

## All Standard and Preferred Visa Credit Cards Agreement and Disclosure

April 2008

Borrower agrees to the following terms and conditions and any changes or amendments. By requesting and receiving, signing or permitting others to use the Standard or Preferred Visa Credit Card issued to you by First Future Credit Union, you agree to the following terms.

- 1. Advances and Purchases** You may request advances and make purchases in accordance with our current loan policies up to your credit limit. All advances and purchases requested by you are subject to our approval. From time to time you may be asked to verify account activity. A transaction may be declined to protect the security of your account and/or the electronic system. The Credit Union is not responsible for declined transactions.
- 2. Credit Limit** First Future will establish a credit limit for you. You agree not to let the unpaid balance exceed the credit limit. You may request an increase in your credit limit. Credit limit increases must be approved by the credit union. Any time the total new balance exceeds your credit limit; you must pay the excess plus any over limit charge. You will incur a late fee if your payment is received after the due date.
- 3. Promise to Pay** You promise to repay all sums advanced to you or any other person you permit to use this account on the terms and at the rates set forth in this Agreement. You must advise First Future of any change in your financial condition which may affect your creditworthiness.
- 4. Lost or Stolen Cards** To report lost or stolen card(s), account number, or PIN, call us at 858/450-4400 or 800/693-3333 Monday through Friday between 8:00 a.m. and 5:00 p.m. After hours, weekends or holidays, call 800/257-2743. If the lost or stolen card is reported to the after hours number, you must notify the credit union the next working day to request a replacement card.
- 5. Privacy Notice** We do not release information to third parties for promotional product and service offers. We may release information about you and your account with us in connection with the maintenance of your account or as required or allowed by law. For example: If you are in default, we may release information about your account to third parties who may assist us in enforcing our rights under this Agreement. We may also report, to credit reporting agencies and other creditors, the status and payment history of your account, including negative credit information. If you believe that our report of your account status is inaccurate or incomplete, please write us at the following address: First Future Credit Union P.O. Box 509074 San Diego, CA 92150-9074. Please include your name, address, home telephone number and account number.
- 6. Payments** Payments are applied to your account in the following order: Late charges, unpaid FINANCE CHARGES on cash advances; unpaid FINANCE CHARGES on purchases, fees, cash advance balances and purchase balances.
- 7. Payment Due Date** Payments are due on the 25<sup>th</sup> day of each month. If your payment due date falls on a weekend or a holiday and your payment is not received by us by the business day preceding that weekend or holiday, you will incur a finance charge because your payment was received after the due date.
- 8. Minimum Payment** Every month you must pay at least the "Minimum Payment" by the "Payment Due Date" shown on your statement. You may authorize First Future to charge the current payment due automatically from your savings or checking account. You may pay more frequently, pay more or pay the total new balance in full, which will reduce the periodic finance charges you will pay. However, paying more than the minimum payment amount due will not pay your account ahead. You must still make the minimum amount due each month. The minimum payment will be either 2% of the new balance, rounded to the next even dollar, or \$10, whichever is greater. If the new balance is less than \$10, the minimum payment will be the new balance, plus any portion of the minimum payment(s) shown on your prior statement(s), which remains unpaid.
- 9. Prepayment or Irregular Payments** You have the right to repay your loan at any time without penalty. You will only be charged periodic finance charges to the date you repay your entire loan. You may make larger payments without penalty and this may reduce the total amount of periodic finance charges you will repay. Any partial payment of your loan will not advance your next payment due date(s). Any payment that delays, or accelerates the repayment of your unpaid balance will either increase, or decrease your periodic finance charges.
- 10. Payments Marked "Paid in Full"** We may accept checks, money orders, or other types of payments marked "paid in full" or using other language to indicate full satisfaction of any indebtedness, without being bound by this language or waiving any rights under this agreement. Full satisfaction of indebtedness may be accepted by First Future only in a written agreement, signed by an authorized employee of the credit union.
- 11. Annual Percentage Rates (APR)** Standard Visa The daily periodic rate is .046301%, which corresponds to 16.9% APR or a daily periodic rate of .043561%, which corresponds to 15.9% APR. If you have direct deposit and automatic payment from your First Future account to your First Future Visa for at least the minimum payment your rate may be reduced to a daily periodic rate of .040822% which corresponds to 14.9% APR. Preferred Visa The daily periodic rate for the Preferred Visa is .038082%, which corresponds to 13.90% APR or a daily periodic rate of .035342%, which corresponds to 12.90% APR. If you have

direct deposit and automatic payment from your First Future account to your First Future Visa for at least the minimum payment, the daily periodic rate may be reduced to .032603% which corresponds to 11.9% APR. To participate in the Preferred Visa program you must maintain excellent credit. If you do not maintain excellent credit your rate will increase.

- 12. Default APR** If a minimum payment is delinquent for 61 days past the payment due date, your ANNUAL PERCENTAGE RATE will increase to 19.99% with a daily periodic rate of .054767%. When we apply the default rate, this rate will apply to the entire month in which we increase the rate. For example: If you are delinquent on your October 25<sup>th</sup> minimum payment for 61 days, your APR will increase on December 25<sup>th</sup> and will apply for your entire December billing statement and all billing statements thereafter.
- 13. Fees and Charges** Late payment fee (if ten days late) is \$10. Over limit fee is \$10 if over limit by \$500 or 120%, whichever is less. Card Replacement is \$5. We may charge your account an NSF fee if there are insufficient funds in your account when your loan payment is made. This applies to NSF payments made by automatic payment, check, bill payment or ACH. NSF fees are \$23 for the first 1-4 items, \$27 for the next 4-6 and \$35 for 7 or more total NSF items in a 12 month period.
- 14. Inactive Visa Fee** If you have not made a payment or used your Visa Credit Card Account for a purchase or cash advance for 12 consecutive months and the account has a \$0 balance, we will assess a \$25 annual fee until the account becomes active or is closed.
- 15. Cash Advance Fee** Cash advances may be obtained at ATMs, through a First Future Visa Credit Card Check, overdraft transfer, Bank Online or at a financial institution (without using an ATM). We will assess a FINANCE CHARGE of 2% of the cash advance amount. The minimum charge is \$5 and the maximum is \$100. The fee may cause the Annual Percentage Rate on the billing statement to exceed the nominal Annual Percentage Rate.
- 16. Calculation of Finance Charge** The average daily balance for purchases and cash advances is multiplied by the applicable periodic rate to determine the finance charge for the statement period. Purchases To calculate the daily balance for purchases, the ending daily principal balance from the previous day (fees are not included) is added to purchases and other debits effective this day. Principal payments and other credits effective this day are subtracted. The sum of the daily balances for purchases for each day of the statement period is divided by the number of days in the period to come up with the purchases average daily balance. To avoid finance charges for purchases, you must pay the amount of the new balance for purchase by the payment due date as shown on the Visa statement. Cash Advances To calculate the daily balance for cash advances, the ending daily principal balance from the previous day (fees are not included) is added to cash advances and other debits effective this day. Principal payments and other credits effective this day are subtracted. The sum of cash advance daily balances for each day of the current statement period is divided by the number of days in the period to come up with the cash advance average daily balance. Finance charges for cash advances begin on the date of the transaction.
- 17. Security Interest** A security interest is a condition for credit card accounts. You give a security interest in all funds now or hereafter in any deposit account in your name (individually or jointly) at First Future. If you are in default under the terms of this Agreement, you authorize First Future to apply such funds to the payment of your credit card indebtedness. You grant First Future a security interest to secure all present and future indebtedness, which you now or in the future may owe to First Future.
- 18. Using the Visa Card or Account Number** 1) Present the card to a Visa plan merchant, to First Future, or another financial institution displaying the Visa logo, and sign the sales or cash advance draft. 2) Give your card number for mail or telephone order transactions or for purchases through the Internet. Use caution when making purchases in this manner. 3) By using your PIN number with the card in an ATM or other electronic terminal that provides access to the Visa system. 4) By using "Bank-by-Phone" or by using "Bank-OnLine" through the Internet. 5) Cover overdrafts from your checking account pursuant to authorizing Preauthorized Overdraft.
- 19. Unauthorized Use** Tell us at once if you believe your Visa Card has been lost or stolen, misplaced, not received, or if you notice unauthorized transactions on your account. Calling our security service at 800/257-2743 24 hours per day, 7 days per week is the fastest way to stop charges from being authorized on the account. During working hours (weekdays 8 a.m. to 5 p.m.) you may call First Future Credit Union at 858/450-4400 or 800/693-3333 or you may notify us in person or in writing at P.O. Box 509074, San Diego, CA 92150-9074. You will not be liable for any unauthorized transactions made with your Visa card or card number, upon First Future Credit Union review and approval of the claim. First Future Credit Union reserves the right to deny unauthorized use claims if the Credit Union deems you have been grossly negligent in the handling of your Visa card or PIN. First Future Credit Union reserves the right to deny a replacement card when a loss has been suffered due to your negligence in reporting the loss of a card and/or we can prove we could have stopped the use of the card if you had told us. You are responsible for all transactions made by you or anyone else who uses your card with your knowledge and consent. Permitting others to use your Visa card constitutes your authorization and will not be considered "unauthorized" use. You must notify us to revoke your prior authorization for someone else to use your account.
- 20. Electronic Fund Transfer** If the use of your card, or account number constitutes an Electronic Funds Transfer, the terms and conditions of our Electronic Funds Transfer Agreement (EFT) will govern these transactions to the extent that our EFT Agreement amends this Agreement.
- 21. Illegal Transactions** All account owners agree that they will not use First Future Visa to make or facilitate any illegal transactions as determined by

applicable law. Account owners agree that First Future will not have any liability, responsibility or culpability for any such use. Account owners further agree to indemnify and hold First Future Credit Union harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from illegal use. Any such use of the First Future Visa will constitute an event of default.

22. **Default** If you are in default under this Agreement, we have the right to terminate further services on your account, to revoke your card and/or demand payment in full of all amounts owed to us. You will be in default if any of the following occur: 1) if you do not pay on time or in the proper amount; 2) you fail to live up to the terms of this Agreement; 3) your credit worthiness is impaired; 4) you die, become insolvent, or are the subject of bankruptcy or receivership proceedings; 5) if we receive any verbal or written report from any of your creditors that you have not met your obligations with any of them. In the event of any action by us to enforce this Agreement, you agree to pay the costs of reasonable attorney fees, and other expenses. Finance charges at the Default Annual Percentage Rate will continue to accrue until you repay your loan.

23. **Acceleration** If you are in default, we may demand immediate payment of the unpaid balance, finance charges, over limit charges, annual fees, collection costs, and late charges, if any. You will be charged late charges, if any, over limit charges, annual fees, and finance charges at the periodic rate under the terms disclosed in this Agreement until you repay your entire loan.

24. **Your Responsibility For Repayment** You agree to repay us according to the terms of this Agreement for all advances, purchases, finance charges, over limit charges, annual fees, and late charges, if any, arising from the use of your Visa by you or any other person you permit to use your Visa, even if that person exceeds your permission. Any person using the Visa is jointly and severally responsible with you.

25. **Deferred Payments** In some situations, we may authorize a payment deferral. There may be a monthly administration fee for each month in which your payment is deferred.

26. **Termination** We may terminate this agreement upon default. First Future or you may terminate this agreement for other good cause. Termination will not relieve you of your obligation to repay fees incurred or sums already borrowed periodic finance charges, collection costs, and late charges, if any.

27. **Transaction Slips** Your statement will identify the merchant, electronic terminal, or financial institution at which transactions were made. Sales, cash advance, credit, or other slips cannot be returned with the statement. You must keep slips furnished at the time of the transaction in order to verify your monthly statement. We may make a reasonable charge for copies of slips you request.

28. **Foreign Transactions** The exchange rate between the foreign transaction currency and the billing currency (US dollars) used for processing international transactions may be either: 1) a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date. This rate may vary from the rate Visa receives, or 2) the government-mandated rate in effect for the applicable central processing date. In each instance, Visa charges a 1% International Service Assessment fee for Multiple Currency Conversion Rate adjustments. If there is no currency conversion, Visa charges a 0.8% Single Currency Conversion Rate adjustment fee.

29. **Returns and Adjustments** Merchants and others who honor the card may give credit for returns or adjustments, and they 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 if it is \$1.00 or more we will refund it on your written request or automatically after three (3) months.

30. **Surrender of Card(s)** The card(s) remain the property of First Future and, if we request, you must surrender to us all cards issued on your account.

31. **Delay in Enforcement** We can delay enforcing any of our rights under this agreement without losing them.

32. **Governing Law** This agreement is made in California and is governed by the laws of the State of California to the extent that California law is consistent with controlling federal law. California's choice of law rules shall not be applied if that would result in the application of non-California law.

33. **Change in Terms** This Agreement is the contract, which applies to all transactions on your account even though the sales, cash advances; credit, or other slips you sign or receive may contain different terms. We may amend, modify, add to, or delete from this Agreement any of the terms and conditions, including the method of application and the amount of periodic finance charges, effective as to any unpaid balance outstanding and any subsequent advance, by mailing a notice of the change to your last known address. This notice will be mailed at least fifteen (15) days prior to the effective date of the change as required by law. Notice of a change in terms is required, but may be sent as late as the effective date of the change where the change has been agreed to, in writing by you, or the periodic finance charge has been increased because of your delinquency or default.

34. **Credit Information** You authorize First Future to investigate your credit standing when opening, renewing, or reviewing your account, and you authorize us to disclose information regarding your account to credit bureaus and other creditors who inquire about your credit standing to the extent authorized by law.

35. **Skip a Payment** You may choose to skip your regular monthly payment once a year in either January or December. FINANCE CHARGES will continue to accrue. There may be a fee for this service. Your regular monthly payment will resume the following month. You must notify us in advance if you wish to skip your payment.

## 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.

**In Case of Errors or Questions about Your Statement** If you think your statement is wrong, or you need more information about a transaction on your statement, you must write to us on a separate sheet at the address listed on your statement. Write us as soon as possible, but we must hear from you no later than sixty (60) days after we sent you the first statement on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights. In your letter, you must give us your name and account number, the dollar amount of the suspected error, and describe the error and explain why you believe there is an error. If you need more information, you must describe the item you are not sure about.

If you have authorized us to pay your credit card account automatically from your share or checking account, you can stop the payment on any amount you think is wrong. To stop the payment, your letter must reach us three (3) business days before the automatic payment is scheduled to occur.

**First Future's Rights and Responsibilities After We Receive Your Written Notice** We must acknowledge your letter within thirty (30) days, unless we have corrected the error by then. Within ninety (90) days, we must either correct the error or explain why we believe the statement was correct.

After we receive your letter, 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 any questioned amount while we are investigating, but you are still obligated to pay the parts of the statement that are not in question.

If we find that we make a mistake on your statement, you will not have to pay any finance charges related to the questioned amount. If we didn't make a mistake, you may have to pay finance charges, and will have to make up any past payments on the questioned amount. In any case, we will send you a statement of the amount you owe and the due date.

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 ten days telling us you still refuse to pay, we must tell anyone we report you to that you have a question about your statement. 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 don't follow these rules, we can't collect the questioned amount, even if the bill was correct.

**Special Rules for Credit Card Purchases** If you have a problem with the quality of goods or services purchased with a credit card, and 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:

- 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; and
- The purchase must have been more than \$50.00. These limitation do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.

**Special Rules for Secured Visa Credit Cards** Pledge of Shares The Secured Visa Credit Card (Visa Credit Card) is secured by the shares in the share account described in the "Secured Visa Credit Card Request". By requesting and receiving, signing or permitting others to use the Visa Credit Card issued to you by First Future Credit Union, you agree that your assignment and pledge of your share account is irrevocable except as provided for in this Agreement. By pledging your share account, you agree that if you are in default under this Agreement, in addition to all the other remedies under this Agreement, we may, at our option, apply the balance of the pledged share account to the outstanding balance of your Visa Credit Card. You understand the applicable Annual Percentage Rate disclosed in this Agreement does not take into account the dividends on the pledged share account. Pledged Share Account Requirements You agree to maintain a minimum balance in the pledged share account in an amount equal to 120% of the credit limit on the Visa Credit Card. If the balance in the pledged share account ever falls below this minimum requirement, you agree to immediately deposit to the pledged share account an amount sufficient to cause the balance in the account to satisfy this minimum balance requirement. You agree that this pledge will cover future purchases and advances under this Agreement. Closing The Account You may not close your pledged share account until the outstanding balance of the Visa Credit Card has been paid in full and closed. If First Future or you cancel the Visa Credit Card, we reserve the right to hold the funds on deposit in the pledged share account for a period of time (but not more than 30 days after the Visa Credit Card account is closed), which we believe reasonably sufficient for any outstanding credit card drafts to clear.