
VISA CREDIT CARD AGREEMENT AND DISCLOSURE STATEMENT

EFFECTIVE DATE 8-1-05

Important Document
Please Read and Retain For Your Records



Mail: P.O. Box 4860 • Long Beach, CA 90804-0860
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VISA CREDIT CARD AGREEMENT AND DISCLOSURE STATEMENT

This Agreement and Disclosure sets forth the terms of LBS Financial Credit Union (LBSFCU) VISA Credit Card Agreement and Disclosure. It contains various disclosures and information required by law. Please read it carefully.

The LBS Financial Credit Union VISA Credit Card Agreement and Disclosure Statement (hereinafter referred to as "Agreement") covers your VISA Classic and VISA Gold Credit Card account (hereinafter referred to as "Account") with LBS Financial Credit Union (hereinafter referred to as "Credit Union", "we", "our", "us" or "LBSFCU"). For purposes of this Agreement, the term "credit card" or "card" means a card, plate, coupon book, Loan Advance Draft, or other single credit device issued pursuant to this Agreement that may be used from time to time to obtain credit or services pursuant to this Agreement. In this disclosure, the words "you", "your" and "yours" refer to the member and each and all of those who apply for and/or use any of the Credit Union's VISA Credit Card Accounts. The word "ATM" means Automated Teller Machine. The word "EFT" means any Electronic Transfer of Funds other than by check or other paper instrument that is initiated through an electronic terminal, telephone, computer, magnetic tape or other communication device for the purpose of providing cash, debiting, crediting, transferring or inquiring on an account. The word "PIN" means Personal Identification Number.

VISA CREDIT CARD AGREEMENT AND DISCLOSURE

Use of the VISA Loan Advance Draft is a cash advance against the VISA Account. If you have a joint account (accounts with more than one person obligated or authorized under the Agreement), each account holder has the right to use the account subject to the credit limit and other terms and conditions as described below. Each account holder is bound by these terms and conditions, and each of you individually will be liable for all fees and charges, even if only one of you uses the account. Whenever used, herein, the singular includes the plural. If you authorize someone else to use your VISA Credit Card or PIN you are responsible for all transactions which that person initiates at any time, even if the amount of the transaction exceeds what you authorize.

CREDIT CARD ACCOUNT SERVICES: These services are available through your Account, up to the amount of your credit limit.

PURCHASES: You can use your Account to purchase goods or services where VISA Credit Cards or VISA Loan Advance Drafts are accepted.

CASH ADVANCES: You can get a Cash Advance (loan) in person at the Credit Union. You can also get a Cash Advance (loan) from your Account by using an ATM which is designated as accepting VISA Cards, by negotiating a Loan Advance Draft or by presenting your Credit Card at a financial institution that accepts VISA Credit Cards. A transaction which results in an overdraft to your Checking Account may be treated as your request for a Cash Advance from your Credit Card Account, as indicated in the "Overdrafts" section under "Additional Fees and Terms". You may not obtain a cash advance if your Account is delinquent, closed or the amount of the advance requested would cause your balance to go over your credit limit. You agree to the following terms and conditions and any amendments thereto. By requesting and receiving, signing, using or permitting others to use a VISA Credit Card (hereafter referred to as "Credit Card") issued to you by LBS Financial Credit Union, you agree as the cardholder to the following terms:

A. MAXIMUM CREDIT LIMIT: You have applied to LBSFCU for a "Credit Card" Personal Line of Credit Account. The loan which the Credit Union may extend to you under this account shall at no time exceed the assigned credit limit, hereafter referred to as the Maximum Credit Limit.

B. LOANS COVERED: There are two types of credit available to you under this Agreement. You may utilize the Credit Card to charge purchases of goods and services at businesses where VISA Credit Cards are accepted. Additionally, you may utilize the credit extended herein to receive cash advances from the Credit Union or other institutions honoring the Credit Card. Any financial service provided by the Credit Union may only be used for any transaction permitted by law.

LOAN ADVANCE DRAFTS: You may also access your credit line by utilizing the VISA Loan Advance Drafts that may be provided to you.

1. Credit Union will honor and pay Loan Advance Drafts up to your credit limit as long as they are drawn on forms authorized by the Credit Union and presented before the expiration date on the draft.
2. You may request a stop payment on any Loan Advance Draft payable against your account but it must be in writing. Credit Union must receive the written request in time to afford a reasonable opportunity to act upon it by their rules. A stop payment is only honored for six (6) months.
3. If a VISA Credit Card is reported lost or stolen, the loan advance drafts are null and void.
4. You agree to hold the Credit Union harmless and to indemnify it from any liability incurred due to a delay or misrouting of the Loan Advance Draft where the delay or misrouting is caused by markings placed on the check by you or a prior endorser that obscure any depository endorsement placed by the Credit Union or its agent.
5. For the purpose of calculating finance charges, Loan Advance Drafts are the same as Cash Advances.
6. Credit Union may recognize the signature of anyone who signed the credit application for the VISA account as authorized to transact any business on this account.
7. Loan Advance Drafts may not be used to pay any amount you owe under this Agreement or under any other credit agreement or account you hold with the Credit Union.

C. REQUEST FOR A LOAN: You agree that each use of the Credit Card constitutes a loan in the amount of the item. You agree not to exceed the approved Maximum Credit Limit under this Agreement. At the request of the Credit Union, you agree to return the Credit Card. You are responsible for safekeeping of the Credit Card.

D. CREDIT LIMITS: You agree not to exceed the Maximum Credit Limit and understand that the Credit Union is not required to extend credit in excess of your Credit Limit or after the termination of this account. A delay of up to three (3) business days may occur in the posting of payments and credits to your account, during which time your available credit limit will not reflect recent payments and credits.

E. FOREIGN TRANSACTIONS AND CHARGES: To the extent that you have used the VISA Credit Card to purchase goods or services, or obtain cash in another country, the statement may reflect the conversion into U.S. dollars of transactions which initially occurred in a different currency. The exchange rate between the transaction and billing currency will be a rate selected by Visa from a range of rates available in the wholesale

currency markets for the applicable processing date, which rate may vary from the rate Visa itself receives, or the government-mandated rate in effect on the applicable central processing date, in each instance, plus a 1% adjustment assessed by LBSFCU.

F. VISA CLASSIC FINANCE CHARGES: The DAILY PERIODIC RATE used in calculating the FINANCE CHARGE is .0408219% which corresponds to a current ANNUAL PERCENTAGE RATE of 14.9% for VISA Classic purchases and advances. You can avoid FINANCE CHARGES on purchases by paying the full amount of the new balance of purchases each month within 25 days of the statement closing date. Otherwise, the new balance of purchases, and the subsequent purchases from the date they are posted to the Account, will be subject to FINANCE CHARGES. Cash Advances (which may include overdraft transfers) are always subject to FINANCE CHARGES from the date they are posted to the account. The FINANCE CHARGE for each billing cycle will be calculated by multiplying the Average Daily Balance (see explanation below) of the Account for the billing cycle by the Daily Periodic Rate as disclosed above, and multiplying this by the number of days in the billing cycle. FINANCE CHARGES are payable before and after any default on this Agreement.

G. VISA GOLD FINANCE CHARGES: FINANCE CHARGES on VISA Gold transactions are computed using a variable rate of interest. Changes in the Annual Percentage Rate and Daily Periodic Rate will then be made on the first day of the billing cycle (the change date) and will correspond to changes in the Index. The Index is the Prime Rate as published in the Wall Street Journal on the first day of the month. (If more than one rate or a range of rates is published, the highest rate will apply.) The Annual Percentage Rate is determined by adding 6.9 percentage points to the Index in effect on the first day of the month preceding the change date. On any change date, the Annual Percentage Rate may not exceed the rate then being charged by us on our fixed rate VISA Classic Accounts. An increase in the Annual Percentage Rate will have the effect of decreasing the portion of any payment applied to reduction of the principal account balance and may, therefore, increase the number of minimum payments necessary to pay off the account. The current Daily Periodic Rate used in calculating the Finance Charge on VISA Gold is .0360274% which currently corresponds to an ANNUAL PERCENTAGE RATE of 13.15%. You can avoid FINANCE CHARGES on purchases by paying the full amount of the new balance of purchases each month within 25 days of the statement closing date. Otherwise, the new balance of purchases, and the subsequent purchases from the date they are posted to the Account, will be subject to FINANCE CHARGES. Cash Advances (which may include overdrafts transfers) are always subject to FINANCE CHARGES from the date they are posted to the account. The FINANCE CHARGE for each billing cycle will be calculated by multiplying the Average Daily Balance (see explanation below) for the Account for the billing cycle by the Daily Periodic Rate as disclosed above, and multiplying this by the number of days in the billing cycle. FINANCE CHARGES are payable before and after any default on this Agreement.

H. CALCULATION OF AVERAGE DAILY BALANCE: We calculate the Average Daily Balance (the balance which is subject to the Daily Periodic Rate) as follows:

The Average Daily Balance for the account, for the billing cycle, is the average of the ending balance for each day of the billing cycle. To calculate the ending balance each day, we take the outstanding balance (all amounts you owe) at the start of the day. Then, in the sequence in which the amounts post to the account, we add the amounts of all debits and subtract the amounts of all payments and credits which post to the account that day. Payments are applied first to any fees, then to Finance Charges,

and then to purchases and advances. Credits are applied to the original purchase or cash type of debt which is being credited. We add together all the Daily Balances for each day in the billing cycle and divide the total by the number of days in the billing cycle. The result is the Average Daily Balance for that billing cycle.

I. ANNUAL FEE: (VISA Gold only) An annual fee of \$24 will be assessed during the same "anniversary month" each year. The annual fee will be waived provided that a minimum of \$2,500 in goods or service purchases after deducting credits have been made during the previous 12 month period. The annual fee is payable when posted and is nonrefundable.

J. PAYMENT: The Credit Union will send to you, at monthly intervals determined by Credit Union, a statement reflecting all VISA Card and related transactions for the prior monthly period. Such statement shall be deemed correct and accepted by you unless the Credit Union is notified to the contrary in writing within 60 days of the mailing of such statement. You agree to pay at least the minimum payment shown on your periodic statement. The minimum payment will be 3% of your new balance or \$25 (whichever is greater), plus amounts which are past due and any amount by which your new balance exceeds your credit limit. Balances of less than \$25 are due in full. You promise to make your payment by the date specified as the payment due date on your account statement.

K. RETURNS AND ADJUSTMENTS: Merchants and others who honor the Credit Card may give credit for returns or adjustments, and they will do so by sending us a credit that we will post to your account. If the credits and payments exceed what you owe us, we will apply this credit balance against future purchases, or refund it upon your written request. Credit balances over 180 days old will be transferred to your Share Savings Account.

L. PAYMENT DUE DATE: You will be notified on a Periodic Statement by the Credit Union of payment due dates which will be effective upon use of this account.

M. LIABILITY FOR UNAUTHORIZED USE: Tell us at once if your VISA Credit Card or PIN is lost or stolen or if you suspect any unauthorized use of your VISA Credit Card or PIN. You may be liable for the unauthorized use of your card. You will not be liable for unauthorized use that occurs after you notify us in writing at P.O. Box 4860, Long Beach, CA 90804-0860, or by phone at (562) 598-9007, (714) 893-5111, or (800) 527-3328 of the loss, theft, or possible unauthorized use of your Card.

Borrower agrees to notify LBS Financial Credit Union in writing at P.O. Box 4860, Long Beach, CA 90804-0860, or by phone at (562) 598-9007, (714) 893-5111 or (800) 527-3328, or any other reasonable means that an unauthorized use of this account has occurred or may occur as the result of loss or theft of the Credit Card or other instruments identifying this account, immediately after your discovery thereof, and shall reasonably assist the Credit Card Security Department and the Credit Union in determining the facts and circumstances relating to any unauthorized use of the account. If you fail to notify us within 60 days from the date a statement was mailed to you that included an unauthorized charge, you may not be reimbursed for unauthorized transactions that occurred. If your notification is within 60 days, your liability will not exceed \$50.

N. LOST OR STOLEN CARD OR PIN: If you believe your Card and/or PIN has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call us immediately at (562) 598-9007, (714) 893-5111 or (800) 527-3328 or write to LBS Financial Credit Union, P.O. Box 4860, Long Beach CA 90804-0860.

Notice may be given orally or in writing of the loss, theft or possible unauthorized use of a Credit Card.

YOUR BILLING RIGHTS

– KEEP THIS NOTICE FOR FUTURE USE –

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

NOTIFY US IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR STATEMENT. If you think your statement is wrong, or if you need more information about a transaction on your statement, write us on a separate sheet at the address listed on your statement. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first statement on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights. In your letter, 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.

If you have authorized us to pay your Credit Card Account automatically from your share account, checking account, or through payroll deduction, you can stop the payment on any amount you think is wrong. To stop the payment, your letter must reach us three business days before the automatic payment is scheduled to occur.

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 the error or explain why we believe the statement was correct. After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to send statements 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 statement that are not in question.

If we find that we made a mistake on your statement, you will not have to pay any finance charges related to any questioned amount. If we didn't 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 and the date that it is due. If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your statement. And, we must tell you the name of anyone we reported you to. We must tell anyone we reported you to that the matter has been settled between us when it finally is.

If we don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your statement was correct.

SPECIAL RULE FOR CREDIT CARD PURCHASES: If you have a problem with the quality of property or services 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 your

home state, within 100 miles of your current mailing address; and (b) The purchase price must have been more than \$50. These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC FUND TRANSFERS

Telephone us at (562) 598-9007, (714) 893-5111 or (800) 527-3328 or write us at LBS Financial Credit Union, P.O. Box 4860, Long Beach, CA 90804-0860, as soon as you think your statement is wrong or if you need more information about a transaction listed on the statement or transaction receipt. You must tell us no later than sixty (60) days after the FIRST statement is sent to you on which the problem or error appeared.

1. Tell us your name and account number.
2. Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
3. Tell us the dollar amount of the suspected error.

If you tell us orally, we will require that you send us your dispute in writing within ten (10) business days. We will tell you the results of our investigation within ten (10) business days and will correct any error promptly. If we need more time, however, we may instead take forty-five (45) calendar days to investigate your dispute or question. If we decide to do this, we will re-credit your account within ten (10) business days for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation. If we ask you to put your dispute or question in writing, and we do not receive it within ten (10) business days, we may choose not to provisionally credit your account during the additional time that may be required to investigate your dispute or question.

EXCEPTION: We have up to twenty (20) business days to provisionally credit your account if the notice of error involves an electronic funds transfer to or from an account within thirty days after the first deposit to the account was made (i.e. a new account). For new account transactions, foreign-initiated transactions, or those resulting from ATM, terminal, mail, Internet and/or telephone transactions, we may take up to 90 calendar days to complete our investigation.

If we decide that there was no error, we will send you a written explanation within three (3) business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

UNAUTHORIZED VISA TRANSACTIONS-PROVISIONAL CREDIT: If you notify us of unauthorized transactions we will provide a provisional credit to your account within (5) business days of the notification. If you tell us orally, we will require that you send us your dispute in writing within ten (10) business days. We will not credit your account until your written dispute is received. We may require that you complete an Affidavit of Unauthorized Use. Provisional credit is given so that you may have use of the money during the time it takes us to complete our investigation. We may withhold providing provisional credit, to the extent allowed under applicable law, if the circumstances or account history warrants such a delay.

ADDITIONAL FEES AND TERMS

OWNERSHIP OF CARD: The VISA Credit Card is the property of the Credit Union and you agree to surrender the Card to the

Credit Union upon demand. We may revoke the Card at any time without notice or liability. You may designate authorized users to have access to your VISA account and be issued a card on your account. To set up an authorized user, your signed written request must be submitted to the Credit Union. The request must include the authorized user's name(s), address(es), Social Security Number(s), mother's maiden Name(s), birth date(s), telephone number(s) and the signature of each authorized user to whom you want a card issued. However, if you do, you must pay us for all charges made by those persons, including charges for which you may not have intended to be responsible. You must notify us to revoke an authorized user's permission to use your account. If you do so, we may close the account and issue a new card or cards with a different account number. You are responsible for the use of each card issued on your account according to the terms of this Agreement.

PREAUTHORIZED CHARGES: If you default, if the card is lost or stolen or we change your account or account number for any reason, we may suspend automatic charges on that account to third party vendors for insurance premiums of other goods or services. If preauthorized charges are suspended, you must contact the third party vendor to reinstate them. You are responsible for making direct payment for such charges until you reinstate automatic charges.

CLOSING YOUR ACCOUNT: You may close your account at any time by notifying us in writing. However, you remain responsible to pay the total balance according to the terms of this Agreement. We may close your account or suspend your account privileges at any time for any reason without prior notice. We may also reinstate a different card, account number, or different checks at any time. You must return the card or checks to us upon request.

REFUSAL OF THE CARD: We are not responsible if a transaction on your account is not approved, either by us or a third party, even if you have sufficient credit available. We may limit the number of transactions that may be approved in one day. If we detect unusual or suspicious activity on your account, we may temporarily suspend your credit privileges until we can verify the activity. We may approve transactions that cause the balance to exceed your revolving credit line without waiving any rights under this Agreement.

VISANET ATM TRANSACTION LIMITATIONS: VISANET ATM transactions are limited to five (5) per day with a maximum cash withdrawal of \$500 per day or your available credit limit, whichever is smaller.

PERSONAL IDENTIFICATION NUMBER: We will issue a Personal Identification Number (PIN) to you. This PIN will allow you to make cash withdrawals at VISANET ATMs. Your PIN is your secret code. You agree not to disclose your PIN to anyone. See ATM Safety Tips listed later in this agreement.

RENEWAL OF CARD: For your protection, your VISA Card is issued with an expiration date. Upon expiration of your VISA Card, if your account is active and in good standing, we may issue you a renewal Card. We may not issue a renewal Card if your account is not in good standing.

OVERDRAFTS: We may transfer funds from your regular and Special Share account(s), Money Market, and/or your VISA or QuikCash Line of Credit to pay overdrafts to your checking account. Transfers from your Share and Money Market Accounts are limited to six (6) per month. Unless you direct us differently in written notice to us, we will first make such transfers from the Regular Share account (if funds are available), then from any VISA Gold account (up to the credit limit) and then from any VISA Classic account (up to the limit). Transfers from Share and Money Market accounts will be in the exact increments. Transfers from the VISA and QuikCash accounts will be in \$50 increments and are subject to FINANCE CHARGES as Cash Advances.

CROSS ACCOUNTS: By requesting overdraft protection through funds transfers from a different Credit Union Account, a cross-account relationship must be set up. You understand and agree that this cross account relationship will automatically be activated for CU OnLine and HomeTeller, enabling cross-account transfers via any of the Credit Union's electronic services.

ILLEGAL TRANSACTIONS: You agree that illegal use of any financial service will be deemed an action of default and/or breach of contract and such service and/or other related services may be terminated at the Credit Union's discretion. You further agree, should illegal use occur, to waive the right to sue the Credit Union for such activity directly or indirectly related to it. You also agree to indemnify and hold the Credit Union harmless from any suits or other legal action or liability, directly or indirectly, resulting from such illegal use. You are prohibited from using your VISA Card or your card number for illegal transactions including, but not limited to internet gambling. You agree to indemnify the Credit Union of illegal transactions you conduct using your VISA Credit Card or card number.

DEFAULT: You will be in default if you fail to make any Minimum Payment within 25 days after the end of the Statement Period. You will also be in default if your ability to repay us is materially reduced by an increase in your obligations, bankruptcy or insolvency proceedings involving you, your death, your failure to abide by this Agreement, or if the value of our security interest materially declines. We have the right to declare, without Notice, your full account balance immediately due and payable if you default. You will also be required to pay our collection expenses, including court costs and reasonable attorney's fees. The Annual Percentage Rate (APR) set forth in this Agreement shall continue to apply to principal outstanding after breach.

CROSS DEFAULT: You understand and agree that any breach or default of the terms and conditions of this Agreement for the VISA Card Account shall also be deemed to be a default of any and all other loans, line of credit accounts and credit card agreements you now have with the Credit Union or obtain in the future with the Credit Union. Further, you understand and agree that any breach or default of the terms and conditions of any other loans, line of credit accounts or credit card agreements you now have with the Credit Union or obtain in the future with the Credit Union shall be deemed to be a default of the terms and conditions of the Agreement for this VISA Credit Card. This "Cross Default" Agreement shall not apply to any loan, line of credit account or credit card agreement secured by real property, property used as a primary dwelling or where otherwise prohibited by Federal or State Law or Regulation.

TERMINATION OF CREDIT AND ACCELERATION OF PAYMENT: You understand that future advances under this agreement may be terminated under any of the following conditions:

- (1) In the event of default; or
- (2) Upon failure of you to satisfy the terms of this Agreement; or
- (3) Upon your failure to make any loan payment when due on any loan with the Credit Union; or
- (4) If you have made or do make any false or misleading statements in furnishing financial and other information to the Credit Union; or
- (5) If any attachment, execution or other legal process issued against any of the property of yours; or
- (6) Upon adverse re-evaluation of your credit worthiness; or
- (7) You fail to provide the Credit Union with a current credit application when requested; or
- (8) At the option of the Credit Union or you with good cause.

COLLECTIONS: You agree that the Credit Union shall be entitled to recover any money owed by you as a result of your use of the VISA Card and you agree to repay any withdrawals which create an overdrawn balance upon demand or if you are in default or have failed to satisfy your financial obligation to us. The Credit Union has a security interest in your present and future shares or deposits and has the right to apply shares or deposits to any money you owe without further notice to you. If any legal action is required to enforce any provision of this Disclosure and Agreement or to recover money owed by you, you agree to pay all costs, including collection costs, attorney's fees, court costs, and any other charges incurred.

RESPONSIBILITY OF BORROWER/CARDHOLDER: You are required and do hereby agree to report to the Credit Union any change in your NAME, ADDRESS or EMPLOYMENT. You agree to keep your card(s), PIN(s) and account number(s) confidential and in a secure location, not easily accessible to unauthorized users. You agree not to consummate any consumer credit transaction under this Agreement upon knowing that credit privileges under this account have been terminated or suspended.

PERSONAL FINANCIAL INFORMATION: You agree to complete a new application at any time we request, and you understand that we reserve the right to re-examine and re-evaluate your financial condition at any time. You authorize us to obtain information from others, such as merchants or credit reporting agencies, concerning you and your credit accounts. You also authorize us to respond to requests from others for credit information about you and your account.

POSTAL SERVICE: The Credit Union assumes no responsibility for the mail. Payments will be credited to the account on the date RECEIVED. Please allow 7 to 10 working days for mail payments.

AMENDMENTS: The Credit Union may amend this agreement, from time to time, upon proper advance notice to you. The new terms, including any increases or decreases in the charges, shall apply to all credit extended on and after the effective date and to any unpaid outstanding balance owed to the Credit Union by you on the effective date.

LIABILITY OF ALL PERSONS SIGNING: Each borrower acknowledges that he/she shall be individually and jointly liable for the payment of all sums owing under the terms and provisions hereof. Your obligation to pay for charges on your line of credit account continues regardless of agreements, divorce decrees or other court judgments to which we are not a party.

COPY RECEIVED: By using your VISA Credit Card, you acknowledge receipt of a copy of this Disclosure and Agreement.

APPLICABLE LAW: This Agreement and Disclosure Statement shall be construed and governed in accordance with the laws of the State of California.

SEVERABILITY: If any part of this Agreement and Disclosure Statement should be held to be unenforceable, the remaining provisions shall remain in full force and effect.

OTHER CHARGES: Other charges which may be added to your account include:

LATE CHARGE: A late charge of \$10 will be assessed to your account if your payment is not received within 10 days of the payment due date specified on your monthly statement.

OVER-LIMIT CHARGE: If you make a transaction with your VISA Credit Card which results in your balance being over the credit limit, an over-limit charge of \$10 may be assessed to your account at the end of the statement cycle during which the over-limit condition occurred.

RETURN CHECK FEE: Any check used to make payment on your line of credit which is returned to us for any reason will result in a returned check fee of \$5 charged to your account.

FEE FOR TRANSFER FROM REGULAR SHARES: Any funds transferred from your Regular Share Account to cover a check, ACH, Debit or VISA transaction will result in a \$2 fee.

REPLACEMENT CARDS: A fee of \$5 will be assessed to your account whenever we furnish you with a new card to replace one which you lost or destroyed. This fee will not be charged for cards which we reissue on a periodic basis to replace those cards which expire.

COPIES OF TRANSACTION SLIPS: We will charge your account \$12 for each copy of a sales, cash advance or transaction slip we furnish to you in response to your request.

DUPLICATE STATEMENTS: We will charge your account \$.50 for each duplicate copy of your monthly statement we furnish to you in response to your request.

RESEARCH CHARGES: We will charge your account \$10 per hour for research we perform in response to an inquiry from you relative to your account.

CARD RECOVERY CHARGE: If we are required to pay a reward for the recovery of your lost, stolen or revoked card, we may apply such charges to your account. The charge will not exceed the actual cost incurred, with a minimum charge of \$55.

SAFETY TIPS FOR USING YOUR VISA CREDIT CARD

Your Credit Card provides you quick, convenient access to your Credit Line. We encourage you to be careful when using your Card. Here are some valuable tips:

- Memorize your PIN. Do not write it on your Card or have it written down on anything in your wallet.
- Keep your PIN a secret. Do not reveal your PIN to anyone. Someone you trust today may not be trustworthy tomorrow. If you suspect unauthorized use, notify the Credit Union immediately.
- Keep your Credit Card in a safe place. Protect it. If it is lost or stolen, notify the Credit Union immediately.
- Be aware of your surroundings. If someone looks suspicious or if the ATM is not well lit, choose another ATM in a safer location.
- Consider having another person accompany you to the ATM.
- When using an ATM, shield your actions so that people nearby can't see you enter your PIN or perform your transaction.
- Put your money and receipt away before leaving the ATM.
- Never give information about your Credit Card or account to strangers.
- Don't fall for "con" games. Use caution when asked to provide your Card number over the telephone or Internet. Report any suspicious requests to the Credit Union as soon as possible.
- Sign the back of your card upon receipt.

NOTICE: IF YOU DO NOT AGREE TO THE TERMS OF THIS DISCLOSURE AND AGREEMENT, DESTROY YOUR VISA CREDIT CARD IMMEDIATELY BY CUTTING IT IN HALF AND RETURN IT TO LBS FINANCIAL CREDIT UNION, P.O. BOX 4860, LONG BEACH, CA 90804-0860

SPECIAL PROVISION FOR COLLATERAL

CROSS-COLLATERALIZATION: YOU UNDERSTAND AND AGREE THAT THE PERSONAL PROPERTY SECURITY FOR EACH LOAN YOU HAVE WITH THE CREDIT UNION (ANY AND ALL PROCEEDS THEREOF), IF ANY, SHALL SECURE THIS CREDIT CARD ACCOUNT AND ANY AND ALL OTHER LOANS, LINE OF CREDIT ACCOUNTS AND CREDIT CARD ACCOUNTS YOU NOW HAVE WITH THE CREDIT UNION OR OBTAIN IN THE FUTURE WITH THE CREDIT UNION: 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 YOU NOW HAVE WITH THE CREDIT UNION OR OBTAIN IN THE FUTURE WITH THE CREDIT UNION WILL ALSO SECURE ALL FUNDS ADVANCED BY THE CREDIT UNION UNDER THIS 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, PROPERTY USED AS A PRIMARY DWELLING OR WHERE OTHERWISE PROHIBITED BY FEDERAL OR STATE LAW OR REGULATION.

SECURITY INTEREST-PLEDGE OF SHARES: YOU HEREBY PLEDGE ALL PAID SHARES (INCLUDING SHARE SAVINGS, SHARE DRAFT/CHECKING AND SHARE CERTIFICATES) AND PAYMENT ON SHARES, WHICH YOU NOW HAVE OR HEREAFTER MAY HAVE IN THIS CREDIT UNION AS SECURITY FOR LOANS, INTEREST, LATE CHARGES COST OR EXPENSES. IN THE EVENT OF DEFAULT IN PAYMENT, YOU HEREBY AUTHORIZE THE CREDIT UNION TO APPLY SAID SHARES TO THE PAYMENT OF SAID LOANS, INTEREST, LATE CHARGES, OR EXPENSES. THE FOREGOING PLEDGE OF SHARES DOES NOT APPLY TO ANY SHARES HELD IN ANY INDIVIDUAL RETIREMENT ACCOUNT.

