit Union, PO Box 6104, Santa Rosa, CA 95406

\_\_\_\_\_  
Borrower Name

\_\_\_\_\_  
Borrower Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Borrower Name

\_\_\_\_\_  
Borrower Signature

\_\_\_\_\_  
Date