VISA Credit Card
Consumer Account Agreement

Tongass Federal Credit Union
2000 Tongass Ave.
Ketchikan, AK 99901-6046
800.960.8328 | www.TongassFCU.com

You grant us a security interest in all your shares and deposits, present and future, and all accounts with the Credit Union (except Individual Retirement Accounts) to secure your Account. *This security interest is required as a condition for us to grant you credit under this Agreement.*

This Visa Account Agreement ("Agreement") and the Account Disclosures ("Account Disclosure") given to you when you opened your Card account ("Account") will govern your Visa Credit Card and Account issued by Tongass Federal Credit Union ("Credit Union"). In this Agreement, the words "you," "your," "yours," "applicant," and "Borrower" mean any person who signs the application for this Account, any joint obligor, guarantor, authorized user, or the person whose name is embossed on the Card. The words "we," "us," "our," and "Credit Union" mean Tongass Federal Credit Union. The word "Card" means any one or more credit cards issued under this Account. If you sign an application for this Account or sign or use any Card or PIN, or allow others to use the Card or PIN, you and they will have accepted this Agreement just as if you and they signed it, and you and they, jointly and severally, will be bound by the following terms and conditions which will govern this Account.

1. You Promise to Pay

You promise to pay us all amounts, plus any Interest Charges, which arise from use of the Card or Account by you or any other person, and to be jointly and severally liable with such a person, unless such other person does not have actual, implied, or apparent authority for such use, and you received no benefit from the use. You promise to pay us either by direct payment or by automatic transfers from shares or by payroll deduction.

2. Account Access

You must sign the Card to use it. Once you have signed the Card, you can use it to buy or lease goods, services, or insurance wherever the Card is honored, up to the full amount of your Credit Line. You may use your Account to get cash advances from us. You may also use your Card to get a cash advance from participating financial institutions, to initiate a balance transfer payment on another account, and to access your line of credit at automatic teller machines ("ATMs") within the Visa network or any other ATMs that accept Visa branded cards.

3. Credit Line

If we approve your application, this Agreement will constitute a revolving line of credit for an amount which will be the Credit Line under your Account. We will advise you of the amount of your Credit Line. That amount will be the maximum amount you may have outstanding at any one time. You agree not to attempt to obtain more credit than the amount of your Credit Line. However, if you temporarily exceed your Credit Line, you agree to repay the excess immediately, even if we have not yet billed you. Obtaining such credit does not increase your Credit Line. We retain the right to increase or decrease your Credit Line at any time. Any increase or reduction in the amount of your Credit Line will be shown on your monthly statement or by separate notice together with any changes in the applicable Minimum Monthly Payments. Your eligibility for this Credit Line is determined by our loan policy and may be terminated at our sole discretion, without demand or notice. You may close your Credit Line at any time by notifying us in writing and returning all Cards cut in half. If you terminate this Agreement or if we terminate or suspend your credit privileges, the provisions of this Agreement and your liability hereunder shall otherwise remain in full force and effect until you have paid us all sums due us under this Agreement and returned all Cards.

4. Minimum Monthly Payment

We will send you a statement every month if your Account has a balance. You agree that you will pay each month not less than the minimum monthly payment on or before the closing date. The minimum monthly payment will be the larger of: (a) 2.0% of your outstanding balance shown on your statement ("New Balance"), or $25. If your outstanding balance is less than $25, you agree to pay the balance in full. In addition to the minimum monthly payment, you agree to pay any "Overlimit Amount" and any amount past due shown on your statement each month by the due date shown on your Statement. You may pay in full for all your purchases and cash advances each month, or you may repay in monthly installments. We can accept late payments or partial payments, or checks, drafts, or money orders marked "payment in full" without prejudice to our rights under this Agreement, which are hereby explicitly reserved. A credit posting from a merchant or reversal of fees does not constitute a minimum payment.

Payments will be applied first to accrued interest, then to any fees, charges, or other amounts owed under this Agreement, and the remainder to principal. The minimum monthly payment may be allocated at the Credit Union's discretion to pay off lower rate balances, such as promotional offers, before higher rate balances, such as cash advances or purchases. Payments in excess of the minimum monthly payment will be allocated first to higher rate balances, as applicable.

Payments received at: 2000 Tongass Ave., Ketchikan, AK 99901-6046 on or before 5:00 PM Alaska Time on any business day will be credited to your Account as of that date; payments received by mail at that address after 5:00 PM Alaska Time or on a weekend will be posted to your Account as of the next business day.

5. Security Interest

By signing your application, to secure your Account, you grant us a purchase money security interest under the Uniform Commercial Code of the state in which you reside in any goods you purchase through your Account. If you default, we will have the right to recover any of these goods that have not been paid for through application of your payments in the manner described in Section 4. In addition, you grant us a security interest in all your shares and deposits, present and future, and all accounts (except Individual Retirement Accounts and Keogh Accounts) with the Credit Union to secure your Account and agree, upon default, the Credit Union may apply all that is secured to pay any amounts due under this Agreement, without further notice to you. **You further agree that collateral securing other loans with the Credit Union (except loans secured by real property) also secures this Account.**

6. Periodic Statements

Each month, if you have an outstanding balance, we will send you a statement showing new purchases, cash advances, payments, and credits made to your Account during the billing period, your Previous Balance, your "Total New Balance," any Interest Charge, and any other charges. Your statement also will identify the remaining Credit Line available and the Minimum Monthly Payment you must make for that billing period and the date it is due. For statement verification purposes, you agree to retain copies of transaction slips resulting from each purchase, each advance, and other transaction on your Account. Unless you notify us of a billing error as described below, you accept your monthly statement as an accurate statement of your Account with us.

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7. Circumstances Under Which an Interest Charge Will Be Imposed

The total outstanding balance of purchases, balance transfers, and cash advances in the Account on the closing date of a billing period, including any Interest Charge, will be shown on the Periodic Statement for that billing period as the "New Balance."

a. Cash Advances and Balance Transfers. We begin charging an Interest Charge on cash advances and balance transfers from the date of each transaction. There is no time period within which to pay to avoid a periodic Interest Charge on cash advances or balance transfers.

b. Purchases. Your due date is at least 25 days after the close of each billing period. An Interest Charge will be imposed on the portion of purchases included in the New Balance that is not paid by the due date. This “grace period” allows you to avoid an Interest Charge on purchases for a billing period. However, if you do not pay the New Balance for purchases within the grace period, your Interest Charge will accrue on any unpaid purchase transactions from the first day of the billing period in which the payment is due.

8. Method Used to Determine the Balance on Which the Interest Charge May Be Computed and Amount of Interest Charge

The Credit Union figures the Interest Charge on your Account by multiplying the "Average Daily Balance" of purchases, balance transfers, and cash advances for your Account (including current transactions) by the Daily Periodic Rate, multiplied by the number of days in the billing period. To get the "Average Daily Balance" we take the beginning balance of your Account each day, add any new purchases or cash advances, and subtract any payments or credits, unpaid Interest Charge and unpaid late charges. This gives us the daily balance. Then, we add up all the daily balances for the billing period and divide the total by the number of days in the billing period. This gives us the "Average Daily Balance." To get the Daily Periodic Rate, we divide the Annual Percentage Rate in effect for the billing period by 365.

9. Periodic Rate and Corresponding Annual Percentage Rate

a. Standard Rates. The Periodic Rate and corresponding Annual Percentage Rate(s) used to compute the Interest Charge are set forth in the Account Disclosure that accompanies, and is a part of, this Agreement. The Annual Percentage Rate is divided by 365 to obtain the Daily Periodic Rate.

b. Introductory or Promotional Rates. At our discretion, we may offer you an introductory or promotional Annual Percentage Rate for your Account. Any introductory or promotional Annual Percentage Rate will be subject to the terms of the offer and this Agreement. We will provide you with information on the offer, including the time period the introductory or promotional Annual Percentage Rate is in effect in the Account Disclosure or in other materials that we send to you about the offer after you receive your Credit Card.

10. Conditions under Which Other Charges May Be Imposed

You agree to pay the following fees and charges on your Account. All fees and charges will be added to your purchase balance and will accrue interest charges at the same rate that applies to your purchase balance.

a. Late Fee. If your payment is not received within 7 days after its due date, you will pay a late fee in the amount of $15.

b. ATM Fee. If you use an ATM to obtain a cash advance and the ATM is not operated by us, you may be charged an ATM surcharge by the ATM operator or an ATM network utilized for such a transaction. The ATM surcharge may be charged to your Account if you complete the transaction.

c. Card Replacement Fee. For each replacement card you request, you will pay a fee of $5.

d. Returned Payment Fee. If any check or draft we receive from you as payment for any amount you owe to us is returned to us unpaid, you agree to pay a returned item fee of $25.

e. Attorney's Fees and Costs. If you default on any part of this Agreement, you agree to pay us all costs to collect your Account, including court costs and reasonable attorney fees whether or not there is a lawsuit, and fees on any appeal and fees for bankruptcy proceedings, appeals, and any post-judgment collection services, if applicable. These fees and costs may be added to your Account balance and will bear interest at the Annual Percentage Rate in effect at that time.

11. Conditions of Card Use

a. Use. Your Card and Account may be used only for valid and lawful purposes. You may not use your Card (i) to make Purchases or obtain Cash Advances for any illegal transaction, or (ii) for any internet or online gambling transactions. If you use your Card for any illegal or prohibited transaction, this Agreement also applies to such transaction and you agree to pay any and all amounts related to such transaction pursuant to the terms of this Agreement. We may, at our sole discretion and without warning, restrict the use of or terminate your Card if we notice excessive use of your Card or other suspicious activities or if we reasonably believe the Card is or has been used for one or more illegal or prohibited transactions.

b. Ownership of Cards. Any Card or other credit instrument or device which we supply to you is our property and must be returned to us, or to any person whom we authorize to act as our agent, or to any person who is authorized to honor the Card, immediately according to instructions. The Card may be repossessed at any time in our sole discretion without demand or notice. You cannot transfer your Card or Account to another person.

c. Honoring the Card. We may decline to honor any transaction for any reason. Neither we nor merchants authorized to honor the Card will be responsible for the failure or refusal to honor the Card or any other credit instrument or device we supply to you. If a merchant agrees to give you a refund or adjustment, you agree to accept a credit to your Account in lieu of a cash refund.

d. Currency Conversion. Purchases and cash advances made in foreign countries will be billed to you in U.S. dollars. The currency conversion rate for international transactions is a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date (which rate may vary from the rate Visa itself receives), or the government-mandated rate in effect for the applicable central processing date.

e. Notices and Payments. All notices will be sent to the address you have provided us. You agree to advise us promptly in writing if you change your address. All payments mailed to us should be sent to the remittance address shown on your monthly statements. Payments received at that address will be credited to your Account as of the date received. Payments may also be made through our online banking service or by other electronic means as we permit. Written notices and inquiries to us must be sent to:

Tongass Federal Credit Union
2000 Tongass Ave.
Ketchikan, AK 99901-6046

f. Personal Identification Number. If we issue you a Personal Identification Number ("PIN") for use with your Card in accessing your line of credit at ATMs, these numbers are issued to you for your security purposes. These numbers are confidential and should not be disclosed to third parties. You are responsible for safekeeping your PIN. You agree not to disclose or otherwise make available your PIN to anyone not authorized to sign on your Account. To keep your Account secure, please do not write your PIN on your Card or keep it in the same place as your Card.

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12. Loan Protection

Loan Protection coverage is not required for any extension of credit under this Agreement. However, you may purchase any loan protection available through us and have the monthly fee added to your outstanding balance as purchases. If you elect to do so, we will give you the necessary disclosures and documents separately.

13. Default

You will be in default under this Agreement if any of the following occur: (a) Any Minimum Monthly Payment is not made when due; (b) You become insolvent, bankrupt, or you die; (c) You violate any part of this Agreement, or any other agreement with us; or (d) If we reasonably deem ourselves insecure with respect to your Account. Upon default, we may declare the entire unpaid balance immediately due and payable, and you agree to pay that amount plus any attorney's fees and costs as set forth in Section 10 above, including fees and costs in any appeal or bankruptcy proceeding. We can delay enforcing any right under this Agreement without losing that right or any other right. We will notify you in writing of any such action as soon as practical if it occurs.

14. Governing Law

This Agreement will not take effect until it is approved by us. This Agreement shall be governed by the laws of the State of Alaska.

15. Severability

If any provision of this Agreement is held invalid, the remaining provisions that are severable shall remain in effect.

16. Loss or Theft of Card

You agree to notify us immediately of the loss, or the theft, or the use without your permission, of any Card or other credit instrument or device which we supply to you. You may be liable for the unauthorized use of your card. You will not be liable for unauthorized use which occurs after you notify: Tongass Federal Credit Union, 2000 Tongass Ave., Ketchikan, AK 99901-6046, Telephone: 800-960-8328, orally or in writing of loss, theft, or possible unauthorized use. In any case, your liability shall not exceed $50.

17. Credit Information/Financial Statements

You authorize us to release information to others (e.g., credit bureaus, merchants, and other financial institutions) regarding the status and history of your Credit Line. You agree to provide us, at any time we deem necessary, with a current financial statement and/or updated credit information upon request. We may investigate your credit directly or through a credit reporting agency.

18. Amendments

We reserve the right to change any terms or conditions of this Agreement at any time, to the extent permitted by applicable law. We will notify you of the changes to this Agreement as required by law.

19. Rewards Benefits.

We may offer rewards benefits in conjunction with some cards issued under this Agreement. Rewards benefits are subject to terms and conditions issued separately, and may be amended or terminated at any time.

20. Billing Errors Notice, Your Credit Card 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, write to us at: Tongass Federal Credit Union, 2000 Tongass Ave., Ketchikan, AK 99901-6046. In your letter, give us the following information:

- *Account information*: Your name and account number.
- *Dollar amoun*t: The dollar amount of the suspected error.
- *Description of proble*m: 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 3 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 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. (*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 the above address. While we investigate, the same rules apply to the disputed amount as discussed above. After we finish our investigation, we will tell you our

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decision. At that point, if we think you owe an amount and you do not pay, we may report you as delinquent.

NOTICE TO ACTIVE DUTY MILITARY MEMBERS AND THEIR DEPENDENTS

This notice applies to any borrower who is either: (i) a member of the Armed Forces who is currently serving on active duty (under a call or order not less than 30 days), Active Guard or Reserve duty ("Covered Member"); or (ii) is a dependent of the Covered Member.

Military Annual Percentage Rate. Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36%. This rate must include, as applicable to the credit transaction or account: the costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for a credit card account); and any participation fee charged (other than certain participation fees for a credit card account). The Credit Union may adjust interest or fees as necessary in any month in order to ensure that the annual percentage rate does not exceed 36%.

Payment Obligation. Your payment obligation under your Credit Card Account is set forth in the Minimum Monthly Payment provision (Section 4) of the Credit Card Agreement.

Security Interest. The Credit Union's security interest in all your Credit Union shares or deposits pursuant to the Credit Card Agreement will not apply your Credit Card Account. A security interest in shares or deposits granted in connection with any other credit card account, loan or line of credit does not secure the Credit Card Account identified above, in spite of any provision that collateral securing one loan secures all of your other Credit Union obligations. However, if you establish a deposit or share account specifically in connection with your Credit Card Account, funds deposited in that account after you establish the Credit Card Account are subject to our security interest as set forth above in the Credit Card Agreement.

Credit Union Toll-Free Telephone Number. Call 800-960-8328 for verbal information about the Military Annual Percentage Rate and your payment obligation.

21. Acknowledgment

You understand and agree to the terms and conditions in this Agreement and the Fair Credit Billing Notice. You acknowledge that you have received a copy of this Agreement, the Account Disclosure, and the Fair Credit Billing Notice. This Agreement is a final expression of the agreement between you and the Credit Union.

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