

under this paragraph apply only to transactions using a Credit Card; the rights do not apply to VISA® Checks.

3. **Credits.** Merchants may give credit for returns or adjustments. If my credits and payments exceed what I owe, you 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. While you will credit my payments promptly, you have the right, at your sole option, to reasonably delay refunding credit balances to me or to delay increasing my available credit up to the maximum time allowed by law until final settlement of the item(s) used to pay my Account. Such delay will not result in additional finance charges to me unless the item(s) used to pay my Account are returned for non-sufficient funds or other valid reasons.

N. TERMINATION

1. The Credit Union has the right to close my Visa Account at any time for reasonable cause. You will 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, an adverse change in my credit standing, my failure to meet my obligations to the Credit Union, an adverse change in my employment, my insolvency, my bankruptcy, or my death. If you close my Account, I will surrender all issued Cards and all unused special Visa Checks to the Credit Union. The Cards and Checks remain the Credit Union's property.

2. I can close my Visa Account at any time by cutting all issued Cards and Checks in half and returning them to the Credit Union along with a written request to close the account.

3. Closing of the Account by you or me does not relieve me of the obligation to repay the full Account balance due according to the terms of this Agreement.

O. GENERAL TERMS

"I" refers to any applicant or cosigner. This Agreement controls all transactions on my Visa account even though the sales or cash advance draft I sign may contain different 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 applicant and/or cosigner. If any part of this agreement is found to be invalid the other parts shall remain in effect. The language of this agreement shall not be interpreted to favor either party. California and applicable federal law, including Federal Reserve Regulation Z, shall govern its interpretation.

Notice: See important information below regarding rights to dispute billing errors.

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 the Credit Union concerning my statement, reliance on any such longer time period 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 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.

Notifying the Credit Union in Case of Errors or Questions About My Statement

If I think my statement is wrong, or if I need more information about a transaction on my statement, I will write to you at the address listed on my statement. (San Francisco Federal Credit Union, Electronic Processing Center, 770 Golden Gate Avenue, San Francisco, CA 94102.) I will write to you as soon as possible. You must hear from me no later than 60 days after you sent me the first statement on which the error or problem appeared. I can telephone you at (415) 775-5377, but doing so will not preserve my rights.

In my letter, I will give you the following information:

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

How to Stop Payment of a Preauthorized Electronic Fund Transfer

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

My Rights and Your Responsibilities After You Receive My Written Notice

You must acknowledge my letter within 30 days, unless you have corrected the error by then. Within 90 days, you must either correct the error or explain why you believe the statement was correct.

After you receive my letter, you cannot try to collect any amount I question, or report me as delinquent. You can continue to bill me for the amount I question, including finance charges, and you can apply any unpaid amount against my credit limit. I do not have to pay any questioned amount while you are investigating, but I am still obligated to pay the parts of my statement that are not in question.

If you find that you made a mistake on my statement, I will not have to pay any finance charges related to any questioned amount. If you did not make a mistake, I may have to pay finance charges, and I will have to make up any missed payments on the questioned amount. In either case, you 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 you think I owe, you may report me as delinquent. However, if your explanation does not satisfy me and I write to you within ten days telling you that I still refuse to pay, you must tell anyone you report me to that I have a question about my statement. And you must tell me the name of anyone you reported me to. You must tell anyone to whom you report me that the matter has been settled between us when it finally is.

If you do not follow these rules, you 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 of my current mailing address; and
2. The purchase price must have been more than \$50.

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

These rights do not apply to use of VISA® Checks.

NOTICE TO CALIFORNIA RESIDENTS

Under California law your right to recover credit extended to me for credit card purchases is subject to any defenses that 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 on the retailer and made a good faith attempt to get satisfaction of my complaint;
4. I notify you in writing of the name of the seller, the date of 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.

The amount to which the defense applies is limited to the amount outstanding on the purchase as well as late charges and Finance Charges when you receive the written demand.

This remedy is the only one I have against you. My 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 I used my credit card to validate my credit, nor are purchases with VISA® Checks.

You cannot penalize me by either giving out unfavorable credit information about me or canceling or refusing to renew my credit card solely because I obtained relief under the remedies I have for correcting billing errors.

ATM DISCLOSURE

This part of the disclosure includes special provisions applicable to the use of the Credit Card to obtain Visa cash advances at Automated Teller Machines. My Credit Card may also give me access to cash through a nationwide network of Visa Automated Teller Machines.

This disclosure addresses only the use of Visa Credit Cards to obtain cash advances on my Visa Account at ATMs. I will refer to my separate Electronic Funds Transfer Disclosure, included in my Credit Union Member Account Handbook, for a complete disclosure of terms applicable to ATMs.

A. AVAILABLE SERVICES

1. I can obtain up to my available credit on my Visa Account. Some ATM machines may limit currency denominations and total cash per day I can receive.
2. ATM service is generally available seven days a week, 24 hours a day.

B. DOCUMENTATION OF TRANSACTIONS

Cash advances using a Visa ATM card will be shown on a transaction receipt dispensed by the ATM and on my periodic Visa Account statement.

C. CREDIT UNION LIABILITY

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

1. through no fault of yours, I do not have enough available credit to make the transaction;
2. the ATM system was not working properly and I knew about the breakdown when I started the transaction;
3. the money in my account is subject to legal process or other claim;
4. my PIN (Personal Identification Number) has been reported missing and you have blocked its use;
5. circumstances beyond your control such as fire, flood, electrical failure, or malfunction of the central data processing facility prevent the completion of the transaction despite your reasonable precautions; or
6. there are other lawful exceptions established by the Credit Union and I am given proper advance notice of them.

In no event will the Credit Union be liable for consequential, indirect or punitive costs or damages.

D. SECURITY

I will not use an ATM machine 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. The Credit Union does not guarantee the safety of any ATM location.

E. GENERAL TERMS

1. Credit Union business hours are:

Main Office Mon-Wed, Fri 8:30 a.m. - 5:30 p.m. Thursday ...10:00 a.m. - 5:30 p.m. Saturday9:00 a.m. - 3:00 p.m. SundayClosed	Branches Tues-Wed, Fri 9:00 a.m. - 5:30 p.m. Thursday10:00 a.m. - 5:30 p.m. Saturday9:00 a.m. - 3:00 p.m. Sun, MonClosed
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2. Visa ATM transactions may involve other Credit Union agreements such as checking or loan. Wherever applicable, the terms of those agreements apply as well.
3. Applicable law governs this Agreement. If any provision is found to be void or unenforceable, the rest of the Agreement will remain in effect.

I have the right to prohibit you from disclosing my identity to third parties for marketing purposes. This right does not apply to disclosures to your credit card servicing company or to consumer reporting agencies.

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Smart banking. Real value.®

Web Page www.SanFranciscoFCU.com

Email Address contacts@SanFranciscoFCU.com

Savings	Loans
REGULAR SAVINGS	AUTO LOANS
MONEY MARKET	VISA® CREDIT CARDS
CERTIFICATES	PERSONAL LOANS
EDUCATION SAVINGS ACCOUNT	SHARE SECURED LOANS
IRAS	HOME LOANS
CHECKING ACCOUNTS	
FINANCIAL PLANNING & INVESTMENT SERVICES	
FREE DIRECT DEPOSIT	
Main Number	(415) 775-5377
Toll Free Number	(800) 852-7598 (outside 415)
TDD Number	(415) 615-7033
Fax Number	(415) 775-5340
Online Banking	www.SanFranciscoFCU.com
ExpressLine <i>24-hour telephone banking</i>	(415) 775-0171 (800) 746-9600 (outside 415)
FastLoans <i>24-hour loan phone</i>	(800) 476-FAST (3278)
PERSONAL AUTO SHOPPER <i>An auto buying service provided by Members Advantage Plus</i>	(800) 823-4882

MAIN OFFICE
770 Golden Gate Avenue, San Francisco, CA 94102

BRANCHES
2645 Ocean Avenue, San Francisco, CA 94132 (at 19th Avenue)
4375 Geary Boulevard, San Francisco, CA 94118 (at 8th Avenue)



0612-1134 5M

VISA

VISA Credit Card Agreement & Disclosure Statement

To Report a lost or stolen VISA Card during business hours, call the Credit Union directly at (415) 775-5377

During Non-business Hours 24-hours-a-day, call (800) 682-6075



415-775-5377 / (Outside 415 Area) 800-852-7598

I WILL KEEP A COPY OF THIS DISCLOSURE FOR MY RECORDS. **Copy in boldface meets Truth in Lending Disclosure Requirements.** I will read the whole Agreement.

TRUTH IN LENDING DISCLOSURE AND OPEN END VISA® CARDHOLDER AGREEMENT

I have applied for an open end Visa Credit Card Account (“Visa Account”) with San Francisco Federal Credit Union (“Credit Union”). I agree that the extension of a Visa Account to me will be subject to the following terms.

A. USING MY ACCOUNT

1. If the Credit Union approves my application, the Credit Union will open a Visa credit card account (“Visa Account”) for me and issue one or more Visa credit cards (“Card”) as I instruct on my application. The Credit Union will also issue special Visa Checks (“Checks”) to Visa cardholders with each applicant’s name printed on them (available upon request). Each applicant can access the Account by writing and signing a Check. Each person to whom a Card is issued, and any Authorized User (defined in B.3 below), can access the Account by using the Card for purchases and cash advances. I consent to the terms of this Agreement by applying for, keeping, signing or using a Credit Union Visa Credit Card or Visa Check or permitting others to do so.

2. Card Transactions. To make a purchase or get a cash advance with the Visa Card, I or an Authorized User must present the Card or give the Card number to a participating Visa plan merchant, to the Credit Union, or to another financial institution. If the transaction is made in person, the cardholder will sign a sales or cash advance draft imprinted with the card number. A copy of the draft should be retained to verify the monthly statement. If the Card is used for telephone or Internet transactions or other transactions not made in person, the only documentation I receive may be my monthly statement. The Card can also access the Visa Account at designated Automated Teller Machines (ATMs). The use of my Card for ATM access is subject to the additional ATM disclosure terms and to applicable terms of the Credit Union’s Electronic Funds Transfer Agreement and Disclosure included in the Credit Union Member Account Handbook.

3. Special Visa Checks. To make a purchase or get a cash advance using a special Visa Check, I can write a Check payable to a merchant or any other payee. The Credit Union is not obligated to honor Visa Checks signed by any person other than an applicant or authorized user. Use of a Visa Check may be treated as a cash advance for purposes of calculating finance charges. Due to data processing limitations, the Credit Union cannot accept Visa Checks at Credit Union offices. There is no fee for printing of Visa Checks or for using them (other than normal cash advance fees shown in Section E of this Agreement). However, special handling such as stop payment requests or return of Visa Checks unpaid due to my not having sufficient available credit will be subject to the fees that apply to the same or similar services on Credit Union Share Draft Checking Accounts. I will refer to the Credit Union’s Schedule of Fees and Charges. A merchant or other payee may convert a VISA check to an electronic check, and I will refer to the Electronic Fund Transfer Disclosure included in my Member Account Handbook for terms governing electronic checks. I must report unauthorized Visa Check use (whether paper checks or converted electronic checks) within 60 days after the Credit Union mailed me the first statement on which the unauthorized use appeared or the Credit Union may not be liable for any loss I incur.

4. Overdraft Protection Advances. I can request a cash advance by writing a share draft (check) on my Credit Union Share Draft (Checking) Account any time my Share Draft Account does not have sufficient available funds to cover the share draft. Any overdraft, up to my unused credit limit, will be added to my Visa Account balance under this Agreement if and when the Credit Union pays the share draft. The Credit Union has the right to refuse overdraft advances but will promptly notify me in writing of the reasons for refusal. Overdraft protection advances will begin only if I designate my Visa Account as an overdraft protection source in writing. Overdraft protection advances from my Visa Account will result in a cash advance fee, and an Overdraft protection fee, being deducted from my Share Draft Account, or if funds are not available in my Share Draft Account, from any other Credit Union Share Account in which I have an interest. Please see the current Credit Union Schedule of Fees and Charges for the fee amount. Overdraft protection advances are treated as cash advances in calculating Finance Charges. I cannot obtain an overdraft protection advance to make Credit Union loan payments. Doing so is considered a misuse of my checking/share draft and credit privileges and may result in your revoking my credit privileges, my checking/share draft privileges, or both.

5. ExpressLine or On-Line Banking Transfers. I can request a cash advance by using the Credit Union’s ExpressLine audio response system or On-Line Banking PC home banking system to advance funds on my Visa Account in the form of (i) a

deposit into a Credit Union Share or Share Draft (Checking) Account of mine which I designate, or (ii) a check payable to me and mailed to me at my address in the Credit Union’s records. Use of ExpressLine or On-Line Banking is also subject to applicable terms of the Credit Union’s Electronic Funds Transfer Agreement and Disclosure included in my Credit Union Member Account Handbook.

6. My Visa 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 part, and borrow again up to my maximum line of credit, as long as I continue to be creditworthy and a member of the Credit Union in good standing. To remain in good standing, I must meet all of my loan and account obligations to the Credit Union and comply with applicable laws and the Credit Union’s bylaws.

7. I agree not to use my Visa Account for illegal transactions, such as illegal on-line gambling. You may refuse to honor a transaction you reasonably believe to be illegal. However, I am responsible for determining the legality of transactions made by me and by persons I allow to use my Account. The illegality of any authorized transaction will not be a defense to my obligation to pay for it.

8. Foreign Transactions: Purchases and cash advances made in foreign countries and foreign currencies will be billed to me in U.S. dollars. For transactions initiated in foreign currencies, the conversion rate to dollars will be either (a) 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 (b) the government-mandated rate in effect for the applicable central processing date, increased by one percent (100 basis points) or an amount determined by Visa International. **For transactions initiated in foreign countries or foreign currencies, VISA will add a 1% International Service Assessment (ISA) to the transaction amount, and we will pass the ISA on to you as a currency conversion fee.**

B. OBLIGATION TO PAY

1. Each person who signs the application, whether as an applicant or cosigner, agrees to pay all charges incurred on the Visa Account according to the terms of this Agreement. Cosigners, who do not have access to the Visa Account but are still responsible for payment, acknowledge receipt of a copy of this Agreement and Disclosure as well as the separate “Notice to Cosigners.”

2. Each applicant and cosigner continues to be bound for all transactions resulting from the use of the Visa Account until an applicant gives the Credit Union written notice to close the Visa Account and all issued Cards and Checks are cut in half and returned to the Credit Union.

3. An Authorized User is a person who receives permission to use the Visa Account from an individual to whom a Card was issued as directed on the application. Each applicant and cosigner is obligated to repay any charges resulting from the use of the Visa Account by an Authorized User, whether or not the Authorized User stayed within the limits of the permission given. To terminate an Authorized User’s ability to use the Visa Account, an Applicant must request that the Cards be closed.

4. Any persons who use the Visa Account are also obligated to repay the Credit Union for all charges incurred because of their use of the Visa Account.

5. Each applicant and cosigner remains bound to pay for charges under this Agreement, even though another person has been directed to pay the debt by an agreement or court order to which the Credit Union is not a party, such as a divorce decree. No release from the obligation to repay charges under this Agreement will be valid unless in writing and signed by an authorized agent of the Credit Union or pursuant to a court order in an action to which the Credit Union is a party.

C. CREDIT LIMIT AND ACCOUNT REVIEW

The Credit Union has sole discretion to set my credit limit, applying your loan policies to your evaluation of my creditworthiness and ability to pay. You can review my Visa Account from time to time. Your review may include checking my credit with third parties such as credit reporting agencies. I will provide any current information you request. You can increase or decrease my credit limit, adjust my interest rate, or terminate my Visa Account based on your review. You will give me notice required by law if you make changes adverse to me. I can request an increase to my credit limit at any time by submitting an oral or written request, but the Credit Union has sole discretion as to whether to approve my request. All cards issued or re-issued are subject to approval. An Account that has been inactive for six months may not be automatically renewed.

D. REPAYMENT TERMS

1. I promise to pay to the Credit Union in U.S. Dollars using payment instruments drawn on U.S. financial institutions, at its office(s) all sums advanced to me under this Agreement at any time plus a Finance Charge as described in this section.

The Finance Charge is the amount of money I pay for the money I borrow. It is based on an Annual Percentage Rate.

2. **All VISA Credit Card Accounts available as of February 2007 (VISA Classic cards available as of March 1, 2007) have variable interest rates. As of February 2007, variable ANNUAL PERCENTAGE RATES ranged from 10.15% to 17.9% and corresponding monthly periodic rates ranged from 0.85% to 1.491%. The variable rate is determined at the beginning of each billing cycle by adding the margin assigned to my account to the Index. The Index is the highest commercial Prime Rate correctly published in the Wall Street Journal, Western Edition, on the last business day of the calendar month immediately preceding the beginning of the billing cycle. For example, the index published on the last business day of January will determine the ANNUAL PERCENTAGE RATE that will apply during a billing cycle that begins in February. Before I become obligated you will disclose to me whether my Account is Classic or Platinum, the margin that is assigned to my account, along with the current variable ANNUAL PERCENTAGE RATE and corresponding Monthly Periodic Rate. The margin assigned to my account may depend on a number of factors including your current loan policies and your evaluation of my creditworthiness and ability to pay. In no event will the ANNUAL PERCENTAGE RATE applicable to my account exceed 18%.**

3. **Minimum monthly payment: My minimum periodic payment will be the greater of 3% of the current monthly balance or \$20, plus any over limit or delinquent amounts, plus any late or over-limit fees. If my balance is less than \$20, I must pay it in full. The minimum monthly payment will increase with increases in the outstanding principal balance and with increases in the interest rate.**

4. **The ANNUAL PERCENTAGE RATE will increase to a penalty rate of 17.9% (1.49% Monthly Periodic Rate) if my required minimum payment has been made after its due date for two consecutive billing cycles. Once the penalty rate goes into effect, it will remain in effect until I have made six consecutive on-time payments. Once I have made six consecutive on-time payments, the rate will go back to that obtained by adding the then-current Index to the margin assigned to my account when it was established.**

5. Calculation of Finance Charges.

5.1 **Average-daily-balance method (including current transactions): The Credit Union figures the Finance Charge on my Account for the month by multiplying the “average daily balance” of my Account for the month, including current transactions, by my Annual Percentage Rate, then dividing the total by 12. To get the “average daily balance,” you start by taking the beginning balance of my account each day of the billing cycle, adding any new purchases/advances/loans/balance transfers that post that day, and subtracting any payments or credits and unpaid finance charges. This gives you the daily balances for each day of the billing cycle. Then, you add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives you the average daily balance.**

5.2 **I have a 25 day grace period from the close of the statement period to make the payment of the “New Balance” of Credit Card Purchases without the specified Finance Charge, provided that I paid my previous statement’s balance in full on or before the due date, or I had no outstanding balance at the close of the previous statement period. After the grace period, my payment must include the Finance Charge for Credit Card Purchases. If I had a balance on my previous statement that I did not pay in full, finance charges will accrue on my entire outstanding balance during the current statement period, including new transactions.**

5.3 **The Credit Union can assess finance charges on Cash Advances from the day they post to my 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, and ExpressLine or On-Line Banking advances.**

6. You will apply payments on my account in the following order: 1) the reduction of any charges, such as late payment charges, 2) Finance Charges on cash

advances, the oldest first, 3) Finance Charges on purchases, the oldest first, 4) cash advances, 5) previously billed purchases, and 6) current purchases, in the order in which they are posted.

7. **I can repay the balance I owe, including the accrued Finance Charge on the unpaid balance, to the Credit Union in full at any time without pre-payment penalty.**

8. If my outstanding balance exceeds my credit limit at any time for any reason, I must make a single lump sum payment to reduce my balance to within my authorized credit limit, if the Credit Union notifies me in writing to do so.

E. OTHER CHARGES

1. Cash Advance Fees may be assessed in the following amounts:

For all Visa Accounts:

1.1 **1% of amount advanced (\$1.00 minimum) if advance is received by my signing a Visa transaction authorization after the teller has taken an imprint of my Visa Card, Automated Teller Machine (ATM), Visa Checks, ExpressLine or On-Line Banking transfers or advances, or through overdrafting.**

1.2 **An additional Visa International Service Assessment of 1% of the US dollar amount of the transaction, if it is initiated in a foreign country or currency.**

2. **Over Limit Fee: \$15.00 in any statement period in which I have exceeded my authorized credit limit by more than 20%.**

3. **Balance Transfer Fee: For all Visa Accounts, a fee of 1% of the balance transferred.**

4. **Account Research: \$20.00 per hour (\$10.00 minimum) unless research reveals a Credit Union error.**

5. **Dishonored Check or Transfer: \$10.00 per occurrence.**

6. **Additional Cards: No charge.**

7. **Replacement Cards: No charge.**

8. **Copy of transaction slip: \$10.00 per copy.**

9. **Billing statement: \$1.00 per copy of a previous month’s billing statement.**

10. **Copy of Visa Check: 2 free per month, \$2.00 each thereafter.**

F. REWARDS

See separate “San Francisco Federal Credit Union Visa Platinum Rewards Terms and Conditions” disclosure for details.

G. CONSENT TO RECOVER DELINQUENT PAYMENTS FROM SHARES

1. ***In consideration for and as a condition of your issuing a credit card to me, I agree that if I fail to make my required payments, you can take any Credit Union shares in which I 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 my delinquent debt without advance notice to me and without waiving other rights you have to collect what I owe. This consent is not a pledge of any shares and will not affect my right to withdraw shares prior to my default or your exercise of your rights, under this consent . This consent applies to all funds I voluntarily deposit to Credit Union share accounts, including funds such as social security direct deposit that are normally exempt from creditors’ remedies. I understand that you will never require me to deposit exempt funds to Credit Union share accounts. Any exercise of this right by you is not an election of remedies.***

2. **The security interests in this section and in Section K apply even if my Visa Account is otherwise designated “signature” or “unsecured.”**

H. CHANGES IN TERMS

You may change the terms of this agreement, including the variable interest rate formula by giving me written notice at least 15 days prior to the effective date of the change. If I do not want the changes to apply to my account, I can close my Visa Account by cutting all of my Cards and Checks in half and sending the pieces back to you, along with a written request to close the Account. If I do this, I must pay off my Account, but under the old terms and under the old interest rate. If I keep my Card and Checks, any new terms (including any new interest rate) will go into effect on the date stated in the notice and will apply to all balances, whether or not I use my Account for new transactions.

I. HONEST DEALING

I will promptly notify the Credit Union of any information that affects my creditworthiness or ability to pay off the loan, including but not limited to any change in my name, address, or employment. I will not apply for or use credit if I have reason to believe that I will be unable to make the scheduled payments on what I borrow.

J. ADDITIONAL TERMS APPLICABLE TO COSIGNERS

As a cosigner, I understand and agree that I am obligated to repay any amount borrowed under this Agreement up to the credit limit established by the Credit Union to the same extent as any applicant, whether or not I get any of the money borrowed or even benefit from the extension of credit. I understand that if I had not agreed to be obligated to repay the amounts borrowed, the Credit Union would not have approved the credit. The Credit Union can proceed against me if the payments are delinquent even before you seek to recover from any other applicant. The Credit Union will give me notice required by law of any action you take on this Account which may adversely affect me. Any extension of the payoff or partial settlement with any other applicant will not waive any of the Credit Union’s rights against me as the cosigner. I can stop being obligated for future loan advances only by writing to the Credit Union to that effect. But I will still be jointly and individually liable with any and all applicants for repaying the existing Visa balance according to the terms of this Agreement.

K. DEFAULT—LIEN—ACCELERATION

1. **If I fail to make the agreed payments, within ten days after the payment is due, I understand that you can, under California law, apply any amount in any of my Credit Union share accounts to pay off, in full or in part, my loan. This statutory right to impose a lien on shares is in addition to the consent I give regarding my Credit Union share accounts under section G of this Agreement. Unless my Visa Account is secured by one or more specific Share Accounts under a separate written agreement, this lien does not restrict my right to withdraw funds prior to the Credit Union’s exercise of its rights under this paragraph and is not a pledge by me of any Share Account. Any exercise of this right by the Credit Union is not an election of remedies.**

2. If I default on my payments, or otherwise breach this Agreement, the Credit Union may declare the entire unpaid balance of my Visa Account due and payable immediately without notice. Even if the Credit Union accepts a late payment or partial payment, you are not waiving your right to accelerate the payment of the Visa Account and declare the entire unpaid balance due. Interest continues to accrue at the rate stated in this Agreement after default.

L. COLLECTION COSTS

If I do not make the specified minimum payment to the address and entity specified on the statement within ten days after the due date a single late charge of \$15.00 will be added to my account. I agree to pay all reasonable costs of collection the Credit Union incurs before suit is filed. If you take legal action against me to collect on this loan, I agree to pay whatever attorney’s fees and costs of suit the court finds reasonable, whether the legal action you take is a lawsuit, a bankruptcy proceeding, an appeal, or other proceeding.

M. OTHER RIGHTS

1. **Unauthorized Use of Lost or Stolen Cards.** Under Visa operating rules, I will generally have no liability for the unauthorized use of any Card issued to me after its loss or theft. If there is an exception to the Visa “zero liability” operating rule, such as if I am grossly negligent in handling my Card, my maximum liability is \$50. Nonetheless, I agree to promptly report the loss or theft of my Card by calling your telephone number, either (415) 775-5377 during business hours, or your 24-hour line, (800) 682-6075.

2. **Merchant Disputes.** You are not responsible for the refusal of any merchant or financial institution to honor my Card or Check. You are 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 you sent or participated in sending me or from a merchant you own or operate; or (b) my purchase cost more than \$50.00 and was made in my state or within 100 miles of my home. You are relieved from liability if I have already paid you for the disputed transaction. Any other disputes I must resolve directly with the merchant. The rights afforded to me