

In this Agreement and Disclosure Statement the words "I," "me," and "my" mean each and all of those who apply for or use the LA Financial Federal Credit Union VISA GOLD, CLASSIC, PLATINUM or SAVINGS SECURED VISA CLASSIC Credit Card. "You," "your," and "yours" mean LA Financial Federal Credit Union. "Card" means the VISA GOLD, CLASSIC, PLATINUM or SAVINGS SECURED VISA CLASSIC Credit Card issued to me and any duplicates you may issue. "Account" means my VISA GOLD, CLASSIC, PLATINUM or SAVINGS SECURED VISA CLASSIC Account with you.

By requesting, activating, receiving, signing or permitting others to use a VISA Card issued to me by you, I agree to the following terms and conditions and any amendments thereto:

PAYMENT: I promise to repay you or to your order in lawful money of the United States at your office or at the address set forth on my periodic statement, all sums advanced to me or any person I permit to use this Account on the terms and at the rates set forth herein. Payment will continue until I have paid in full the unpaid balance, FINANCE CHARGES and any other fees and charges.

FINANCE CHARGE: The FINANCE CHARGE for a billing cycle will be the sum of two (2) components:

1. Daily Periodic FINANCE CHARGE, Daily Periodic Rate, and ANNUAL PERCENTAGE RATE: The first (1st) component of the FINANCE CHARGE is the Monthly Periodic FINANCE CHARGE. The Daily Periodic Rate used in calculating the Monthly Periodic FINANCE CHARGE (and the corresponding ANNUAL PERCENTAGE RATE) are disclosed on the enclosed VISA Acceptance Letter or Visa Statement the terms of which are incorporated herein by this reference.
2. Foreign Transactions Fee: The second (2nd) component of the FINANCE CHARGE is the Foreign Transactions Fee. Purchases, Cash Advances, and credit transactions made in foreign currencies are subject to a Foreign Transactions Fee FINANCE CHARGE of 1.0% of the amount of the purchase, Cash Advance, or credit transaction which is posted to the Account during the billing cycle.

HOW THE FINANCE CHARGE IS DETERMINED: When I use my VISA Card to make a purchase from a merchant or to obtain a Cash Advance from a financial institution, you will impose a FINANCE CHARGE on the amount of credit I have thereby obtained.

HOW YOU COMPUTE THE BALANCE ON WHICH PERIODIC FINANCE CHARGES ARE ASSESSED:

For the Purchase Balance, which consists of Transactions Related to Purchases of Property and Services: I understand that a FINANCE CHARGE will be imposed on Credit Purchases only if I elect not to pay the entire New Balance shown on my Monthly Statement for the billing cycle during which such transactions are posted to my account within 25 days from the closing date of that statement. To avoid incurring an additional FINANCE CHARGE on the balance of Credit Purchases reflected on my Monthly Statement I must pay the New Balance shown on my Monthly Statement on or before the Payment Due Date. The FINANCE CHARGES for a billing cycle are computed by applying the Monthly Periodic Rate to the Average Daily Balance of Credit Purchases which is determined by dividing the sum of the daily balances during the billing cycle by the number of days in the cycle. Each daily balance of Credit Purchases is determined by subtracting from the Previous Balance of Credit Purchases any payments received and credits as posted to my account, but excluding any unpaid FINANCE CHARGES and late charges.

For the Advance Balance, which consists of Transactions Related to Cash and Other Advance Transactions: A FINANCE CHARGE will be imposed on Cash Advances from the date made or from the first day of the billing cycle in which the Cash Advance is posted to my account whichever is later. To avoid incurring an additional FINANCE CHARGE on the balance of Cash Advances reflected on my Monthly Statement, I must pay the New Balance shown on my Monthly Statement on or before the Payment Due Date. The FINANCE CHARGES for a billing cycle are computed by applying the Monthly Periodic Rate to the Average Daily Balance of Cash Advances which is determined by dividing the sum of the daily balances during the billing cycle by the number of days in the cycle. Each daily balance of Cash Advances is determined by adding to the Previous Balance of Cash Advances, any new Cash Advances as of the transaction date or the first day of the billing cycle in which they posted,

whichever is later, and subtracting any payments as received and credits as posted to my account, but excluding any unpaid FINANCE CHARGES and Late Charges. This determines my FINANCE CHARGE for the billing cycle. Actual FINANCE CHARGES will be shown on my Monthly Statement.

YOUR RIGHTS TO AMEND MY AGREEMENT: You may amend this Agreement, from time to time, upon proper advance notice to me. I understand that any such notice will be mailed at least fortyfive (45) days prior to the effective date of the charge as required by Federal or other law. You may amend it by adding, deleting, or changing provisions of this Agreement. You may increase or decrease any or all of my Finance Charges, including any promotional Finance Charges. When you amend this Agreement you will comply with the applicable notice requirements of Federal and California laws that are in effect at the time.

The reasons you may change the terms of this Agreement include the following: my risk profile based on my payment patterns, transaction patterns, balance patterns and utilization levels of this and other accounts, and relationships between each and all these measures of risk. You may also change terms for reasons not related to my individual credit history, such as overall economic and market trends, product design, and business needs. Finance Charge increases will not impact existing balances unless I am more than 60 days late with a payment.

If I am requested to opt-in to an Amendment, and I reject the Amendment in the manner you provide me, you may terminate my right to receive credit and may ask me to return all credit devices as a condition of my rejection. You may replace my card with another card at any time.

MINIMUM PAYMENT: You will send me a Monthly Statement, with the total amount owing on my Account indicated by a heading "New Balance." Every month, I must pay at least the Minimum Payment by the Payment Due Date shown on my Statement. I may, of course, pay more frequently, pay more or pay the New Balance in full, and I will reduce my periodic FINANCE CHARGE by doing so. My Minimum Payment will be either (a) 3% of my New Balance or \$35.00, whichever is greater, or (b) my New Balance, if it is less than \$35.00, plus periodic FINANCE CHARGES and Late Charges, if any. In addition, I must pay any amount shown on my Statement as Past Due and any late charge.

I understand that my Minimum Payment will be applied in the following order: a) periodic FINANCE CHARGES; b) Late Charges, if any; c) unpaid balance of old money advances, if any; d) unpaid balance of old money purchases, if any; e) unpaid balance of new money advances; and f) unpaid balance of new money purchases. The Payment Due will be set forth on my Statement.

As the portion of the Minimum Payment that is applied to the unpaid balance is posted to my Account, the Credit Available is increased as follows:

- a) Payments of \$2,499.99 - available credit is increased immediately.
- b) Payments of \$2,500.00 and above - available credit is increased in five (5) business days.

You will allocate the amount of my payment equal to the Total Minimum Payment Due to the highest ANNUAL PERCENTAGE RATE (APR) balances first. Payment amounts in excess of my Total Minimum Payment Due will be applied to balances with higher APRs before balances with lower APRs.

WHEN YOUR PAYMENT WILL BE CREDITED TO YOUR ACCOUNT: You credit mailed payments as of the date received, if the payment is 1) received by 5 p.m. local time at the address shown on the remittance slip on the front of my monthly statement or received at one of your branch offices; 2) paid with a check drawn in U.S. dollars on a U.S. financial institution or a U.S. dollar money order or cashier's check; and 3) sent in the return envelope with only the remittance portion of my statement included with the check. Payments received by mail after 5 p.m. local time at the remittance address on any day including the Payment Due Date, but that otherwise meet the above requirements; will be credited as of the next day. Credit for any other payments may be delayed up to five days.

LATE CHARGE: A late charge of \$35.00 will be charged if payment is past due more than 10 days.

RETURNED PAYMENTS: In the event my payment is returned for any reasons, you will assess a \$20 fee.

CONVENIENCE CHECK - RETURNED CHECK FEE: In the event a VISA Convenience Check is returned for Non-Sufficient Funds (NSF), you will assess a \$20.00 fee for each occurrence.

ADDITIONAL VISA STATEMENTS: In the event I request an additional or replacement VISA Statement, you will assess a \$5.00 fee for each statement.

CREDIT LIMIT: You will establish a Credit Limit for me. I agree not to let the unpaid balance exceed this Credit Limit. I agree to advise you of any change in my financial condition which may affect my creditworthiness. I agree that I shall update the credit information that I have provided you, from time to time, on your demand. I may request an increase in my Credit Limit, but Credit Limit increases must be approved by you.

PURCHASES AND ADVANCES: I may make purchases and request Cash Advances in accordance with the current loan policies up to my Credit Limit. I understand that all purchases and other transactions requested by me are subject to your approval.

USING THE CARD: To make a purchase or obtain an advance, there are two alternative procedures to be followed. One is for me to present the Card or Card Number to a participating VISA plan merchant, to you or to another financial institution, and sign or authorize a sales or Cash Advance draft. The other is to complete the transaction by using my Personal Identification Number (PIN) in conjunction with the Card in an Automated Teller Machine or other type of electronic terminal that provides access to the VISA system. My VISA Card and/or Account may not be used for any illegal activity or transaction. Further, I may not utilize my VISA Card and/or Account for the purchase of any goods or services on the Internet that involve gambling of any sort. Such transactions include, but may not be limited to, any quasi-cash or online gambling transaction, any electronic commerce transaction conducted over an open network, and any betting or wagering. However, in the event that a charge or transaction described in this paragraph is approved and processed, I will still be responsible for such charges.

VISA CONVENIENCE CHECKS: I may also access my VISA Account by utilizing the VISA Convenience Checks that are provided.

- (1) You will honor and pay Checks up to my Credit Limit as long as they are drawn on forms authorized by you and presented before the expiration date on the check in an amount not less than \$100.00.
- (2) I, or any other person authorized to draw on the Account, may order stop payment of any check payable against my Account, provided my request is timely and affords you a reasonable opportunity to act upon it under your rules. I may also stop payment on a Check. A Stop Payment Fee will be assessed for each stop payment as set forth in your Schedule of Fees and Charges. If I give a stop payment order orally, the order shall be valid for only fourteen (14) days thereafter unless confirmed in writing. Written orders shall be valid no longer than six (6) months, but may be renewed for an additional six (6) month periods by written notice given during the time that the stop payment order was effective. I have the burden of establishing the fact and amount of loss resulting from payment contrary to a binding stop payment order.
- (3) If a Card is reported lost or stolen, the VISA Convenience Checks are null and void.
- (4) I agree to hold you harmless and to indemnify you from any liability incurred due to a delay or misrouting of the VISA Convenience Check where the delay or misrouting is caused by markings placed on the check by me or a prior endorser that obscure any depository endorsement placed by the Credit Union or its agents.
- (5) For the purpose of calculating FINANCE CHARGES VISA Convenience Checks are the same as Cash Advances.
- (6) You may recognize the signature of anyone who signed the Credit Application for the VISA Credit Card Account as authorized to transact any business on this account.

- (7) VISA Convenience Checks may not be used to pay any amount I owe under this Agreement or under any other credit agreement or account I hold with you.

PREPAYMENT OR IRREGULAR PAYMENTS: Though I need only pay the Minimum Payment Due, I understand that I have the right to repay my loan at any time without penalty. I also understand I will only be charged FINANCE CHARGES to the date I repay my entire loan. I may make larger payments without penalty and this may reduce the total amount of FINANCE CHARGES that I will repay. Any partial payment of my loan will not advance my next payment due date(s). I understand that any payment that (a) delays or (b) accelerates the repayment of my unpaid balance will (a) increase or (b) decrease my Periodic FINANCE CHARGES.

DEFAULT: I will be in default 1) if I do not pay on time or in the proper amount; 2) if I fail to abide by the terms of this Agreement; 3) my creditworthiness is impaired; or 4) I die, become insolvent or am the subject of bankruptcy or receivership proceedings. In the event of any action by you to enforce this Agreement, I agree to pay the costs thereof, reasonable attorneys' fees, and other expenses. I understand that FINANCE CHARGES at the ANNUAL PERCENTAGE RATE as permitted under this Agreement will continue to accrue until I repay my entire loan.

CROSS DEFAULT: I understand and agree that my breach or default of the terms and conditions of this Agreement for my VISA Credit Card Account shall also be deemed to be a default of any and all other Loan or Line of Credit Account I now have with you or obtain in the future with you. Further, I understand and agree that my breach or default of the terms and conditions of any other Loan or Line of Credit Account I now have with you or obtain in the future with you shall be deemed to be a default of the terms and conditions of the agreement for this VISA Credit Card Account. This "Cross Default" Agreement shall not apply to any Loan or Line of Credit Account secured by real property or where otherwise prohibited by Federal or State Law or Regulation.

ACCELERATION AND COLLECTION COSTS: If I am in default, I understand and agree that you have the right to temporarily or permanently suspend any and all Account and Card privileges and you may demand immediate payment of the unpaid balance, FINANCE CHARGES, Late Charges, if any, and collection costs. I understand that I will be subject to FINANCE CHARGES (at the applicable Periodic Rate), Late Charges, if any, and collection costs under the terms disclosed in this Agreement, until I repay my entire loan. I also agree to pay your reasonable attorneys' fees, and court costs.

RESPONSIBILITY: I agree to repay you according to the terms of this Agreement and Disclosure Statement for all purchases, Cash Advances, FINANCE CHARGES, Late Charges, (if any) arising from the use of the Account by me or any other person I permit to use my Account, even if that person exceeds my permission. I cannot disclaim responsibility by notifying you, although you will close the Account if I so request and I will return all Cards to you. My obligation to pay the Account balance continues even though an agreement, divorce decree or other court judgment to which you are not a party may direct me or one of the other persons responsible to pay the Account. Any person using the Account and/or Card is jointly and severally responsible with me for charges he or she makes, but if that person signs the Card he or she becomes a party to this Agreement and is also responsible for all charges on the Account, including mine. The Cards remain your property and I must recover and surrender to you all Cards upon your request and/or upon termination of this Account.

LIABILITY FOR UNAUTHORIZED USE: I will not be liable for the unauthorized use of my credit card when such use is deemed a "VISA Transaction" by VISA International (such as use of the credit card to purchase goods or services from merchants.) When such use is not deemed a "VISA transaction" by VISA International (such as use of the credit card to obtain a Cash Advance at an ATM) I may be liable for such unauthorized use. In any case, I will not be liable for unauthorized use that occurs after I notify you, orally or in writing, of the loss, theft, or possible unauthorized use, and your liability will not exceed \$50.

TERMINATION: You may terminate this Agreement upon my default. Either you or I may terminate this Agreement for other good cause. In no event shall any termination relieve me of my obligation to repay sums already borrowed, FINANCE CHARGES, and Late Charges, if any.

SAVINGS SECURED VISA CLASSIC: If I have signed a separate "Pledge of Shares Securing a VISA Credit Card Account Agreement and Additional Federal Truth-In-Lending Disclosure Statement", I understand and agree that I am pledging, under the Uniform Commercial Code, savings now on deposit in my VISA Savings Account. I understand and agree that I must, at all times, keep a sum equal to 111% my credit limit on deposit in my VISA Savings Account until I repay my entire loan and the Account is terminated. I understand and agree that this security interest will cover future purchases and Cash Advances. If I default, you may apply any and all savings to repay my loan in accordance with this Agreement and Disclosure Statement and federal or state law. I understand that the ANNUAL PERCENTAGE RATE, quoted above does not take into account the amount pledged in my VISA Savings Account.

TRANSACTION SLIPS: My periodic statement will identify the merchant, electronic terminal or financial institution at which transactions were made, but sales, Cash Advance, credit or other slips cannot be returned with the statement. I will retain the copy of such slips furnished at the time of the transaction in order to verify my periodic statement. You may make a reasonable charge for any photo static copies of slips I request.

PLAN MERCHANT DISPUTES: You are not responsible for the refusal of any plan merchant or financial institution to honor my Card. You are subject to claims and defenses (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 (b) my purchase cost more than \$50.00 and was made from a plan merchant in my state or within 100 miles of my current mailing address. Any other dispute I must resolve directly with the plan merchant.

FOREIGN TRANSACTIONS: Purchases, cash advances and credits made in foreign currencies will be billed to your Account in U.S. dollars. The conversion to U.S. dollars will be made in accordance with the VISA operating regulations for international transactions. Such regulations provide for either a 0.8% currency exchange fee for single currency international transactions (transactions made internationally without a currency conversion) or 1% currency exchange fee for multi-currency international transactions (transactions made internationally that require a currency conversion), which is added to the amount of the purchase, Cash Advance, or credit and retained by VISA.

The exchange rate between the transaction currency and the billing currency used for processing international transactions 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 central processing date. The conversion rate may be different than the rate on the day of the transaction or date of the posting of the Account. When a credit to the Account does not fully offset a charge to the Account due to changes in the rate, you will be responsible for the differences.

RETURNS AND ADJUSTMENTS: Merchants and others who honor the Card may give credit for returns or adjustments, and they will do so by sending you a credit slip which you will post to my Account. If my credits and payments exceed what I owe you, you will hold and apply this credit balance against future purchases and Cash Advances, or if it is \$1.00 or more, refund it to me on my written request or automatically after six (6) months.

SURRENDER OF CARD(S): The Card(s) remains your property and, if you request, I must surrender to you all Cards you have issued on my Account.

LOST OR STOLEN CARDS: To report lost or stolen card(s), the Account Number, PIN or any combination of the three, I will call you at 800.234.5354.

PAYMENTS MARKED "PAID IN FULL": You may accept checks, money orders, or other types of payment marked "payment in full" or use other language to indicate full satisfaction

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of any indebtedness, without being bound by such language or waiving any rights under this Agreement. Full satisfaction of indebtedness shall be accepted by you only in a written agreement, signed by an authorized representative.

MEMBERSHIP REQUIREMENT: I understand that federal law requires that I be and remain a member in good standing with you to be eligible for future advances. I also understand that you may suspend my credit privileges during any period in which I do not maintain my membership with you

INTEGRATED DOCUMENT(S): Any separate sheet of paper labeled "Additional Disclosure—Federal Truth-in-Lending Act", "VISA Acceptance Letter", "VISA Statement" or "Pledge of Shares Securing a VISA Credit Card Account Agreement and Additional Federal Truth-In-Lending Disclosure Statement" which is delivered together with this form or thereafter is an integrated part of this Agreement and Federal Disclosure Statement.

CREDIT INFORMATION: I authorize you to investigate my credit standing when opening, renewing or reviewing my Account, and I authorize you to disclose information regarding my Account to credit bureaus and other creditors who inquire of you about my credit standing to the extent authorized by law.

CHANGE OF NAME, ADDRESS, EMPLOYMENT STATUS: I understand and agree that I must report to you any change in my name, address or employment status.

ELECTRONIC FUND TRANSFER: In the event use of my Card or the account number of the Card constitutes an Electronic Fund Transfer, the terms and conditions of my Electronic Fund Agreement and Disclosure with you shall govern such transactions to the extent my Electronic Fund Agreement and Disclosure with you expands or amends this Agreement and Federal Disclosure Statement.

DELAY IN ENFORCEMENT: You can delay enforcing any of your rights under this Agreement without losing them.

GOVERNING LAW: I understand and agree that this Agreement and Federal Disclosure Statement is made in California and shall be governed by the laws of the State of California to the extent that California law is not inconsistent with controlling Federal law. I also understand that California's choice of law rules shall not be applied if that would result in the application of non-California law.

CROSS-COLLATERALIZATION: I UNDERSTAND AND AGREE THAT THE PERSONAL PROPERTY SECURITY FOR EACH LOAN I HAVE WITH YOU (AND ANY AND ALL PROCEEDS THEREOF), IF ANY, SHALL SECURE THIS VISA CREDIT CARD ACCOUNT AND ANY AND ALL OTHER LOANS, LINE OF CREDIT ACCOUNTS AND CREDIT CARD ACCOUNTS I NOW HAVE WITH YOU OR OBTAIN IN THE FUTURE WITH YOU. IN ADDITION, ANY PERSONAL PROPERTY (AND ANY AND ALL PROCEEDS THEREOF AND ALL INSURANCE PROCEEDS AND INSURANCE PREMIUM REFUNDS) SECURING OTHER LOANS, LINE OF CREDIT ACCOUNTS AND CREDIT CARD ACCOUNTS I NOW HAVE WITH YOU OR OBTAIN IN THE FUTURE WITH YOU WILL ALSO SECURE ALL FUNDS ADVANCED BY YOU UNDER THIS VISA CREDIT CARD ACCOUNT. THIS "CROSS COLLATERALIZATION" AGREEMENT SHALL NOT APPLY TO ANY LOAN, LINE OF CREDIT AGREEMENT OR CREDIT CARD AGREEMENT SECURED BY REAL PROPERTY OR WHERE OTHERWISE PROHIBITED BY FEDERAL OR STATE LAW OR REGULATION.

LIEN ON SHARES: If I am in default on a financial obligation to you, federal law gives you the right to apply the balance of shares and dividends in my account(s) at the time of default to satisfy that obligation. Once I am in default, you may exercise this right without further notice to me.

COPY RECEIVED: By the activation, use or permitting others the use of this Account I acknowledge receipt of a copy of this VISA Card Agreement and Federal Truth-in-Lending Disclosure Statement and agree to and accept its terms.

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NOTICE: See the statement below for important information regarding your right to dispute billing errors.

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

This notice contains important information about my rights and responsibilities under the Fair Credit Billing Act.

NOTIFICATION IN CASE OF ERRORS OR QUESTIONS ABOUT MY PERIODIC STATEMENT

If I think my statement is wrong, or if I need more information about a transaction on my statement, I must write to you on a separate sheet at the address listed on my statement. I should write to you as soon as possible. You must hear from me no later than sixty (60) days after you sent me the first statement on which the error or problem appeared. I can telephone you, but in doing so this will not preserve my rights.

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

- * My name and account number.
- * The dollar amount for the suspected error.
- * Describe the error and explain, if I can, why I believe there is an error. If I need more information, describe the item I am not sure about.

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

MY RIGHTS AND YOUR RESPONSIBILITIES AFTER YOU RECEIVE MY WRITTEN NOTICE

You must acknowledge my letter within thirty (30) days, unless you have corrected the error by then. Within ninety (90) days, you must either correct the error or explain why you believe the periodic 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 the statement that are not in question.

If you find that you made a mistake on my periodic statement, I will not have to pay any FINANCE CHARGES related to any questioned amount. If you didn't 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 within ten (10) days telling you that I still refuse to pay, you must tell anyone you report me to that I have a question about my periodic statement. And, you must tell me the name of anyone you reported me to. You must tell anyone you report me to that the matter has been settled between us when it finally is.

If you don't follow these rules, you can't collect the first \$50.00 of the questioned amount even if my periodic statement was correct.

SPECIAL RULE FOR CREDIT CARD PURCHASES

If I have a problem with the quality of property 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:

- (a) 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
- (b) The purchase 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.

FORM 543 PH REV. 2/10

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VISA® Credit Card Agreement and Federal Truth-In-Lending Disclosure Statement

Effective 2-22-10



A DIVISION OF L.A. FINANCIAL CREDIT UNION

**LOST OR STOLEN CARDS
800.234.5354**

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