

PARTS IN BOLD FACE MEET TRUTH IN LENDING REQUIREMENTS. PLEASE READ THE WHOLE AGREEMENT AND KEEP IT FOR YOUR RECORDS.

You have applied for a Visa® card with the San Francisco Fire Credit Union. If issued, the extension of a credit card and convenience checks to you under this Agreement will be subject to the following terms:

A. USING YOUR VISA ACCOUNT

- You consent to the terms of this Agreement by using the card or convenience checks. You continue to be bound for all transactions resulting from the use of the card or checks until you give us written notice of termination of the account and return the card and/or checks to us.
 - If the Credit Union approves your application, each applicant will be issued a Visa credit card (and convenience checks if requested), and will be able to use the account. Each applicant will also be liable to repay the account under the terms of this Agreement. Cosigners who do not have access to the account but are still liable for the loan acknowledge receipt of a copy of this loan Agreement as well as the separate "Notice to Cosigner."
 - You are also obligated to repay any charges resulting from the use of the account by another person with your permission whether or not the person stays within the limits of use set by you.
 - Any persons who use the account are also obligated to repay the Credit Union for all charges incurred because of their use of the account.
 - You remain bound to pay for charges made under this Agreement even if another person has been directed to pay the debt by an agreement or court order to which the Credit Union is not a party; for example, a divorce decree. Any release from the obligation to pay is valid only if pursuant to a writing signed by an authorized Credit Union employee or to a court order in an action to which the Credit Union is a party.
- To make a purchase or get a cash advance, present the card or give the card number and expiration date to a participating Visa plan merchant, to us, or to another financial institution. If you make the transaction in person, you will sign a sales or cash advance draft imprinted with your card number. Keep the drafts to verify your periodic statement. If the transaction is not made in person (such as a telephone mail order purchase or an on-line purchase), your only documentation of the charge may be your periodic statement. You may be required to enroll in "Verified by Visa" if you make a purchase on-line. Terms and conditions of Verified by Visa will be disclosed to you online when you make an online purchase.
- Your credit card may also access Visa designated automated teller machines (ATMs). The use of your credit card for ATM access is subject to the additional ATM disclosure terms.
- You can also access your Visa account by writing a convenience check. The use of a convenience check is treated as a cash advance for purposes of calculating finance charges. "The Special Rule for Credit Card Purchases" and "Notice to California Residents" do not apply to use of convenience checks, but special service requests (such as stop payment requests) will be subject to the same fees we charge for these services on checking accounts. Please refer to our current Fee Schedule. In handling convenience checks, your and our respective rights and responsibilities are as explained in the checking account terms in your General Disclosure & Account Agreement. A merchant or other payee may convert a Visa check to an electronic check; refer to the Electronic Fund Transfer Disclosure included in your Member Account Handbook for terms governing electronic checks.
- NOTICE OF PROHIBITION ON USE FOR ILLEGAL TRANSACTIONS**
Visa Cardholders may not use or permit others to use their credit cards for illegal transactions, such as illegal online gambling. We have the right, but not the obligation, to refuse a requested transaction if we reasonably believe the transaction is illegal. If unauthorized use is made of your card for a transaction, the actual or alleged illegality of the transaction will not be a defense to your obligation to pay the resulting charge. Responsibility for determining whether transactions are legal rest with the Cardholder, not the Credit Union.
- Overdraft Protection Advances: If you designate your Visa Account as an overdraft protection source in writing, the following applies: You may request a loan advance on your Visa account by writing a check/share draft any time there are not sufficient funds in your check/share draft account. If you request a Debit Card or Online Banking or Online Bill Payment, you can also request a loan advance by using those services to make payments out of your Credit Union checking/share draft account when there are insufficient funds in that account. Any overdraft of

your checking/share draft account, up to your unused credit limit on your Visa account, will be added to your loan balance under this Agreement if and when the Credit Union pays the share draft or other transaction. The Credit Union has the right to refuse overdraft loan advances but will promptly notify you in writing of the reasons for refusal. Overdraft protection advances will not be made if your Credit Union membership is not in good standing or if you do not have available credit. All overdraft loan advances will be in amounts sufficient to cover the overdrafts and any applicable fees and charges assessed against your share or share draft accounts – see the Fee Schedule. Overdraft protection advances are treated as cash advances in calculating finance charges for your Visa Account. You cannot obtain an overdraft protection advance to make Credit Union loan payments. Doing so is considered a misuse of your checking/share draft and credit privileges and may result in our revoking your credit privileges, your checking/share draft privileges or both.

- Honoring the card. We will not be responsible for the refusal of any merchant or financial institution to honor your card.
- If your card has the Extra Awards™ feature, program details are explained in a separate Extra Awards brochure.

B. CREDIT LIMIT

The Credit Union has the sole discretion to set your credit limit, applying Credit Union loan policies to the evaluation of your creditworthiness and ability to pay. The Credit Union can review your Visa account from time to time. Credit Union review may include checking your credit with third parties such as credit reporting agencies. You must provide any current information the Credit Union requests. **We may adjust your credit limit or close your credit card account at any time based on a number of factors including our current loan policies and our evaluation of your credit worthiness and ability to repay.** The Credit Union can increase your rate, increase or decrease your credit limit or terminate your Visa account based on Credit Union review. The Credit Union will give you the notice required by law if changes are made that adversely affect you. You can request an increase to your credit limit at any time by submitting an oral or written request, but the Credit Union has sole discretion as to whether to approve your request. All cards issued or re-issued are subject to approval. A Visa account that has been inactive for six months may not be automatically renewed.

C. REPAYMENT TERMS

- You promise to pay to the Credit Union at the address designated on your statement all sums advanced to you under this Agreement at any time plus a finance charge. Interest finance charges on your credit card account are calculated by applying an ANNUAL PERCENTAGE RATE to the balance outstanding on your account. The rate for VARIABLE rate accounts is determined at the beginning of each billing cycle by adding a margin (between 4.00% and 10.00% based on the creditworthiness assigned to your account) to the Index. The Index is the highest Prime Rate currently published in the Wall Street Journal, Western Edition, on the 1st day of the month (or the next business day if the 1st is not a business day). Your VARIABLE rate Index may change quarterly (January, April, July, October).**
Before you become obligated, the Credit Union will disclose to you the margin that is assigned to a VARIABLE account, and the current ANNUAL PERCENTAGE RATE and corresponding Monthly Periodic Rate. The margin assigned to a VARIABLE account may depend on a number of factors including our current loan policies and our evaluation of your creditworthiness and ability to pay. The margin assigned to a VARIABLE account may be adjusted periodically based on a number of factors including our current loan policies and our evaluation of your creditworthiness and ability to repay.
- We arrive at the finance charge by multiplying the monthly Periodic Rate by the average daily balance. We calculate the average daily balance by adding purchases and cash advances to any previous balance and subtracting any payments received or other credits each day. Unpaid finance charges are excluded from the calculation. The daily principal balances are added together and divided by the number of days in the billing cycle to arrive at the average daily balance.**
- The finance charge on purchases will be charged for each month the outstanding balance is not paid within the grace period, at least 25 days after the statement date. The statement closing date is the 15th of each month and the payment due date is the 12th of each month. Therefore, the number of days between your statement closing date and your payment due date (the grace period) may vary from one billing cycle to another, but will never be less than 25 days.**
- The finance charge on cash advances runs from the date of each transac-**

- tion. There is no grace period. Cash advances include all Visa convenience check transactions (whether used to obtain cash or to pay for goods or service), use of the card to obtain cash via a signature (over-the-counter) transaction or ATM, overdraft protection advances, and Online Banking advances.**
- If you paid your previous billing cycle's balance in full on or before the due date (or had no outstanding balance), finance charges on current purchases will begin to accrue only if you still have a purchase balance outstanding at the end of the current cycle's grace period. If you had a purchase balance outstanding after the previous cycle's due date, finance charges will begin to accrue from the date new purchases post to your account, and will continue to accrue on any purchase outstanding from prior billing cycles. Once finance charges begin to accrue, they continue to accrue until the balances are repaid. Paying part of a balance due will not stop the accrual of finance charges on balances that remain outstanding.**
 - Your payments will be applied to the components of your account in the following general order: 1) charges, such as late payment charges 2) finance charges 3) previously billed balance transfers 4) previously billed cash advances 5) previously billed non-cash transactions 6) new balance transfers 7) new cash advances 8) new non-cash transactions 9) disputed amounts. In all cases, after the payment of late charges and finance charges, payments will be applied to the highest interest rate balance first.
 - The minimum required monthly payment is \$20 or 3% of the outstanding balance rounded up to the next dollar, whichever is greater, plus any past due amounts and/or amounts by which your outstanding balance exceeds your credit limit. It increases as the unpaid balance increases, as stated in your monthly statement.**
 - The Credit Union will send you monthly statements of your Visa account which will advise you of the status of your account and any other information required by law.
 - If your outstanding balance exceeds your authorized credit limit at any time for any reason, you must, upon your receipt of our written demand, immediately make a lump sum payment to reduce your balance to an amount within your credit limit.
 - The balance owed by you, including accrued finance charge on the unpaid balance, may be repaid in full at any time without prepayment penalty.
 - The Credit Union can assess finance charges on cash advances from the day they post to your Visa Account. Cash advances include all Visa Check transactions (whether used to obtain cash or to pay for goods or services), use of the card to obtain cash via a signature (over-the-counter) transaction or ATM, Overdraft Protection advances or Online Banking advances.
 - Penalty APR: The Penalty APR may be applicable to your account if you:
 - Fail to make any minimum payment within 60 days after the due date for that payment;
 - Make a payment to us that is returned unpaid; or
 - Do any of the above on another account or loan you have with us.Before we apply the Penalty APR on any type of transaction balance, we will provide you any notice required by law in advance that tells you which future transactions and/or outstanding balances are subject to the Penalty APR and when the APRs will increase. If we do not increase your APRs to the Penalty APR when any of these events occur, we reserve the right to increase your APRs to the Penalty APR if any of these events occur in the future.
If your APRs are increased on any type of transaction for any of the reasons above, the Penalty APR will be applicable indefinitely to future transactions of that type that occur more than 14 days after we provide you notice about the APR increase.
If we do not receive any minimum payment within 60 days of the date and time due, the Penalty APR will be applicable to all outstanding balances and future transactions on your account. However, if we receive six consecutive minimum payments by the date and time due beginning with the first payment due after the effective date of the increase, we will stop applying the Penalty APR to transactions that occurred prior to or within 14 days after we provided you notice about the APR increase. For balances that we stop applying the Penalty APR to, we will apply APRs that would have applied at that date if the Penalty APR had never been applicable.
 - Closed Accounts: If you close your credit card account with the Credit Union we may adjust your repayment of the outstanding balance using one of the following methods:
 - The existing method of repayment for the account as of the close date; or
 - A repayment amortization period of not less than five years, beginning no earlier than the close date.

D. OTHER CHARGES

- If your minimum monthly payment is not paid within 15 days after the payment due date, you will be charged a late fee of \$15.00.
- Payment of your Visa account with a check returned NSF (not sufficient funds) or by other dishonored funds transfer will result in a \$10.00 charge.
- International Transactions. Purchases and cash advances initiated in foreign countries or foreign currencies will be billed in U.S. Dollars. The exchange rate on international transactions between the transaction currency and the billing currency is a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or the government mandated rate in effect for the applicable processing date.**

E. CHANGES IN TERMS

We may change the terms of this Agreement, including the Annual Percentage Rate, and the terms of the Extra Awards™ program, by giving you written notice 45 days prior to the effective date of change. "Change" can mean adding a new term, changing an existing term, or deleting an old term. If you do not want the changes to apply to your account, you have the option of cutting all your cards (and convenience checks if applicable) in half and sending the pieces back to us with a written request that your account be canceled. If you do that, you must pay off your account but under the old terms and under the old interest rate; and if you have a Visa Extra Awards™, you will forfeit travel points you have accumulated. If you keep your card, the new terms and new interest rate (if any) will go into effect whether or not you use your card for new transactions.

F. HONEST DEALING

You will promptly notify the Credit Union of any information that affects your credit-worthiness or ability to pay off the loan, including but not limited to a change of name, address or employment. You agree not to use your account for new transactions or apply to increase your credit limit if you have reason to believe you cannot make the required payments.

G. ADDITIONAL TERMS APPLICABLE TO CO-SIGNERS

As a co-signer you understand and agree that you are obligated to the credit limit established by the Credit Union for the applicant to the same extent as the applicant. The Credit Union can proceed against you if the payments are delinquent even before it seeks to recover from the borrower. The Credit Union will give you notice required by law of any adverse action it takes with respect to this account. Any extension of the pay off or partial settlement with the borrower will not waive any of the Credit Union's rights against you as the co-signer. You can stop being obligated for future loan advances only by writing to the Credit Union to that effect. But you will still be jointly and individually liable with the borrower for the repayment of the existing loan according to the terms of this Agreement.

H. DEFAULT LIEN ACCELERATION

- If you fail to make the minimum monthly payment within 15 days after the due date, you authorize us to apply any amount in any of your share accounts at any time to pay off, in full or in part, what you owe us you understand that we can, under California law, apply any amount in any of your Credit Union share accounts to pay off, in full or in part, your loan. This statutory right to impose a lien on shares is in addition to the consent you give regarding your Credit Union share accounts under section I.1 of this Agreement.
- If you are in default on your payments, you breach other terms of agreement, your credit worthiness materially declines, you stop being a member of this Credit Union, you become insolvent, file for bankruptcy relief, or die, the Credit Union will, at its option, terminate your account and declare the entire unpaid balance of the account due and payable immediately without notice. Even if the Credit Union accepts a late payment or partial payment, it is not waiving its right to accelerate the payment of the account and declare the entire unpaid balance due.
- If you have a Visa Extra Awards™ card, and your account is delinquent or the balance exceeds your approved credit limit, you will not earn points and the Credit Union may withdraw points you have already earned.

I. SECURITY

- In consideration for and as a condition of our issuing a credit card to you, you agree that if you fail to make your required payments, the Credit Union can take any Credit Union shares in which you have an interest (including funds that lose special tax treatment if pledged as security for loans, unless prohibited by law or the share agreement) to recover all or part of your delinquent debt without notice to you and without waiving other rights the Credit Union has to collect what you owe. This**

consent is not a pledge of any shares and will not affect your right to withdraw shares prior to your default or the Credit Union's exercise of its rights under this consent. This consent applies to all funds you voluntarily deposit to Credit Union share accounts, including funds such as Social Security direct deposit that are normally exempt from creditor's remedies. You understand that the Credit Union will never require you to deposit exempt funds to Credit Union share accounts. Any exercise of this right by the Credit Union is not an election of remedies.

2. **Specific Account Pledge.** If you have a Share Secured Credit Card, a specified amount in one or more of your Credit Union share accounts is pledged as security for the repayment of all amounts loaned to you under the terms of this Agreement. The amount pledged and the account will be as shown on a separate security agreement. You cannot withdraw the pledged funds from the account as long as the pledge is in effect. If you default in your payments under the terms of this Agreement, the Credit Union has the right to apply the amount specifically pledged to pay off the loan in full or in part.

COLLECTION COST

You agree to pay all reasonable cost of collection incurred by the Credit Union before suit is filed. If we take legal action to collect what you owe us, you agree to pay our reasonable attorney's fees and costs of suit in addition to any other amount you owe whether the legal action we take is a collection of lawsuit, a bankruptcy proceeding, an appeal, an action to collect on a judgment we have against you, or another type of legal proceeding.

J. ERROR CORRECTION

The Credit Union can correct clerical errors in loan documents, including but not limited to errors in the interest rate quoted to you. You will be notified of any corrections and the reasons for them.

K. TERMINATION

Without prior written notice, we can terminate your account, reduce or cancel all credit available on the account, refuse to make further advances, and revoke all cards and convenience checks issued on the account for any breach of the Agreement or for any specific reason shown in section B. If that happens you will surrender all issued cards and convenience checks to the Credit Union. Termination of the Agreement does not relieve you of your obligation to repay the full account balance due under this Agreement.

L. OTHER RIGHTS APPLICABLE TO CREDIT CARDS

1. **Unauthorized use of Lost or Stolen Cards.** Under Visa operating rules, you are generally not liable for unauthorized use of your card. However, if you are grossly negligent in handling your Card or otherwise fall under an exception to Visa operating rules, you may be liable for up to \$50 in unauthorized Card use. In any event, you agree to promptly report the loss, theft or other actual or potential unauthorized use of your Card to us and to cooperate in our investigation of your claim. Call 888-499-FIRE (3473), 24 hours a day to report lost or stolen Cards, or write to 3201 California Street, San Francisco CA 94118. You agree to cooperate in our efforts to determine the circumstances of the unauthorized use of our card and impose civil and/or criminal responsibility for unauthorized use of your card on any person whose use of your card results in a loss to us. All member-owners of the Credit Union benefit when unauthorized use losses are kept to a minimum. The limitations on liability for unauthorized use do not apply to business or organization accounts on which 10 or more cards have been issued.
2. **Merchant Disputes.** The Credit Union will not be responsible for the refusal of any merchant or financial institution to honor your Credit Card. The Credit Union is subject to good faith claims and defenses recognized by law (other than tort claims) arising out of goods or services you purchase with the card, only if you have made a good faith attempt but have been unable to obtain satisfaction from the plan merchant, and (a) your purchase was made in response to an advertisement the Credit Union sent or participated in sending you or from a merchant we own or operate, or (b) your purchase cost more than \$50 and was made in your home state or within 100 miles of your home. We are relieved from liability if you have already paid us for the disputed transaction. Any other disputes you must resolve directly with the merchant.
3. **Credits.** If a merchant who honors your card gives you credit for returns or adjustments, he will do so by sending us a credit slip which we will post to your account. If your credits and payments exceed what you owe us, we will hold and apply this credit balance against future purchases and cash advances, or refund it on your written request if it is \$1.00 or more. We will credit payments promptly as required by law so you avoid excess finance charges, but we reserve the right to delay restoring your credit limit or issuing a credit balance refund until final collection of non-cash items presented to pay your account.

M. GENERAL TERMS

The terms of this Agreement must be read together as part of the whole Agreement. When the singular is used, the plural is implied if there is more than one signer. If any part of this Agreement is found to be invalid, the other parts of this Agreement shall remain in effect. Applicable federal and California laws shall govern the interpretation of this Agreement.

ATM DISCLOSURE

This part of the Disclosure includes special provisions applicable to the use of the Credit Card to a Visa cash advance at Automated Teller Machines (ATMs). Please refer to your separate Electronic Funds Transfer disclosure for information on other ATM use.

AVAILABLE SERVICE

1. *The amount and number of ATM transactions you can make may be limited by the ATM you are using.*
2. *ATM service is generally available seven days a week, 24 hours a day.*

DOCUMENTATION OF TRANSACTIONS

Cash advances made using an ATM will be shown on a transaction receipt dispensed by the ATM, and also on your periodic statement.

CREDIT UNION LIABILITY

If we do not properly complete a transaction according to our agreement with you, we will be liable for your direct losses or damages. However, there are some exceptions. We will not be liable if:

1. *Through no fault of ours, you do not have sufficient available credit to make the transaction*
2. *The ATM system was not working properly and you knew about the breakdown when you started the transaction*
3. *The money in your account is subject to legal process or other claim*
4. *Your PIN (personal identification number) has been reported missing and we have blocked its use*
5. *Circumstances beyond our control, such as fire, flood, electrical failure, or malfunction of the central data processing facility prevent the completion of the transaction despite our reasonable precautions; or there are other lawful exceptions established by the Credit Union and you are given proper advance notice of them. In no event will the Credit Union be liable for consequential indirect costs or damages.*

SECURITY

Do not use an ATM machine unless it appears safe to do so. Do not key in your PIN if someone is looking. Be sure you take your card and receipt when you are done. Put your money away quickly and leave the site.

STATE AND LOCAL LAW

The following summary of your rights under federal law does not cover all rights you may have under state and local law. If, under state or local law, you have a longer period of time in statement, reliance on any such longer time period may result in your 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 Regulation Z for submitting a proper written notification of an error.

YOUR BILLING RIGHTS – KEEP THIS NOTICE FOR FUTURE USE

This notice contains important information about your rights and responsibilities under the Fair Credit Billing Act, Statement or Electronic Transfers. If you think your statement or other documentation is wrong, or if you need more information about a transaction on your statement, write us at the address listed on your statement. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first statement on which the error or problem appeared. You can telephone us at (888) 499-FIRE (3473), but doing so will not preserve your rights.

SEND YOUR QUESTIONS IN WRITING TO:

3201 California Street, San Francisco CA 94118

IN YOUR LETTER, GIVE US THE FOLLOWING INFORMATION:

- Your name and account number
- The dollar amount of the suspected error
- A description of the error and explanation of why you believe there is an error

If you need more information, describe the item you are not sure about.

HOW TO STOP PAYMENT OF A PRE-AUTHORIZED TRANSFER

If you have authorized us to make your Visa payment automatically from your Credit Union Share or Checking Account, you can stop the payment on any amount you think is wrong. To stop payment, you must contact us three business days before the automatic payment is scheduled to occur. If you telephone your request we may require you to confirm your oral request in writing. If you fail to do so, your oral request will terminate 14 days after it is made. If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so well, we will be liable for your losses or damages.

YOUR RIGHTS AND OUR RESPONSIBILITIES AFTER WE RECEIVE YOUR WRITTEN NOTICE OF ERROR

We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the statement was correct. After we receive your letter, and if you have not yet paid the disputed amount, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your credit limit. You do not have to pay a questioned amount while we are investigating, but you are still obligated to pay the parts of your statement that are not in question. If we find that we made a mistake on your statement, you will not have to pay any finance charges related to any questioned amount. If we did not make a mistake, you may have to pay finance charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write us within 10 days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your statement. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is. If we do not follow these rules, we cannot collect the first \$50.00 of the questioned amount, even if your statement was correct.

SPECIAL RULE FOR CREDIT CARD PURCHASES

If you have a problem with the quality of goods or services that you purchased with a credit card, and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the property or services. There are two limitations on this right:

- a. You must have made the purchase in your home state or, if not within your home state within 100 miles of your current mailing address.
- b. The purchase price must be more than \$50.00.

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.

NOTICE TO CALIFORNIA RESIDENTS

1. Under California law our right to recover credit extended to you for purchases is subject to any defenses that you have against the seller if:
 - a. The purchase price for the item in question exceeded \$50.00
 - b. The purchase was made in California
 - c. You made a written demand on the retailer and made a good faith attempt to get satisfaction of your complaint
 - d. You notify us in writing, of the name of the seller, the date of purchase, the price paid, the goods or services purchased, the nature of your defense, and the acts which you took to obtain satisfaction from the seller.
2. 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 we receive your letter.
3. This remedy is the only one you have against us. Your rights are limited to those circumstances outlined in California Civil Code Section 1747.90. Purchases with cash or check are not included in this section even though you used your credit card to validate your credit.
4. We cannot penalize you by either giving out unfavorable credit information about you or canceling or refusing to renew your credit card solely because you obtained relief under the remedies you have for correcting billing errors.

VISA
CARDHOLDER

AGREEMENT AND DISCLOSURE STATEMENT



SF Fire Credit Union