

### Credit Card Agreement

The words “you” and “your” in this agreement refer to each person who, as an Applicant or Joint Applicant, has asked us to open a Credit Card Account in his or her name. “We,” “us” and “our” refer to the **Prince Kuhio Federal Credit Union**. Card means the VISA Credit Card and any duplicates and renewals we issue. Everyone who receives and signs or uses a card issued under this Agreement must be a member of this Credit Union. Account means your VISA Credit Card account with us.

By submitting a Credit Card Application, you are requesting that we:

- open a credit card account at our credit union in your name;
- issue you one or more VISA Credit Cards for your Account, in your name or both, if it is a joint application;
- allow you to purchase goods and services with your Card or with a VISA Access Device (such as convenience checks); and
- allow you to obtain cash in advances from your credit card account.

We will do so as provided under the terms of this agreement.

### Your Responsibility

1. You warrant that the information on any credit application given to us to get your Card and your Account is correct. You authorize us to ask at your place of employment or anywhere else at any time about your income and other financial affairs.
2. You will be obligated to pay all such purchases and cash advances charged to your Account whether it results from:
  - actual use of your Card, VISA Access Device or Convenience Checks;
  - mail order, telephone, computer or other electronic purchases made without presenting the card; or
  - any other circumstances where you authorize a charge, or authorize someone else to make a charge to your account.
3. If we issue you a card, and by accepting, signing or using your card, after receiving a copy of this agreement, you agree to be liable for all charges to your account. For example:
  - You are responsible for charges made by yourself, your spouse and minor children.
  - You are also responsible for charges made by anyone else to whom you give the card, and this responsibility continues until the recovery of the card.
4. You cannot disclaim responsibility by notifying us, but we will close the account for new transactions if you so request and return all cards.
5. Your obligation to pay the account balance continues even though an agreement, divorce decree or other court judgment to which we are not a party may direct you or one of the other persons responsible to pay the account.
6. Any person signing the card application and using the card is jointly responsible with you for charges he or she makes, becoming a party to this Agreement and is jointly responsible for all charges on the account, including yours.
7. You agree to the terms of this agreement and any amendments to this agreement; and you agree that it will be binding upon you even if you or we close, cancel or terminate your account.
8. You understand and agree that you must immediately report any change in your name, address or employment status to us.

9. You agree not to use your Card or Account, directly or indirectly for:
  - any illegal activity or transaction; or
  - any gambling, gaming, betting, or similar activity or similar transaction on the internet, online or any electronic commerce transaction conducted over an open network. However, in the event the system approves and processes a charge or transaction described in this paragraph, you will still be responsible for the charges. Any such illegal or other prohibited use constitutes an unauthorized use and can result in cancellation and termination of your Account.
10. We will issue you a Personal Identification Number (PIN) to access your account at an automated teller machine (ATM). You must not disclose your PIN to others. We may at any time suspend or terminate your use of ATMs without cause or prior notice.
11. You also agree to the following fees and charges:

Annual Fee	\$25 – Waived after the first year with the use of the card 12 times or more per year.														
Other Fees	<table> <tr> <td>\$15.00</td> <td>Late Payment</td> </tr> <tr> <td>\$25.00</td> <td>Return Payment</td> </tr> <tr> <td>\$10.00</td> <td>Card Replacement</td> </tr> <tr> <td>\$ 5.00</td> <td>Statement copy (per copy)</td> </tr> <tr> <td>\$ 5.00</td> <td>Document copy (per page)</td> </tr> <tr> <td>\$15.00</td> <td>Rush Card Delivery</td> </tr> <tr> <td>3.00%</td> <td>Foreign Transactions</td> </tr> </table> Cash Advance - \$3.00 or 3.00% of the amount, whichever is greater.	\$15.00	Late Payment	\$25.00	Return Payment	\$10.00	Card Replacement	\$ 5.00	Statement copy (per copy)	\$ 5.00	Document copy (per page)	\$15.00	Rush Card Delivery	3.00%	Foreign Transactions
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Finance Charges	There is no minimum finance charge. There will be no Finance Charge on purchases if the balance is paid in full by the statement due date. There is a 25-day grace period on purchases from the close of the statement period to pay the new balance without incurring additional finance charges. The finance charge accrues from the date of the transaction for Cash Advances and balance transfers. <table> <tr> <td>Annual Percentage Rate</td> <td>11.25%</td> </tr> <tr> <td>Monthly Periodic Rate</td> <td>0.9375%</td> </tr> </table>	Annual Percentage Rate	11.25%	Monthly Periodic Rate	0.9375%										
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Minimum Payment	2.50% of the total new balance or \$10.00, whichever is greater, plus any outstanding unpaid fees and charges, all prior unpaid payments, and any amount that exceeds the credit limit.														

**Your Account** – We will add to the balance of your Account:

1. All of your purchases and cash advances when made.
2. Foreign Transactions: Your bill will reflect purchases, cash advances, and credits in U.S. dollars. The conversion to U.S. dollars will be in accordance with the VISA operating regulations for international transactions. The conversion rate to dollars will be at:
  - the range of rates available in wholesale currency markets for the applicable central processing date, which may vary from the date VISA itself receives, or

- the government mandated rate, whichever is applicable, in effect for the applicable central processing date in each instance, plus or minus any adjustments determined by the issuer.
  - The conversion rate may differ from the rate on the day of the transaction to the date of the posting on the account.
  - In addition, we will impose a Foreign Transaction fee of 3.00% of the amount of the transaction as provided above under Other Fees.
3. Any other fee as listed above under Other Fees.
    - A monthly finance charge on all cash advances and balance transfers, incurred on each from the date of the transaction.
    - A monthly finance charge on all other balances in your account if the total payments and credits posted to your account by the due date shown on your previous statement do not at least equal the new balance on that statement.

### Finance Charge Calculation

1. You can avoid FINANCE CHARGE on purchases by paying the full amount of the New Balance of Purchases each month within 25 days of your statement closing date.
2. Otherwise, the New Balance of Purchases, and any subsequent purchases from the date posted to your account, will be subject to FINANCE CHARGE.
3. Cash advances are always subject to FINANCE CHARGE from the date posted to your account.
4. Calculate the FINANCE CHARGE (interest) at the periodic rate of 0.9375% per month (ANNUAL PERCENTAGE RATE OF 11.25%) on the average daily principal balances of purchases and cash advances in the account.
5. To calculate the daily principal balance:
  - begin with the principal portion of your Previous Balances, reduced by payments you make and credits we apply;
  - add any new cash advances, other fees and charges;
  - add any new purchases made during the statement period;
  - subtract any unpaid fees and charges, if applicable, late charges and finance charges previously applied to your account;
  - This will be the daily principal balance.
6. Total the daily principal balances for each day in the statement period, divide the amount by the number of days in the statement period to produce separate average daily principal balances for purchases and cash advances to which the periodic rate is then applied.

### Avoiding Additional Finance Charges

1. Except for cash advances and balance transfers, there will be no finance charge if your total payments and credits on or before the due date are at least as much as the new balance. You have a 25-day grace period from the close of the statement period to pay the new balance without incurring additional finance charges.
2. There will be a finance charge on all cash advances and balance transfers.
  - There is no grace period in order to avoid the addition of a finance charge.
  - The finance charge for cash advances and balance transfers made with your Card shall be from the date of the transaction.
3. There will be no finance charge calculated on the other fee charges, accrued finance charge, or late charges, whenever you pay them.

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### Credit Information

1. You authorize us to investigate your credit standing when opening, renewing, or reviewing the Account.
2. You authorize us to disclose information regarding the Account to credit bureaus and other creditors who inquire of us about your credit standing to the extent authorized by law.
3. You understand and agree that we may make changes to the terms of your Account, as permitted in the paragraph below, based on information in your credit history.

### Change of Terms

1. This agreement is the contract which applies to all transactions on the Account even though the sales, cash advance, balance transfers, credit, or other slips you sign or receive may contain different terms.
2. You understand and agree that we may amend, modify, add to, or delete from this agreement any of its terms and conditions, including:
  - financial terms, such as the method of application and the amount of any finance charge;
  - annual percentage rate, monthly periodic rate, and / or fee effective as to any account balance outstanding, and any subsequent advance.
3. We will notify you of any changes by mailing a notice of the change to you at your last known address.
4. You also understand that we will mail any such notice at least forty-five (45) days before the effective date of the change, as required by federal or other law.
5. Notice of a change in terms is required, but we may send it as late as the effective date of the change where you agreed to the change in writing.

### Payments

1. The minimum payment due is the sum of any payments past due and your current payment due.
2. You agree to pay us after the Statement Date and on or before the due date shown on your statement, at least the minimum payment due.
3. We determine your current payment due by the following schedule:
 

<u>New Balance</u>	<u>Current Payment Due</u>
Under \$10	Amount of the New Balance
Over \$10	2.50% of the New Balance
4. You may pay more than the Minimum Payment Due.
5. You must also pay, on our demand, the amount that exceeds your credit limit set for your account.
6. We provide an envelope with your monthly statement, along with the address. If you lose the envelope, mail your payment to:
7. You may also make your payment at the credit union.
8. You must make all your payments in U.S. currency

9. We will apply your payments to amounts due, as follows:
- first, to unpaid fees and charges, if applicable, including late charges;
  - second, to any finance charge incurred whether or not already billed;
  - third, to promotional balances;
  - fourth, to the rest of the new balance shown on your recent statement;
  - fifth, to repayment of unbilled purchases, and;
  - last, to repayment of unbilled cash advances or balance transfers.

#### Late Charges

We will charge a late payment fee to your account each time you do not make the minimum payment due within 10 days after the payment due date on your recent statement.

#### Default

1. You will be in default if you fail to make any minimum payment within 25 days after your monthly statement closing date.
2. You will also be in default if:
  - your ability to repay us is materially reduced by a change in your employment;
  - an increase in your obligations, bankruptcy or insolvency proceedings involve you;
  - your death or failure to abide by the Agreement;
  - or if the value of our security interest materially declines.
3. We have the right to demand immediate payment of your full account balance if you default, subject to our giving you any notice required by law.
4. To the extent permitted by law, you will also be required to pay our collection expenses, including court costs and reasonable attorney's fees.
5. If you default, you understand and agree that we have the right to suspend, temporarily or permanently, any or all Account and Card privileges and / or we may demand immediate payment of the Account balance, including any applicable fees and finance charges.
6. You understand and agree that you will be subject to finance charges, late charges, and collection related charges under the terms disclosed in this agreement, until you repay your entire Account balance.

#### Collection Costs

1. If we hire an attorney to collect the unpaid balance of your Account, or anything else you owe under this agreement, you must pay us a reasonable attorney's fee up to the maximum allowed by law.
2. You also must pay any other expenses including the cost of repossession, foreclosure and other legal remedies that we incur in collecting what you owe under this agreement.
3. If we have to sue you, you must pay us the court costs, whether or not we hire an attorney.
4. You must pay such amounts when we demand payment.

#### Cancellation or termination

1. We may cancel this agreement upon your default or for other good cause.
2. You must give all Cards back to us upon our demand.
3. You can cancel this agreement by giving us a written notice of cancellation along with all Cards issued for your Account, whether or not issued under your name.
4. Even if we cancel or terminate this agreement, you are still responsible for the use of your Card, and you must pay all balances on your Account and all Annual Membership Fees, and other fees and charges that accrued or will accrue on your account.

#### Applicable Law

The laws of the State of Hawaii apply to this agreement, to your Account, and to your use of the Card, wherever that takes place.

#### Disputes with Merchant

1. We are not responsible for the refusal of any plan merchant or financial institution to honor the Account and / or Card.
2. If you have a problem with the quality of property or services purchased with a credit card, and you 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:
  - 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
  - The purchase price must be more than \$50.
3. The limitations above do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or service.
4. You must resolve any other dispute directly with the plan merchant.

#### Returns and Adjustments

1. Merchants and others who honor the Account and / or Card may give credit for returns or adjustments, and they will do so by sending us a credit, which we will post to the Account.
2. If your credits and payments exceed what you owe us, we will hold an apply this credit balance against future Purchases and Cash Advances, or if it is \$1 or more, refund it on your written request or automatically after six (6) months.

#### Liability for Authorized and Unauthorized Use: Loss of Card

1. Liability – You must not give anyone else possession of your Card or authority to use it. If you do so, in spite of your agreement not to, you will owe us payment for all credit extended to persons whom you authorize to use your Card.
2. Loss of Card
  - You must notify Security immediately of any loss, theft or possible unauthorized use of your Card.
  - Give Security that notice by calling 1-877-602-8969 (toll free) or 1-605-782-3536 (outside the United States).
  - Telephone Security is the best way to keep your possible losses down.
  - If your Card is stolen, you must report the theft to the police and send a copy of the police report to Security.
  - If any unauthorized use of your Card occurs, you must cooperate fully in any resulting investigation and prosecution. If a forgery affidavit is required, you must provide it.
3. Unauthorized Use
  - If an unauthorized person uses your Card, you may be liable for up to \$50 of Purchases or Cash Advances made with your Card.
  - You will not be liable, however, for any Purchases or Cash Advances made after you have notified us of the loss, theft, or possible unauthorized use of your Card.
  - Such liability does not apply when using your Card or Account to make an electronic transfer.
  - Your liability may be lower in cases of VISA Credit Card fraud in accordance with the current VISA USA Inc. Operating Regulations.

#### Electronic Fund Transfer

In the event a use of the Card or the Account number of the Card constitutes any Electronic Fund Transfer (EFT), the terms and conditions of your EFT Agreement and Disclosure with us shall govern such transactions to the extent the EFT Agree-

ment and Disclosure expands or amends this agreement.

#### Copy Received

You acknowledge receipt of a copy of this agreement and agree to accept its terms by the use of your Card and / or Account.

#### Errors or Questions about your Bill

1. If you think your bill is wrong, or if you need more information about a transaction on your bill, write us as soon as possible on a separate sheet at the address listed on your statement.
2. We must hear from you no later than 60 days after we send you the first statement on which the error or problem appears.
3. You can telephone us, but doing so will not preserve your rights.
4. 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.
5. If you have authorized us to pay your credit card bill automatically from your share or share draft account, 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 scheduled automatic payment is to occur.

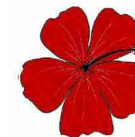
#### Your Rights and Our Responsibilities After We Receive Your Written Notice

1. We must acknowledge your letter within 30 days, unless we have corrected the error by then.
2. Within 90 days, we must either correct the error or explain why we believe the bill was correct.
3. After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent.
4. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your credit limit.
5. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.
6. If we find that we made a mistake on your bill, you will not have to pay the finance charges related to any questioned amount.
7. If we did not make mistake, you may have to pay finance charges and you will have to make up any missed payments on the questioned amount.
8. In either case, we will send you a statement of the amount you owe and the date that it is due.
9. If you fail to pay the amount that we think you owe, we may report you as delinquent.
10. 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 bill. We must tell you the name of anyone we reported you to.
11. We must tell anyone we report you to that the matter has been settled between us when it finally is.
12. If we do not follow these rules, we cannot collect the first \$50 of the questioned amount, even if your bill was correct.

#### Integrated Documents

Any separate sheet of paper labeled "Addendum" delivered with this agreement is an integrated part of this agreement.

12/09



**PRINCE KŪHIŌ**  
Federal Credit Union

*Financial services for your life's moments.*

# VISA CREDIT CARD AGREEMENT

740 Kohou St, Ste A  
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<http://www.princekuhiofcu.com>