

# CREDIT LINE ACCOUNT AGREEMENT AND DISCLOSURE

THIS IS YOUR CREDIT LINE ACCOUNT AGREEMENT AND IT INCLUDES NECESSARY FEDERAL TRUTH-IN-LENDING DISCLOSURE STATEMENTS AND ANY SPECIAL INSTRUCTIONS REGARDING THE USE OF YOUR MASTERCARD, STUDENT MASTERCARD, SECURED MASTERCARD AND PREMIER PRIVILEGES REWARDS MASTERCARD CREDIT CARDS AND OVERDRAFT LINE OF CREDIT AND PREMIER LINE OF CREDIT PRODUCTS AND ANY OTHER ACCOUNT ACCESS DEVICES. PLEASE READ THIS AGREEMENT CAREFULLY AND NOTIFY US AT ONCE IF ANY PARTS ARE UNCLEAR.

Borrower Name(s)	Account Number
	Credit Limit

**Interest Rate and Interest Charges**

<p><b>Annual Percentage Rate (APR) For Purchases</b></p>	<p>Mastercard: _____% introductory APR for _____ months.</p> <p>After that, Your APR will be _____%. This APR will vary with the market based on the Prime Rate.</p> <p>Student Mastercard: _____% introductory APR for _____ months.</p> <p>After that, Your APR will be _____%. This APR will vary with the market based on the Prime Rate.</p> <p>Secured Mastercard: _____%</p> <p>This APR will vary with the market based on the Prime Rate.</p> <p>Premier Privileges Rewards Mastercard: _____% introductory APR for _____ months.</p> <p>After that, Your APR will be _____%.</p>
<p><b>Annual Percentage Rate (APR) For Balance Transfers</b></p>	<p>Mastercard: _____% introductory APR for _____ months.</p> <p>After that, Your APR will be _____%. This APR will vary with the market based on the Prime Rate.</p> <p>Student Mastercard: _____% introductory APR for _____ months.</p> <p>After that, Your APR will be _____%. This APR will vary with the market based on the Prime Rate.</p> <p>Secured Mastercard: _____%</p> <p>This APR will vary with the market based on the Prime Rate.</p> <p>Premier Privileges Rewards Mastercard: _____% introductory APR for _____ months.</p> <p>After that, Your APR will be _____%.</p>
<p><b>Annual Percentage Rate (APR) For Cash Advance</b></p>	<p>Mastercard: _____% introductory APR for _____ months.</p> <p>After that, Your APR will be _____%. This APR will vary with the market based on the Prime Rate.</p> <p>Student Mastercard: _____% introductory APR for _____ months.</p> <p>After that, Your APR will be _____%. This APR will vary with the market based on the Prime Rate.</p> <p>Secured Mastercard: _____%</p> <p>This APR will vary with the market based on the Prime Rate.</p> <p>Premier Privileges Rewards Mastercard: _____% introductory APR for _____ months.</p> <p>After that, Your APR will be _____%.</p>

SEE PAGE 2 for more important information about Your Account

<b>Interest Rate and Interest Charges (continued)</b>	
<b>Annual Percentage Rate (APR) For Cash Advance (continued)</b>	Overdraft Line of Credit: _____% This APR will vary with the market based on the Prime Rate. Premier Line of Credit: _____% This APR will vary with the market based on the Prime Rate.
<b>Penalty APR and When it Applies</b>	For Overdraft Line of Credit and Premier Line of Credit: _____% This APR may be applied if: 1) You make a late payment. 2) You are otherwise in default. <b>How Long Will The Penalty APR Apply?</b> If Your APR is increased for this reason, the Penalty APR will be applied indefinitely to Your entire balance existing at that time and in the future.
<b>Paying Interest</b>	For Credit Cards, Your due date is at least 25 days after the close of each billing cycle. We will not charge You any interest on purchases if You pay Your entire balance by the due date each month. For all Feature Categories We will begin charging interest on balance transfers and cash advances on the transaction date.
<b>For Credit Card Tips from the Consumer Financial Protection Bureau</b>	<b>To learn more about factors to consider when applying for or using a Credit Card, visit the website of the Consumer Financial Protection Bureau at <a href="http://www.consumerfinance.gov/learnmore">http://www.consumerfinance.gov/learnmore</a>.</b>

<b>Fees</b>	
<b>Transaction Fees</b>	
<ul style="list-style-type: none"> <li>Foreign Transaction</li> <li>Cash Advance</li> </ul>	<p>For Credit Cards (except Premier Privileges Rewards Mastercard), <b>1.00%</b> of each foreign currency transaction in U.S. Dollars.</p> <p>For Credit Cards (except Premier Privileges Rewards Mastercard), <b>1.00%</b> of each U.S. Dollar transaction that occurs in a foreign country.</p> <p>For Credit Cards, the greater of <b>3.00%</b> of each transaction or <b>\$3.00</b>.</p>
<b>Penalty Fees</b>	
<ul style="list-style-type: none"> <li>Late Payment</li> <li>Over-the-Credit Limit</li> </ul>	<p>Except Credit Cards, <b>\$15.00</b></p> <p>For Credit Cards, up to <b>\$15.00</b></p> <p>Except Credit Cards, <b>\$10.00</b></p>

**How We Will Calculate Your Balance:** For all Products (except Mastercard), We use a method called "daily balance." For Mastercard, We use a method called "average daily balance (including new purchases)." See Your Account Agreement for details.

**Billing Rights:** Information on Your rights to dispute transactions and how to exercise those rights is provided in Your Account Agreement.

SEE PAGE 1 for more important information about Your Account

In this Agreement, the references to "We," "Us," "Our," and "Credit Union" mean PREMIER AMERICA CREDIT UNION. The words "You" and "Your" mean each person accepting this Agreement. The words "Card" and "Credit Card" mean any Mastercard, Student Mastercard, Secured Mastercard, or Premier Privileges Rewards Mastercard Credit Card issued to You by Us and any duplicates or renewals. If this is a joint account, read singular pronouns in the plural.

You, as the borrower, under a Credit Line Account ("Account"), understand that the following Federal Disclosure Statement and the terms and conditions found herein constitute Our Agreement with You. Your Account may be accessible through a variety of means which could include advance request forms, vouchers, convenience checks, charge slips, credit cards, telephone access, personal computer access, ATMs or other mechanical/electronic means and the like. Regardless of the access means, You promise to pay Us all amounts charged or advanced to Your Account by You or by any user who has access to Your Account, with actual, apparent or implied authority for use of Your Account, including Finance Charges and other fees or charges described herein. You may terminate the use of Your Account by an authorized user by preventing the use of any Account access device (such as a Credit Card or PIN) by that user and by notifying Us in writing that any such user is no longer authorized to use Your Account. You understand that all advances are subject to Our prior approval.

**PRODUCTS**

Your Account has products which may include Mastercard, Student Mastercard, Secured Mastercard, Premier Privileges Rewards Mastercard, Overdraft Line of Credit, and Premier Line of Credit.

Product	Variable Rate		Daily Periodic Rate	Annual Percentage Rate
	Index	Margin		
_____	_____	_____	_____ %	_____ %
Product			Introductory Daily Periodic Rate	Introductory Annual Percentage Rate
_____			_____ %	_____ %

**TRANSACTIONS/ADVANCES**

Whenever You request a transaction or an advance, We may require You to prove Your identity. If You request an advance by telephone, We will deposit the amount requested in Your share savings account or Your checking account (or any other account as directed by You) and You authorize Us to do this, or We will draw a draft or check made payable to You and mail it to You. When the amount advanced appears on a subsequent statement, that will be conclusive evidence of Your telephone request. Advances for all products (except for Credit Card purchases and except for Credit Card cash advances made at Premier America Credit Union office locations) are subject to a minimum of \$100.00.

**SECURITY**

As permitted by law, to secure all transactions under this Agreement in either joint or individual Accounts, We have the right to impress and enforce a statutory lien against Your shares on deposit with Us (other than those deposits established under a governmental approved tax deferral plan such as an IRA or Keogh account) and any dividends due or to become due to You from Us to the extent that You owe on any unpaid balance on Your Account and We may enforce Our right to do so without further notice to You. Additionally, You agree that We may set off any mutual indebtedness.

**OTHER SECURITY/CROSS COLLATERAL**

Collateral (other than household goods or any dwelling) given as security for any other loan You may have with Us both now and in the future will, in addition to securing all presently existing debts and liabilities You owe to Us, secure all future advances We make to You or for Your Account, including advances for reasonable attorneys' fees, court costs and/or collection agency fees and costs incurred in the collection of all indebtedness. Such Collateral shall include any and all accessions, related insurance proceeds or insurance premium refunds.

**ACCOUNT RESTRICTIONS**

In order to receive and maintain a Share Secured product (such as Secured Mastercard), You agree to give Us a specific pledge of shares which will be equal to 110.00% of Your approved Credit Limit. In the event that You default on Your Account, We may apply these shares toward the repayment of any amount owed on Your Share Secured product. You may cancel Your Share Secured product at any time by paying any amounts owed on Your specific Share Secured product and returning any access devices. To be certain that Your entire balance and all advances on Your Account are paid, any shares pledged may not be available for 30 days after You have cancelled any such account product.

**LINE OF CREDIT LIMIT**

You will be notified of Your specific credit limits which are available under Your Account. Unless You are in default, the credit limits established for You will generally be self-replenishing as You make payments on Your Account.

You will keep Your unpaid balance within the credit limits set by Us, and You will pay any amount over the credit limits on Our demand whether or not We authorize the advances which caused You to exceed Your credit limits.

For Credit Cards, Your available credit will be reduced by pending transactions that have not yet been posted to Your Account. Such a "hold" on Your available credit might remain in effect until the earlier of the date that the transaction actually posts to Your Account for a corresponding amount or 10 business days. In the event that a transaction posts for an amount that is different than a pending transaction, Your available credit will still be reduced by an amount that corresponds to the related pending transaction for up to 10 business days.

**JOINT ACCOUNTS**

Each borrower will be responsible, jointly and severally, for the repayment of any amounts owed. If any Account access device, such as a Personal Identification Number (PIN), is requested and approved, You understand that any such Account access device(s) will be mailed only to the primary borrower(s) at the current address of record at the Credit Union. We may refuse to follow any instructions which run counter to this provision.

**FINANCE CHARGES (EXCEPT CREDIT CARDS)**

The balances subject to the periodic Finance Charge are the daily ending balances outstanding for each day during the billing cycle. To get the daily ending balance, We take the beginning balance of Your account each day, add any new advances, insurance premiums, debit adjustments and any applicable fees, and subtract any payments, credits and unpaid Finance Charges and late fees. The Finance Charge is computed by multiplying the Daily Periodic Rate by the daily ending balance outstanding for each day of the billing cycle. The daily Finance Charges are added together and the sum is the amount of Your total new Finance Charge due. There is no grace period.

**CREDIT CARD FINANCE CHARGES**

The balances subject to the periodic Finance Charge are the average daily balances outstanding during the billing cycle. The Finance Charge for a billing cycle is computed by applying the Daily Periodic Rate to the average daily balance during

the billing cycle. To get the average daily balance, We take the beginning balance of Your Account each day, add any new purchases, balance transfers, cash advances, insurance premiums, debit adjustments and any applicable fees, and subtract any payments, credits and unpaid Finance Charges or Late Fees. Then, We add up all the daily balances for the billing cycle and divide them by the number of days in the billing cycle which We multiply by the Daily Periodic Rate. These daily Finance Charges are then added together and the sum is the amount of Your total new Finance Charge due.

You can avoid Finance Charges on purchases by paying the full amount of the entire balance owed each month within 25 days of Your statement closing date. Otherwise, the new balance of purchases, and subsequent purchases from the date they are posted to Your Account, will be subject to a Finance Charge. Balance transfers and cash advances are always subject to a Finance Charge from the date they are posted to Your Account.

Your Mastercard is subject to a discounted introductory Daily Periodic Rate as set forth herein for the initial six-month period. Upon the expiration of the introductory rate period, Your Daily Periodic Rate will increase to the non-introductory Daily Periodic Rate (corresponding to the non-introductory Annual Percentage Rate) as also set forth herein.

Your Student Mastercard is subject to a discounted introductory Daily Periodic Rate as set forth herein for the initial six-month period. Upon the expiration of the introductory rate period, Your Daily Periodic Rate will increase to the non-introductory Daily Periodic Rate (corresponding to the non-introductory Annual Percentage Rate) as also set forth herein.

Your Secured Mastercard is subject to a Daily Periodic Rate, corresponding to an Annual Percentage Rate, as set forth herein.

Your Premier Privileges Rewards Mastercard is subject to a discounted introductory Daily Periodic Rate as set forth herein for the initial six-month period. Upon the expiration of the introductory rate period, Your Daily Periodic Rate will increase to the non-introductory Daily Periodic Rate (corresponding to the non-introductory Annual Percentage Rate) as also set forth herein.

#### **VARIABLE RATE**

##### **(EXCEPT PREMIER PRIVILEGES REWARDS MASTERCARD)**

Except Premier Privileges Rewards Mastercard, all advances are subject to a Variable Rate which is based on the Prime Rate as published in the Money Rates Section of The Wall Street Journal on the last day of Your previous billing cycle ("Index") plus Our Margin. The Index plus the Margin equals the Interest Rate. Changes in the Index will cause changes in the Interest Rate on the first day of the billing cycle following any such change in the Index. Increases or decreases in the Interest Rate will cause like increases or decreases in the Finance Charge and will affect the number of regularly scheduled payments that You will be required to make. There is no limit on the amount by which Your Interest Rate can increase.

##### **VARIABLE RATE (EXCEPT CREDIT CARDS)**

Your Account is subject to a Variable Rate which is based on the Prime Rate as published in the Money Rates Section of The Wall Street Journal on the last day of Your previous billing cycle ("Index") plus Our Margin. The Index plus the Margin equals the Interest Rate. Changes in the Index will cause changes in the Interest Rate on the first day of the billing cycle following any such change in the Index. Increases or decreases in the Interest Rate will cause like increases or decreases in the Finance Charge and will affect the number of regularly scheduled payments that You will be required to make. There is no limit on the amount by which Your Interest Rate can increase.

##### **LATE CHARGE (EXCEPT CREDIT CARDS)**

If Your payment is 15 or more days past due, You will be charged \$15.00.

##### **CREDIT CARD LATE CHARGE**

If Your payment is 15 or more days past due, You will be charged the lesser of: (a) the amount of the minimum payment due; or (b) \$15.00.

##### **OTHER FEES AND CHARGES**

You will be charged the following fees and charges associated with the use of Your Account: (a) for Credit Cards, the greater of 3.00% of the transaction or \$3.00 for each cash advance obtained; (b) for Credit Cards, to the extent permitted by applicable law, the greater of \$250.00 or actual costs incurred by the Credit Union when You elect to withdraw a charge back and initiate arbitration proceedings; (c) for Credit Cards, \$12.00 for each draft copy that You request; and (d) except for Credit Cards, \$10.00 whenever You exceed Your Credit Limit by: (i) \$500.00; or (ii) an amount that causes Your balance to exceed 120 percent of Your Credit Limit; whichever is less.

#### **MONTHLY PAYMENT SCHEDULE**

Though You need only pay the Current Payment due shown on Your monthly statement, You understand that You have the right to repay Your Account or make larger payments on Your Account at any time without penalty. You also understand that You will be charged periodic Finance Charges to the date You repay Your entire Account balance. Any partial payment or prepayment of Your Account will not delay Your next scheduled payment. All payments to Us must be in lawful money of the United States. Payments will be applied first to collection costs, then to any Finance Charges due, then to any Fees and Charges owing, then to the outstanding principal balance. Any unpaid portion of the Finance Charge will be reduced by subsequent payments and will not be added to the principal balance. You understand that any delay in the repayment of Your unpaid balance will increase Your periodic Finance Charges and any acceleration in the repayment of Your unpaid balance will decrease Your periodic Finance Charges.

Your payment is due on the payment due date as disclosed on Your monthly statement. You may elect to make Your payment by automatic transfer from a designated account. If You select this option, You understand and agree that You must maintain sufficient funds on deposit to permit Us to transfer the payment on the payment due date.

For all products (except Credit Cards), Your payment will be 2.00% of Your new unpaid balance at the end of each billing cycle plus any portion of the payments shown on prior statement(s) which remains unpaid, plus any amount that exceeds Your approved credit limit. Your current payment in any event will be subject to the lesser of \$20.00 or Your balance.

Credit Card payments will be 3.00% of Your new unpaid balance at the end of each billing cycle plus any portion of any payments shown on prior statement(s) which remains unpaid, plus any amount that exceeds Your approved credit limit. Your payment in any event will be subject to the lesser of \$15.00 or Your balance.

#### **OVERDRAFT PROTECTION**

You agree that We may transfer funds in multiples of \$100.00 (or in such increments as We may from time to time determine) to Your checking account by an advance on the account product designated on Your Overdraft Protection Application/Sign-Up Card to clear any overdraft on Your checking account. In any event, You hold Us harmless for any and all liability which might otherwise arise if the transfer does not occur. Your checking account overdraft protection automatically ceases if this Agreement is cancelled or terminated or Your Account is in default.

#### **PERIODIC STATEMENTS**

On a regular basis, You will receive a statement showing all transactions on Your Account including amounts paid and borrowed since Your last statement. We will mail You a statement each month in which there have been any transactions on Your Account or there is a debit or credit balance. We need not send You a statement if We feel Your Account is uncollectible but such action by Us does not relieve You of Your liability to repay any amounts that You owe Us. Each statement is deemed to be a correct statement of account unless You notify Us of a billing error pursuant to the Federal Truth-In-Lending Act.

#### **DEFAULT/CROSS DEFAULT**

You will be in default if: (a) You do not make any payment or perform any obligation required under any other agreement that You may have with Us, including but not limited to loan agreements, credit line agreements, debt instruments and the like; or (b) You do not make any payment or perform any obligation required under this Agreement; or (c) You should die, become involved in any insolvency, receivership or custodial proceeding brought by or against You; or (d) You have made a false or misleading statement in Your credit application and/or in Your representations to us while You owe money on Your Account; or (e) a judgment or tax lien should be filed against You or any attachment or garnishment should be issued against any of Your property or rights, specifically including anyone starting an action or proceeding to seize any of Your funds on deposit with Us; and/or (f) We should, in good faith, believe Your ability to repay Your indebtedness hereunder is or soon will be impaired.

If You are in default, We may, without prior notice or demand and to the extent permitted by law, cancel Your rights under this Agreement, declare the entire unpaid balance of Your Account immediately due and payable, set-off any money owed Us in accordance with the terms of said Agreement and require the return of all access devices.

If immediate payment is demanded, You will continue to pay Finance Charges at the applicable Annual Percentage Rate in effect until what You owe has been repaid. Even if Your unpaid balance is less than Your Credit Limit(s), You will have no credit available during any time that any aspect of Your Account is in default.

## PENALTY APR (EXCEPT CREDIT CARDS)

For all products (except Credit Cards), if You are ever 30 or more days past due on any payment and/or Your Account is otherwise in default, the Margin applicable to Your entire balance existing at that time and in the future will increase by 10.00%. The increase in the Margin will result in an increase in the Daily Periodic Rate by 0.027397% (corresponding to an increase in the **ANNUAL PERCENTAGE RATE** of 10.00%).

## ENFORCEMENT

We do not lose Our rights under this or any related agreement if We delay enforcing them. We can accept late payments, partial payments or any other payments, even if they are marked "paid in full" or contain language indicating full satisfaction of the unpaid balance without losing any of Our rights under this Agreement. Any compromise in, or the reduction of, amounts owed under this Agreement must be previously agreed to in writing by an authorized employee of the Credit Union. If any provision of this or any related agreement is determined to be unenforceable or invalid, all other provisions remain in full force and effect.

## COLLECTION COSTS

If You are in default, to the extent permitted by law, You will reimburse us for all costs of collecting the amount You owe under this Agreement including reasonable attorneys' fees. You agree that We may add any collection costs, including reasonable attorneys' fees, to Your Account balance on which Finance Charges will be charged, subject to the applicable Annual Percentage Rate.

## DEBT CANCELLATION COVERAGE

Debt cancellation coverage ("Loan Protection Plan") is not required for any extension of credit under this Agreement. However, You may purchase any Loan Protection Plan available through Us and have the fees added to Your outstanding Account balance. If You elect to do so, You will be given the necessary disclosures and documents separately.

## INTEGRATED DOCUMENTS

Any separate sheet of paper labeled "Additional Disclosure - Federal Truth-In-Lending Act," "Truth-In-Savings Disclosure and Agreement" or "Schedule of Fees" which is delivered together with this Agreement or separately becomes an integrated part of this Agreement and Disclosure.

## NOTIFICATION OF ADDRESS CHANGE

You will notify Us promptly in writing if You: (a) move or otherwise have a change of address; or (b) change Your name.

## CHANGE IN TERMS

We may change the terms of this Agreement by mailing or delivering to You written notice of the changes as prescribed by the Federal Truth-In-Lending Act. To the extent permitted by law, the right to change the terms of this Agreement includes, but is not limited to, the right to change the periodic rate applicable to Your unpaid balance and/or future advances.

## UPDATING AND DISCLOSING FINANCIAL INFORMATION

You will provide facts to update information contained in Your original application or other financial information related to You, at Our request. You also agree that We may, from time to time, as We deem necessary, make inquiries pertaining to Your employment, credit standing and financial responsibility in accordance with applicable laws and regulations. You further agree that We may give information about the status and payment history of Your Account to consumer credit reporting agencies, a prospective employer or insurer, or a state or federal agency having any apparent legitimate business need for such information.

You agree to provide Us, upon Our request, with a current financial statement or other current credit information that meets Our requirements. You understand and agree that if We request such information, that We may, at Our sole option, refuse to make further advances on Your Account until such time as We have received the requested information. If You fail to furnish the requested information in a timely fashion We may, at Our option, and without further notice to You, declare Your Account to be in default.

## TERMINATION

Either You or We may cancel Your Account at any time, whether or not You are in default. In the event We receive a written request for Account termination from You or any party to Your Account, or if We receive inconsistent instructions regarding Account termination from different parties to Your Account, We may, at Our sole option and without further notice to any other party, terminate Your Account or refuse any right with respect to Your Account, which may include, but is not limited to, refusing any request for credit or an advance on Your Account. You will, in any case, remain liable to pay any unpaid balances according to the terms of Your Account.

## GOVERNING LAW

This Agreement is controlled and governed by the laws of the State of California except to the extent that such laws are inconsistent with controlling federal law.

## ELECTRONIC COMMUNICATIONS

You authorize Us to send You, from time to time, and to the extent permitted by applicable law, electronic communications regarding the status of any share, share draft, and/or certificate account(s) You maintain with Us. You also authorize Us to send You electronic communications regarding any other accounts You may maintain with Us from time to time including, but not limited to, loan accounts, credit line accounts, and credit card accounts. These electronic communications are sometimes referred to as "transactional or relationship messages."

You authorize Us to contact You using any wireless, cellular, mobile or other telephone number You have provided to Us on Your membership application, and at any wireless, cellular, mobile or other telephone number You may furnish to Us or We obtain for You in the future. To the extent permitted by law, We may contact You using any electronic means We choose, which may include but is not limited to, voice messages, text messages and other similar electronic methods of communication. If You have furnished Us with any e-mail address(es), You understand and agree that We may send You e-mail messages regarding Your Account(s) with Us from time to time. If You have executed or subsequently execute any separate Disclosure and Consent to Receive Electronic Documentation or similar form, any communications covered by such Disclosure and Consent shall be subject to the terms and conditions set forth in that document.

You understand that the nature of electronic communications is such that anyone with access to Your wireless, cellular, mobile or other telephonic device or e-mail may be able to read or listen to such transactional or relationship messages from Us, and You agree that any person or party sending or leaving such messages shall have no liability for any consequences resulting from the interception of such messages by any other party. Without limitation, You also agree that You are responsible to pay all costs that You may incur as a result of any contact method We choose including, but not limited to, charges for telecommunications, wireless and/or internet charges.

## CONSENT TO CONTACT AGREEMENT

*You agree that We may, subject to applicable law, initiate telephone calls to any residential line (wireline service), cellular telephone service, or other wireless service associated with Your Account through use of pre-recorded or artificial voice messages and/or the use of automatic telephone dialing systems, in order for Us to service Your Account, prevent fraud, collect any amounts owed to Us by You, and otherwise conduct Our business with You. If You furnish Us with one or more cellular telephone numbers in connection with Your Account, You represent You are or will be the cellular telephone subscriber with respect to each such number, and that Your consent extends to all such numbers You provide to Us. You understand that the telephone calls We may initiate may result in charges to You by any cellular telephone, internet, or other digital or electronic service to which You subscribe, and You understand and agree that You are solely responsible for the payment of any such charges.*

## ARBITRATION AND WAIVER OF CLASS ACTION

This provision does not apply to covered-loans extended to covered borrowers as defined within the Military Lending Act ("MLA"). If We determine the credit being extended is a covered loan, and You are a covered borrower, then We will provide a notice titled "Military Annual Percentage Rate ("MAPR") And Payment Obligation Disclosure," as required by applicable law in which case the remaining portion of this provision will not apply to You.

If We have determined that the credit being extended is not a covered loan, and/or You are not a covered borrower then, You will not receive the above referenced notice and You and the Credit Union agree to attempt to informally settle any and all disputes arising out of, affecting, or relating to the credit extended under this Agreement, Your accounts, or the products or services the Credit Union has provided, will provide or has offered to provide to You, and/or any aspect of Your relationship with the Credit Union (hereafter referred to as the "Claims"). except to the extent that this provision will not apply to any credit that is secured by Your principal dwelling. If that cannot be done, then You agree that any and all Claims that are threatened, made, filed or initiated after the Effective Date (defined below) of this Arbitration and Waiver of Class Action provision ("Arbitration Agreement"), even if the Claims arise out of, affect or relate to conduct that occurred prior to the Effective Date, shall, at the election of either You or the Credit Union, be resolved by binding arbitration administered by the American Arbitration Association ("AAA") in accordance with its applicable rules and procedures for consumer disputes ("Rules"), whether such Claims are in

contract, tort, statute, or otherwise. The Rules can be obtained on the AAA website free of charge at [www.adr.org](http://www.adr.org); or, a copy of the Rules can be obtained by calling 800-772-4000 option 0 or emailing [info@premieramerica.com](mailto:info@premieramerica.com). Either You or the Credit Union may elect to resolve a particular Claim through arbitration, even if one of Us has already initiated litigation in court related to the Claim, by: (a) making written demand for arbitration upon the other party, (b) initiating arbitration against the other party, or (c) filing a motion to compel arbitration in court. AS A RESULT, IF EITHER YOU OR THE CREDIT UNION ELECT TO RESOLVE A PARTICULAR CLAIM THROUGH ARBITRATION, YOU WILL GIVE UP YOUR RIGHT TO GO TO COURT TO ASSERT OR DEFEND YOUR RIGHTS UNDER THIS LOAN NOTE AGREEMENT (EXCEPT FOR CLAIMS BROUGHT INDIVIDUALLY WITHIN SMALL CLAIMS COURT JURISDICTION, SO LONG AS THE CLAIM REMAINS IN SMALL CLAIMS COURT). This Arbitration Agreement shall be interpreted and enforced in accordance with the Federal Arbitration Act set forth in Title 9 of the U.S. Code to the fullest extent possible, notwithstanding any state law to the contrary, regardless of the origin or nature of the Claims at issue. This Arbitration Agreement does not prevent You from submitting any issue relating to Your accounts for review or consideration by a federal, state, or local governmental agency or entity, nor does it prevent such agency or entity from seeking relief on Your behalf.

**Selection of Arbitrator.** The Claims shall be resolved by a single arbitrator. The arbitrator shall be selected in accordance with the Rules, and must have experience in the types of financial transactions at issue in the Claims. In the event of a conflict between the Rules and this Arbitration Agreement, this Arbitration Agreement shall supersede the conflicting Rules only to the extent of the inconsistency. If AAA is unavailable to resolve the Claims, and if You and the Credit Union do not agree on a substitute forum, then You can select a reasonable forum for the resolution of the Claims.

**Effective Date.** This Arbitration Agreement is effective upon the 61st day after We provide it to You ("Effective Date"), unless You opt-out in accordance with the requirements of the RIGHT TO OPT-OUT provision below.

**Arbitration Proceedings.** The arbitration shall be conducted within 50 miles of Your residence at the time the arbitration is commenced. Any claims and defenses that can be asserted in court can be asserted in the arbitration. The Arbitrator shall be entitled to award the same remedies that a court can award, including public injunctive relief under the California Unfair Competition Law and Consumer Legal Remedies Act. Discovery shall be available for non-privileged information to the fullest extent permitted under the Rules. The Arbitrator's award can be entered as a judgment in court. Except as provided in applicable statutes, the arbitrator's award is not subject to review by the court and it cannot be appealed. The Credit Union shall pay for any filing, administration, and arbitrator fees imposed on You by the AAA. However, You will be responsible for Your own attorneys' fees, unless You prevail on Your Claim in the arbitration, in which case, We will pay Your attorneys' fees. However, if the Credit Union prevails, then You will not be required to pay Our attorneys' fees and costs. Any determination as to whether this Arbitration Agreement is valid or enforceable in part or in its entirety will be made solely by the arbitrator, including without limitation any issues relating to whether a Claim is subject to arbitration; provided, however, the enforceability of the Class Action Waiver set forth below shall be determined by the Court.

**Class Action Waiver.** ANY ARBITRATION OF A CLAIM WILL BE ON AN INDIVIDUAL BASIS. YOU UNDERSTAND AND AGREE THAT YOU ARE WAIVING THE RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR CLASS MEMBER IN A CLASS ACTION LAWSUIT.

**Severability.** In the event the Class Action Waiver in this Arbitration Agreement is found to be unenforceable for any reason, the remainder of this Arbitration Agreement shall also be unenforceable. If any provision in this Arbitration Agreement, other than the Class Action Waiver, is found to be unenforceable, the remaining provisions shall remain fully enforceable.

**Right to Opt-Out.** You have the right to opt-out of this provision, provided You notify the Credit Union of Your intent to do so within 60 days after it is provided to You. Your opt-out is only effective if You notify the Credit Union in writing at PACU ATTN: Member Ops, PO BOX 2178 Chatsworth CA 91313-2178 within such 60 day time period and provide Your name, address and Member Number in such written notice. If You fail to opt-out within this 60 day period, You will be deemed to have consented to the resolution of Your Claims through binding arbitration. In the event You opt-out, it shall not affect other terms and conditions of Your Account Agreement.

FOR MORE DETAILS or if You have questions, You may call the Credit Union or visit a branch. If You have questions about AAA procedures, You should check AAA's website, [www.adr.org](http://www.adr.org), OR call AAA at (800) 778-7879.

## CONSENT TO AGREEMENT

You agree to and accept the terms of this Agreement And Disclosure by signing the application for Your Account; by signing this Agreement And Disclosure; by using Your Account; by using any Account access device; or by using or authorizing another to use Your Account.

## SPECIFIC TERMS APPLICABLE TO YOUR MASTERCARD, STUDENT MASTERCARD, SECURED MASTERCARD, AND PREMIER PRIVILEGES REWARDS MASTERCARD CREDIT CARDS

### USE OF YOUR CARD

You may use Your Card to buy goods and services in any place that the Card is honored and to get cash advances from participating ATMs. You agree not to use Your Card for illegal transactions including, but not limited to, advances made for the purpose of gambling and/or wagering where such practices are in violation of applicable state and/or federal law. Additionally, You agree not to utilize Your Credit Card accounts 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 transaction including the purchase of lottery tickets or casino gaming chips or off-track betting or wagering. However, in the event that a charge or transaction described in this paragraph is approved and processed, You will still be responsible for such charges.

### OWNERSHIP

All Account access devices remain Our property and may be cancelled by Us at any time without notice. You agree to surrender such Account access devices and to discontinue their use immediately upon Our request.

### CONSENSUAL LIEN

**If You have been issued a Credit Card, You grant and consent to a lien on Your savings, checking and certificate accounts with Us (except for IRA accounts) and any dividends due or to become due to You from Us to the extent You owe on Your unpaid Credit Card balance.**

### ISSUANCE OF PERSONAL IDENTIFICATION NUMBER

We will issue You a Personal Identification Number (PIN) for use with Your Card in conjunction with participating Automated Teller Machines (ATMs) and/or any other participating programs. This PIN is confidential and should not be disclosed to anyone. You may use Your PIN to access Your Account and all sums advanced will be added to Your Account balance. In the event a use of Your PIN constitutes an Electronic Fund Transfer, the terms and conditions of Your Electronic Fund Transfer Agreement may also affect Your rights. Your use of the PIN is Your authorization to Us to charge Your Account to cover such transactions.

### PREMIER PRIVILEGES REWARDS MASTERCARD MILEAGE PROGRAM

Premier Privileges Rewards Mastercard Accounts in good standing will earn Premier Privileges Rewards Points based on signature based purchases made on Your Account. The details of the Premier Privileges Platinum Awards feature of Your Premier Privileges Rewards Mastercard will be disclosed to You separately.

### REFUSAL TO HONOR CONVENIENCE CHECKS OR CREDIT CARDS

We are not liable for the refusal or inability of merchants, financial institutions or others to accept convenience checks or Credit Cards, or electronic terminals to honor convenience checks or Credit Cards or complete a Card withdrawal, or for their retention of convenience checks or Credit Cards.

### OUR RESPONSIBILITY TO HONOR CONVENIENCE CHECKS

We may not accept any convenience check if: (1) by paying a convenience check Your Account balance would exceed Your credit limit; (2) Your convenience check or payment check is postdated; (3) Your Cards or convenience checks have been reported lost or stolen; (4) Your Account has been cancelled or has expired.

If a postdated convenience check is paid and as a result any other convenience check is returned or not paid, We are not responsible. Any convenience check that is returned by Us unpaid will be subject to a returned check fee.

### FOREIGN TRANSACTIONS

#### (EXCEPT PREMIER PRIVILEGES REWARDS MASTERCARD)

For transactions initiated in foreign countries and foreign currencies, the exchange rate between the transaction currency and the billing currency (U.S. dollars) will be: (a) a rate selected by Mastercard, as is applicable, from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Mastercard, as is applicable, itself receives; or (b) the government-mandated rate in effect for the applicable central processing date. In each instance, You will be charged a fee in an amount equal to 1.00% of the settlement amount. Transactions initiated via the internet

with merchants or other parties located outside of the United States of America are deemed to occur in the foreign country where the merchant or other party is located.

#### **TRANSACTION SLIPS**

Your monthly statement will identify the merchant, electronic terminal or financial institution at which transactions were made, but sales, cash advance, credit or other slips are not returned with the statement.

#### **LOST OR STOLEN CREDIT CARDS OR CONVENIENCE CHECKS**

To report a lost or stolen Card, immediately call (800) 811-2917. To report lost or stolen convenience checks, contact a Premier America Credit Union information specialist by calling (800) 772-4000 or (818) 772-4000.

#### **UNAUTHORIZED USE**

You may be liable for the unauthorized use of Your Card. You will not be liable for the unauthorized use that occurs after You notify Us orally or in writing at the address or telephone number shown in this Agreement, of the loss, theft, or possible unauthorized use. In any case, Your liability will not exceed \$50.00.

#### **CREDITS**

If a merchant who honors Your Card gives You credit for returns or adjustments, they will do so by generating a credit which will be posted to Your Account. If Your credits and payments exceed what You owe Us, We will hold and apply this credit against future purchases and cash advances or, if it is \$1.00 or more, refund it on Your written request or automatically deposit it to Your savings account after six months.

#### **EFFECT OF AGREEMENT**

Even though the sales, cash advance, credit or other slips You may sign or receive when using the Card contain terms, this Agreement is the contract which solely applies to all transactions involving the Card.

#### **Your Billing Rights: Keep this Document for Future Use**

**This notice tells You about Your rights and Our responsibilities under the Fair Credit Billing Act.**

#### **What To Do If You Find A Mistake On Your Statement**

If You think there is an error on Your statement, for Mastercard write to Us at Card Services, P.O. Box 10409, Des Moines, IA 50306. For all other Products, write to Us at Our address shown in this Agreement. In Your letter, give Us the following information:

- Account information: Your name and Account number.
- Dollar amount: The dollar amount of the suspected error.
- Description of problem: If You think there is an error on Your bill, describe what You believe is wrong and why You believe it is a mistake.

#### **You must contact Us:**

- Within 60 days after the error appeared on Your statement.
- At least three business days before an automated payment is scheduled, if You want to stop payment on the amount You think is wrong.

You must notify Us of any potential errors in writing. You may call Us, but if You do We are not required to investigate any potential errors and You may have to pay the amount in question.

#### **What Will Happen After We Receive Your Letter**

#### **When We receive Your letter, We must do two things:**

- 1) Within 30 days of receiving Your letter, We must tell You that We received Your letter. We will also tell You if We have already corrected the error.
- 2) Within 90 days of receiving Your letter, We must either correct the error or explain to You why We believe the bill is correct.

#### **While We investigate whether or not there has been an error:**

- We cannot try to collect the amount in question, or report You as delinquent on that amount.
- The charge in question may remain on Your statement, and We may continue to charge You interest on that amount.
- While You do not have to pay the amount in question, You are responsible for the remainder of Your balance.
- We can apply any unpaid amount against Your Credit Limit.

#### **After We finish Our investigation, one of two things will happen:**

- If We made a mistake: You will not have to pay the amount in question or any interest or other fees related to that amount.
- If We do not believe there was a mistake: You will have to pay the amount in question, along with applicable interest and fees. We will send You a statement of the amount You owe and the date payment is due. We may then report You as delinquent if You do not pay the amount We think You owe.

If You receive Our explanation but still believe Your bill is wrong, You must write to Us within 10 days telling Us that You still refuse to pay. If You do so, We cannot report You as delinquent without also reporting that You are questioning Your bill. We must tell You the name of anyone to whom We reported You as delinquent, and We must let those organizations know when the matter has been settled between Us. If We do not follow all of the rules above, You do not have to pay the first \$50.00 of the amount You question even if Your bill is correct.

#### **Your Rights If You Are Dissatisfied With Your Credit Card Purchases**

If You are dissatisfied with the goods or services that You have purchased with Your 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 purchase. To use this right, all of the following must be true:

- 1) The purchase must have been made in Your home state or within 100 miles of Your current mailing address, and the purchase price must have been more than \$50.00. (Note: Neither of these are necessary if Your purchase was based on an advertisement We mailed to You, or if We own the company that sold You the goods or services.)
- 2) You must have used Your Credit Card for the purchase. Purchases made with cash advances from an ATM or with a check that accesses Your Credit Card account do not qualify.
- 3) You must not yet have fully paid for the purchase.

If all of the criteria above are met and You are still dissatisfied with the purchase, contact Us in writing at Card Services, P.O. Box 10409, Des Moines, IA 50306.

While We investigate, the same rules apply to the disputed amount as discussed above. After We finish Our investigation, We will tell You Our decision. At that point, if We think You owe an amount and You do not pay, We may report You as delinquent.

# PRICING INFORMATION ADDENDUM CREDIT LINE ACCOUNT AGREEMENT AND DISCLOSURE

THIS IS YOUR ADDENDUM THAT CONTAINS PRICING INFORMATION FOR YOUR MASTERCARD, STUDENT MASTERCARD, SECURED MASTERCARD, PREMIER PRIVILEGES REWARDS MASTERCARD, AND PREMIER FIRST REWARDS MASTERCARD CREDIT CARDS. PLEASE BE CERTAIN TO READ THIS ADDENDUM CAREFULLY AND NOTIFY US AT ONCE IF ANY PARTS ARE UNCLEAR.

Interest Rate and Interest Charges	
<b>Annual Percentage Rate (APR) For Purchases</b>	<p>Mastercard: <b>0.00%</b> introductory APR for 6 months.</p> <p>After that, Your APR will be <b>15.99% – 22.99%</b> based on Your creditworthiness and will vary with the market based on the Prime Rate.</p> <p>Student Mastercard: <b>0.00%</b> introductory APR for 6 months.</p> <p>After that, Your APR will be <b>15.25%</b> and will vary with the market based on the Prime Rate.</p> <p>Secured Mastercard: <b>16.65% – 23.65%</b> based on Your creditworthiness.</p> <p>This APR will vary with the market based on the Prime Rate.</p> <p>Premier Privileges Rewards Mastercard: <b>0.00%</b> introductory APR for 6 months.</p> <p>After that, Your APR will be <b>15.99% – 25.49%</b> based on Your creditworthiness.</p>
<b>Annual Percentage Rate (APR) For Balance Transfers</b>	<p>Mastercard: <b>0.00%</b> introductory APR for 6 months.</p> <p>After that, Your APR will be <b>15.99% – 22.99%</b> based on Your creditworthiness and will vary with the market based on the Prime Rate.</p> <p>Student Mastercard: <b>0.00%</b> introductory APR for 6 months.</p> <p>After that, Your APR will be <b>15.25%</b> and will vary with the market based on the Prime Rate.</p> <p>Secured Mastercard: <b>16.65% – 23.65%</b> based on Your creditworthiness.</p> <p>This APR will vary with the market based on the Prime Rate.</p> <p>Premier Privileges Rewards Mastercard: <b>0.00%</b> introductory APR for 6 months.</p> <p>After that, Your APR will be <b>15.99% – 25.49%</b> based on Your creditworthiness.</p>
<b>Annual Percentage Rate (APR) For Cash Advance</b>	<p>Mastercard: <b>0.00%</b> introductory APR for 6 months.</p> <p>After that, Your APR will be <b>15.99% – 22.99%</b> based on Your creditworthiness and will vary with the market based on the Prime Rate.</p> <p>Student Mastercard: <b>0.00%</b> introductory APR for 6 months.</p> <p>After that, Your APR will be <b>15.25%</b> and will vary with the market based on the Prime Rate.</p> <p>Secured Mastercard: <b>16.65% – 23.65%</b> based on Your creditworthiness.</p> <p>This APR will vary with the market based on the Prime Rate.</p> <p>Premier Privileges Rewards Mastercard: <b>0.00%</b> introductory APR for 6 months.</p> <p>After that, Your APR will be <b>15.99% – 25.49%</b> based on Your creditworthiness.</p>
<b>Paying Interest</b>	<p>Your due date is at least 25 days after the close of each billing cycle. We will not charge You any interest on purchases if You pay Your entire balance by the due date each month. For all Feature Categories We will begin charging interest on balance transfers and cash advances on the transaction date.</p>

SEE PAGE 2 for more important information about Your Account



Fees	
<b>Transaction Fees</b> <ul style="list-style-type: none"> <li>Foreign Transaction</li> <li>Cash Advance</li> </ul>	For Credit Cards (except Premier Privileges Rewards Mastercard), <b>1.00%</b> of each foreign currency transaction in U.S. Dollars. For Credit Cards (except Premier Privileges Rewards Mastercard), <b>1.00%</b> of each U.S. Dollar transaction that occurs in a foreign country. The greater of <b>3.00%</b> of each transaction or <b>\$3.00</b> .
<b>Penalty Fees</b> <ul style="list-style-type: none"> <li>Late Payment</li> </ul>	Up to <b>\$15.00</b>

**How We Will Calculate Your Balance:** We use a method called "average daily balance (including new purchases)." See Your Account Agreement for details.

**Billing Rights:** Information on Your rights to dispute transactions and how to exercise those rights is provided in Your Account Agreement.

SEE PAGE 1 for more important information about Your Account

#### CREDIT CARD FINANCE CHARGES

The balances subject to the periodic Finance Charge are the average daily balances outstanding during the billing cycle. The Finance Charge for a billing cycle is computed by applying the Daily Periodic Rate to the average daily balance during the billing cycle. To get the average daily balance, We take the beginning balance of Your Account each day, add any new purchases, balance transfers, cash advances, insurance premiums, debit adjustments and any applicable fees, and subtract any payments, credits and unpaid Finance Charges or Late Fees. Then, We add up all the daily balances for the billing cycle and divide them by the number of days in the billing cycle which We multiply by the Daily Periodic Rate. These daily Finance Charges are then added together and the sum is the amount of Your total new Finance Charge due.

You can avoid Finance Charges on purchases by paying the full amount of the entire balance owed each month within 25 days of Your statement closing date. Otherwise, the new balance of purchases, and subsequent purchases from the date they are posted to Your Account, will be subject to a Finance Charge. Balance transfers and cash advances are always subject to a Finance Charge from the later of the date they are posted to Your Account or from the first day of the billing cycle in which the transaction is posted to Your Account.

Your Mastercard is subject to a discounted introductory Daily Periodic Rate of 0.000000% (corresponding to an **ANNUAL PERCENTAGE RATE** of 0.00%) for the initial six-month period. Upon the expiration of the introductory rate period, Your Daily Periodic Rate will increase to 0.043808% - 0.062986% (corresponding to an **ANNUAL PERCENTAGE RATE** of 15.99% - 22.99%), depending on Your creditworthiness.

Your Student Mastercard is subject to a discounted introductory Daily Periodic Rate of 0.000000% (corresponding to an **ANNUAL PERCENTAGE RATE** of 0.00%) for the initial six-month period. Upon the expiration of the introductory rate period, Your Daily Periodic Rate will increase to 0.041781% (corresponding to an **ANNUAL PERCENTAGE RATE** of 15.25%).

Your Daily Periodic Rate for Secured Mastercard is 0.045616% - 0.064795% (corresponding to an **ANNUAL PERCENTAGE RATE** of 16.65% - 23.65%), depending on Your creditworthiness.

Your Premier Privileges Rewards Mastercard is subject to a discounted introductory Daily Periodic Rate of 0.000000% (corresponding to an **ANNUAL PERCENTAGE RATE** of 0.00%) for the initial six-month period. Upon the expiration of the introductory rate period, Your Daily Periodic Rate will increase to 0.043808% - 0.069836% (corresponding to an **ANNUAL PERCENTAGE RATE** of 15.99% - 25.49%), depending on Your creditworthiness.

#### VARIABLE RATE (EXCEPT PREMIER PRIVILEGES REWARDS MASTERCARD)

Except Premier Privileges Rewards Mastercard, all advances are subject to a Variable Rate which is based on the Prime Rate as published in the Money Rates Section of The Wall Street Journal on the last day of Your previous billing cycle ("Index") plus Our Margin. The Index plus the Margin equals the Interest Rate. Changes in the Index will cause changes in the Interest Rate on the first day of the billing cycle following any such change in the Index. Increases or decreases in the Interest Rate will cause like increases or decreases in the Finance Charge and will affect the number of regularly scheduled payments that You will be required to make. There is no limit on the amount by which Your Interest Rate can increase.

The Margin for Mastercard will range from 7.99 - 14.99 depending on Your creditworthiness.

The Margin for Student Mastercard is 7.25.

The Margin for Secured Mastercard will range from 8.65 - 15.65 depending on Your creditworthiness.