



VISA CREDIT CARD AGREEMENT AND TRUTH-IN-LENDING DISCLOSURE STATEMENT-SHARE SECURED, CLASSIC, GOLD & PLATINUM

This Agreement covers your Share Secured VISA, Classic VISA, Gold VISA, and Platinum VISA Accounts ("Account") issued through Denali Alaskan Federal Credit Union. In this Agreement the words "you," "your," and "Borrower," mean each and every person who signs the application for this Account. The words "we," "Credit Union," and "our," mean Denali Alaskan Federal Credit Union. By Requesting and receiving, signing, using or permitting others to use a VISA card issued to you by the Credit Union, you agree to the following terms:

1. Maximum credit limit: Borrower has applied to Denali Alaskan Federal Credit Union (herein referred to as "Credit Union") for a VISA Card Line-of-Credit. The loans which the Credit Union may extend to the Borrower under this account shall at no time exceed the assigned credit limit (hereinafter referred to as "Maximum Credit Limit").

2. Loans covered: Two types of credit are available to the Borrower under this Agreement. Borrower may utilize the VISA card to charge purchases of goods and services at businesses where VISA cards are accepted. Borrower may utilize the credit extended herein to receive cash advances from the Credit Union or other financial institutions honoring VISA cards. Additionally, you may use your Personal Identification Number (P.I.N.) with your VISA card to get cash advances at Automated Teller Machines (ATMs) displaying the VISA symbol.

3. Request for loans: Borrower agrees that each use of the VISA Card constitutes a loan in the amount of the transaction. Borrower agrees not to exceed the approved Maximum Credit Limit under this Agreement. At the request of the Credit Union, Borrower agrees to return to the Credit Union the VISA card. Borrower is responsible for the safekeeping of the VISA Card.

4. Promise to pay: You promise to pay the Credit Union all amounts, plus any FINANCE CHARGES which arise from use of the card by you or any other person, and to be jointly and severally liable with such a person, unless such other person does not have actual, implied, or apparent authority for such use, and you received no benefit from the use.

5. Currency Conversion/Foreign Transaction Fee: Purchases and cash advances made in foreign countries will be billed to you in U.S. dollars. The currency conversion rate for international transactions as established by VISA International, Inc. 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. In addition, you will be charged a Foreign Transaction Fee of up to 2% of the transaction amount for any card transaction made in a foreign country.

6. Periodic Rate and Corresponding ANNUAL PERCENTAGE RATE: The periodic Rate and Corresponding ANNUAL PERCENTAGE RATE may vary monthly based upon an index. The index is the Prime Rate in effect on the 15th day of the prior month as published in the "Money Rates" section of the Wall Street Journal. The Credit Union adds to the index a margin of 10 percentage points for Share Secured VISA cards, 9 percentage points for Classic VISA cards, 7 percentage points for Gold VISA cards and 5 percentage points for Platinum VISA cards. The maximum ANNUAL PERCENTAGE RATE that can apply is 18%. Any increase or decrease in the ANNUAL PERCENTAGE RATE will affect the amount of each monthly payment. The FINANCE CHARGE includes interest and no other cost. The ANNUAL PERCENTAGE RATE is divided by 12 to obtain the Periodic Rate.

7. Circumstances under which a FINANCE CHARGE will be imposed: The total outstanding balance of purchases and cash advances in the Account on the closing date of a billing cycle, including any FINANCE CHARGE will be shown on the periodic statement for that billing cycle as the "New Balance."

(A) **Credit purchases.** A FINANCE CHARGE will be imposed on the portion of purchases included in the new balance that remains unpaid on the due date following the closing date. This "grace period" allows you to avoid a FINANCE CHARGE on purchases for a billing cycle. However, to the extent you do not pay your purchase transactions within the grace period, your FINANCE CHARGE will accrue from the date purchases are posted to your account.

(B) **Cash advances.** A FINANCE CHARGE will be imposed on Visa cash advances that you obtain through the use of your VISA card as of the date of each such Cash Advance and will continue to accrue until the balance is paid in full.

8. Method used to determine the balance on which the FINANCE CHARGES may be computed and amount of FINANCE CHARGE: The FINANCE CHARGE for a billing cycle is computed by applying the periodic rate to the average daily balance. To get the average daily balance, we take the beginning balance of your account each day, add any new purchases, cash advances and other charges, and subtract any payments or credits and unpaid FINANCE CHARGES. This gives us the daily balance. Then, we 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 us the average daily balance.

9. Periodic statements: We will send you a statement showing advances, payments, and credits made to your line of credit account during the billing cycle, as well as your "New Balance," and FINANCE CHARGE, and any late charges or other fees. Your statement also will identify the minimum payment you must make for that billing period and the date it is due.

10. Minimum payment: Borrower agrees to pay each month a minimum monthly payment plus any payment past due together with any balance which exceeds Borrower's Maximum Credit Limit. The minimum monthly payment will be 3% of the outstanding balance or \$20.00, whichever is greater, and will be due by the due date shown on the statement. Any outstanding balance less than \$20.00 is payable in full. Borrower may pay any outstanding balance prior to maturity in whole or in part without penalty. We can accept late payments or partial payments, or checks, drafts and money orders marked "Payment in Full" without prejudice to our rights under this agreement, which are hereby explicitly reserved. A credit posting from a merchant or reversal of fees do not constitute a minimum monthly payment. Your payments may be allocated at the Credit Union's discretion to pay off lower rate balances, such as promotional offers, before higher rate balances, such as cash advances or purchases. Payments in excess of the minimum payment will be allocated first to higher rate balances, as applicable. From time to time, we may allow you to skip your minimum monthly payment due. If you choose to skip that payment, FINANCE CHARGES will continue to accrue in accordance with this Agreement.

11. Returns and adjustments: Merchants and others who honor the VISA Card may give credit for returns or adjustments by sending us a credit slip which will be posted to the Borrower's account. If the Borrower's credits and payments exceed what the Borrower owes we will hold and apply this credit balance against future purchases and cash advances or refund it on the borrower's written request if it is \$1 or more.

12. Default: You will be in default under this Agreement if any of the following occur: (a) any minimum monthly payment is not made when it is due; (b) you become insolvent, bankrupt, or you die; (c) you violate any part of this Agreement, or any other Agreement with us; or (d) if we reasonably deem ourselves insecure on your credit line. We will notify you in writing of any such action as soon as practical if it occurs. Upon default, we may declare the entire balance immediately due and payable, and you agree to pay that amount. If you default on any part of this Agreement, you agree to pay the Credit Union all costs to collect your account, including court costs and reasonable attorney fees whether or not there is a lawsuit, and fees on any appeal and fees for bankruptcy proceedings, appeals, and any post judgment collection services, if applicable. These fees and costs may be added to your account balance and will bear interest at the ANNUAL PERCENTAGE RATE in effect at that time. We can delay enforcing any right under this Agreement without losing that right or any other right. We will notify you in writing of any such action as soon as practical if it occurs.

13. Credit Union lien and security interest: If you have signed a separate Security Agreement, the extent you owe the Credit Union money as a Borrower under this Agreement, the Credit Union has a lien on any and all of the funds in any account in which you have an ownership interest at the Credit Union, regardless of the source of funds. You agree that the Credit Union may apply, without further notice, any or all such funds and earnings on such funds toward payments due, and collection costs in the event of default. The Credit Union may apply these funds in any order to payoff your indebtedness. If the Credit Union does not waive its rights to enforce its lien, the Credit Union does not waive its rights to enforce its lien at a later time. In addition, you grant the Credit Union a consensual security interest in your accounts, now and in the future, and grant us a purchase money security interest under the Uniform Commercial Code in any goods you purchase through your account. If you default, we have the right to recover any of these goods, which have been paid for through application of your payments in accordance with this agreement or to use the funds from your accounts to pay any debt or amounts owed to the Credit Union, except obligations secured by your dwelling. Collateral securing other loans with the Credit Union, except for your dwelling, may also secure this agreement. Shares and deposits in an individual retirement account and any other account that would lose special tax treatment under state or federal law if given as security are not subject to this security interest.

14. Termination of credit and acceleration of payment: Borrower understands and hereby agrees that this agreement may be terminated and any and all amounts then due and owing may be accelerated and deemed immediately due and payable upon occurrence of any of the following conditions:

- A. In the event of default; or
- B. Upon failure of the Borrower to satisfy the terms of this agreement; or
- C. Upon the Borrower's failure to make any payments when due on any loan with the Credit Union; or
- D. Upon Borrower's failure to satisfy the terms of this agreement and any future amendments; or
- E. Upon adverse re-evaluation of the Borrower's credit worthiness; or
- F. Death or legal incapacity of the Borrower or a joint borrower; or;
- G. You engage in any fraud or material misrepresentation in connection with the line of credit; or
- H. At the option of the Credit Union or Borrower.

Borrower further understands and acknowledges that termination in any event shall not affect Borrower's obligation to pay any outstanding balance.

15. Responsibility of borrower: Borrower is required and does hereby agree to report to the Credit Union any change in Borrower's NAME, ADDRESS or EMPLOYMENT. Borrower agrees not to consummate any consumer credit transaction under this agreement upon knowing that credit privileges under this Agreement have been terminated or suspended.

16. Late charges: If your required minimum payment is not received at the Credit Union by the due date, you must pay \$15.00.

17. Liability of persons signing: Each Borrower(s) acknowledges that they shall be individually and jointly liable for the payment of all sums owing under the terms and provisions hereof and Borrowers waive demand protest and notice of protest and dishonor same. Whenever used herein, the singular includes the plural.

18. Overdraft protection: If you request overdraft protection, any overdrafts on your share draft account or any other share draft account(s) as designated by you will be charged against your unsecured credit limit and will be subject to the FINANCE CHARGE applicable to your unsecured amount.

19. Annual fee: An annual fee of \$15.00 will be assessed for Share Secured cards.

20. Inactive card fee: An inactive card fee of \$25.00 will be assessed if the account has no activity in a twelve month period of time.

21. Other charges: Other charges which may be added to this account are:

Two cards per account Free Rush Card Fee \$30.00

Additional or Replacement Cards \$5.00

Research/Charge back Fee \$15.00

Document Copy \$3.00* Returned Check \$25.00

*Charge not imposed if copy for resolution of a billing error.

22. Ownership of cards: Any card or other device that we supply to you is our property and must be returned to us, or to any person whom we authorize to act as our agent, or to any person who is authorized to honor the card, immediately according to instructions. The card may be repossessed at any time in our sole discretion without demand or notice. You cannot transfer your card or Account to another person. You may not use the card or Account for any transaction that is illegal or unlawful. We may refuse to authorize any transaction that we believe may be illegal or unlawful.

23. Personal identification number: If we issue a Personal Identification Number ("PIN") for use with your card in accessing your line of credit at ATMs, these numbers are issued to you for your security purposes. These numbers are confidential and should not be disclosed to third parties. You are responsible for safekeeping your PIN. You agree not to disclose or otherwise make available your PIN to anyone not authorized to sign on your account.

24. Amendments: We reserve the right to amend the terms of this Agreement at anytime as permitted by and subject to any limitations and notice requirements of applicable law.

25. Remitting payments: All payments for VISA card accounts should be sent to Denali Alaskan Federal Credit Union, 440 E. 36th Avenue, Anchorage, AK 99503 or in the envelope provided. Payments will be credited on the date received. Payments received at this address on or before 5:00 PM on any business day will be credited to your Account as of that date; payments received by mail at that address after 5:00 PM or on a weekend will be posted to your Account as of the next business day. Payment crediting to your Account may be delayed up to five days if your payment is received by mail at any other address or not accompanied by the remittance portion of your Account statement. Written notices and inquiries to the Credit Union must be sent to Attn: Visa Dept., 440 E. 36th Avenue, Anchorage, AK 99503.

26. Loss or theft of credit card-Liability for unauthorized transactions: You agree to notify us immediately of the loss, or the theft or the unauthorized use of any card or credit instrument or device which we supply to you. You may notify issuer at (907) 257-7200 Monday-Saturday excluding holidays OR after hours call Pemco at (800) 682-6075. You will not be liable for any losses provided you were not grossly negligent or fraudulent in handling your card. In any event, your liability for unauthorized Visa credit card transactions shall not exceed \$50.00

27. Credit information/financial statements: You authorize us to release information to others (e.g. credit bureaus, merchants, and other financial institutions) regarding the status and history of your line of credit. You agree to provide us a current financial statement and updated credit information upon request.

28. Governing law: This agreement will not take effect until it is approved by us. This agreement shall be governed by the laws of the state of Alaska.

YOUR BILLING RIGHTS – KEEP THIS NOTICE FOR FUTURE USE

This notice contains important information about your rights and our responsibilities under the Fair Credit Reporting Act.

NOTIFY US IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR BILL. If you think your bill is wrong or if you need more information about a transaction on your bill, write us on a separate sheet at the address listed on your bill. Write to us as soon as possible. We must hear from you not later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights. In your letter give us the following information: your name and account number, the dollar amount of the suspected error, describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

YOUR RIGHTS AND OUR RESPONSIBILITIES AFTER WE RECEIVE YOUR WRITTEN NOTICE. We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct or explain why we think the bill 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 send bills to 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 your bill that are not in question.

If we find that we made a mistake on your bill, 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 at the date it is due. If you fail to pay the amount 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 reported you to that you have questions about your bill. We must provide you the name of anyone we reported you to. We must tell anyone that we reported 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 bill was correct.

SPECIAL RULES FOR CREDIT CARD PURCHASES: If you have a problem with the quality of property or service 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 the home state, within 100 miles of your current mailing address; and (b) The purchase price must have been 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.