

### INTEREST RATE AND INTEREST CHARGES

<b>Annual Percentage Rate (APR) for Purchases</b>	<b>0%</b> introductory APR for 12 months from the date of first purchase when purchases are completed within 60 days from the date of the account approval. After that, <b>16.99%-22.99%</b> , based on your creditworthiness at time of application. After account approval, this APR will vary with the market based on the Prime Rate.
<b>APR for Balance Transfers</b>	<b>16.99%-22.99%</b> This APR can vary monthly with the market based on the Prime Rate.
<b>APR for Cash Advances</b>	<b>16.99%-22.99%</b> This APR can vary monthly with the market based on the Prime Rate.
<b>Paying Interest</b>	Your due date is at least 25 days after close of each billing cycle. We will not charge you interest on purchases if you pay entire balance by the due date each month. We will begin charging interest on cash advances and balance transfers on the transaction date.
<b>Minimum Interest Charge</b>	If you are charged periodic interest the charge will be no less than \$0.50.

### FEES

<b>Annual Fees</b>	<b>NONE</b>
<b>Transaction Fees</b>	
<ul style="list-style-type: none"> <li>• <b>Balance Transfer</b></li> <li>• <b>Cash Advance</b></li> <li>• <b>Foreign Fees</b></li> </ul>	Either <b>\$5</b> or <b>5%</b> of the amount of each transfer, whichever is greater. Either <b>\$15</b> or <b>5%</b> of the amount of each cash advance, whichever is greater. <b>NONE</b>
<b>Penalty Fees</b>	
<ul style="list-style-type: none"> <li>• <b>Late Payment</b></li> <li>• <b>Over the Limit Fee</b></li> <li>• <b>Returned Payment</b></li> </ul>	<b>Up to \$40</b> <b>NONE</b> <b>Up to \$40</b>
<b>Other Fees</b>	
<ul style="list-style-type: none"> <li>• <b>Expedited Phone Payment</b></li> <li>• <b>Rush Card Fee</b></li> <li>• <b>Reissue Fee</b></li> </ul>	<b>\$10</b> <b>\$40</b> <b>NONE</b>

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

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

The information about the costs of the card described in this application is accurate as of the date below. This information may have changed after that date. To find out what may have changed, write to us at:

Valley First Credit Union  
PO Box 1411  
Modesto, CA 95353  
Rate updates as of 11/01/2022

The ANNUAL PERCENTAGE RATE ("APR") is a variable rate. The APR shall be based on the highest Prime Rate listed in the Monthly Rate section of the Wall Street Journal on the 1st day of each month (or if the 1st is a Saturday, Sunday, or holiday, the next business day) and adding 10.74%-16.74% to that rate based on your credit worthiness at time of application, not to exceed 24%. Any change in the APR will go into effect on the first day of your new billing cycle that follows the effective date, as herein defined, of the Wall Street Journal published Prime Rate change and may result in an increase or decrease in the INTEREST CHARGE imposed on your account.

# VALLEY FIRST CREDIT UNION CARDHOLDER AGREEMENT



The following terms and conditions govern the use of your **Business Cash Back Card Account** ("Account") and any Card or other Access Device ("Access Device") issued by Valley First Credit Union ("Issuer").

1. **RESPONSIBILITY.** By Signing or permitting others to sign the Card or credit application, or by using) are prohibited from being processed through the Account Additional information can be obtained at 1-888-232-9922.

2. **SECURITY.** If Issuer already holds any security interest created in any previous transaction for any property that secures other or further indebtedness of Member to Issuer, such security interest will secure payment of the Account balance. Notwithstanding contrary provisions of any obligation of Member to Issuer, Issuer waives any security interest which it has or may have in any property that is or becomes the principal dwelling of the Member or any other person as security for payment of the Account balance. By entering into this Agreement, Member pledges all Member's shares and deposits in Credit Union, including future additions, to Credit Union and grants Credit Union a security interest in all Member's share, share draft and share certificate accounts. In case of default, Credit Union may apply these shares and deposits to the payment of all sums due at the time of default including any costs of collection and attorney's fees. Further, in the event of any default on any of Member's other debts with Credit Union, Member authorizes Credit Union to apply without further notice, any and all such shares, deposits, payments on shares and earnings on shares and deposits, and deposit accounts, towards payments due, finance charges, costs, expenses and attorneys' fees incurred by the Credit Union thereunder as a result of Member's default and/or to recover possession of collateral pledged and now owned or hereafter acquired by Member and to sell, dispose of said collateral as set forth within this Agreement. Member agrees that should a required payment be missed, then the Credit Union, at its sole and absolute option, may withdraw from any accounts standing in the name of Member a sum sufficient to pay said amount due.

3. **UNAUTHORIZED USE, LOSS, OR THEFT.** You agree to promptly notify Issuer of loss, theft, or unauthorized use of your Account by calling toll-free telephone number 1-888-232-9922. This notification responsibility means that You should regularly check Your statements to review charges that post to the Account to confirm that unauthorized charges have not posted to Your Account. You are liable for all Card charges made through the use of the Account by (1) a Cardholder and (2) any Authorized User whether or not (a) Issuer is notified about such Authorized User's use and/or (b) the Authorized User exceeds the limit that You authorized or intended. If Unauthorized Use of Your Account occurs, You agree to cooperate with Issuer and law enforcement authorities in identifying the unauthorized user.

4. **CREDIT LIMIT.** Customer may use the Account to obtain credit for Purchases from authorized sellers or Cash Advances from any Bank Card lender. Purchases and Cash Advances shall also include charges approved by Issuer for Customer by means of other device, check or program for credit transactions, including any Interest Charges that result in a charge to the Account. Customer agrees not to incur charges to the Account which exceed the maximum credit authorized by the Issuer. In the event the Customer incurs charges in amounts exceeding such maximum authorized credit, the Customer shall pay immediately the amount by which the Total New Balance exceeds such maximum authorized credit.

5. **UNLAWFUL TRANSACTIONS.** You aren't permitted to use Your Account for unlawful Transactions. If You do use Your Account for unlawful Transactions, this Agreement still applies, and You must pay us for those Transactions. You also may have to pay the Card Network and/or us for any damages and expenses resulting from that use. In addition, we may close Your Account.

6. **PAYMENTS.** Member agrees to pay, in accordance with billings, indebtedness incurred for Purchases, Cash Advances, Balance Transfers any applicable INTEREST CHARGE, any Late Payment Fee, and any other fees imposed from time to time pursuant to these terms and conditions, and in the event of Member's breach or default in the performance of these terms and conditions, all additional costs and expenses incurred by Issuer resulting therefrom, including but not limited to reasonable attorneys' fees. All payments by Member shall be made in U.S. dollars with a single check drawn on a U.S. bank, or a single negotiable instrument clearable through the U.S. banking system (for example, a money order), or an electronic payment that can be cleared through the U.S. banking system. When making a payment by mail, make a separate payment for each Account, mail Your payment to the address shown on the payment coupon on Your billing statement, and write Your Account number on Your check or negotiable instrument and include the payment coupon. If Your payment meets the above requirements, we will credit it to Your Account as of the day we receive it, as long as we receive it by 5pm PT. Issuer may place a reasonable hold on the crediting of check payments.

7. **PERIODIC STATEMENT AND PAYMENT SCHEDULE.** Issuer will send to Member a statement for each billing cycle in which the Total New Balance (debit or credit) for Purchases and Cash Advances exceeds \$1.00 on the last day of the billing cycle or in which an INTEREST CHARGE has been imposed. Member must pay at least the minimum payment due disclosed on the statement which will be 3% of the Total New Balance disclosed on the statement, or \$25.00 whichever is greater (or the portion of \$25.00 that is necessary to pay the Total New Balance in full) plus all indebtedness which exceeds the Credit Limit and all amounts listed as "Past Due" on the Account. The minimum payment will be rounded up to the nearest whole dollar amount. Payments in excess of the minimum payment amount or additional payments may be made at any time but shall not affect Member's obligation to pay succeeding monthly payments according to schedule so long as any amount is due and owing on the Account. Interest Charges on the Purchases New Balance disclosed on any monthly statement may be avoided by payment of either the Total New Balance or Purchases New Balance in full on or before the Payment Due Date as disclosed on the monthly statement. If not so paid, Interest Charges will be incurred on the principal portion of the Purchases New Balance as of the Statement Closing Date as disclosed on the monthly statement, and Interest Charges will be incurred on the New Purchases posted to the Account during the next billing cycle as of the date of posting of each. Interest Charges are incurred on Cash Advances from the date the money is advanced until payment in full is received.

8. **SCHEDULE OF FEES.**

- (a) **Annual Fee.** NONE
- (b) **Cash Advance Fee.** An INTEREST CHARGE will be computed on the amount of each Cash Advance as of the date of the transaction. The INTEREST CHARGE will be either \$15.00 or 5% of the Cash Advance, whichever is greater. Any Cash Advance INTEREST CHARGE may increase the actual Annual Percentage Rate
- (c) **International Transaction Fee.** NONE. See Section 34 for further information.
- (d) **Balance Transfer Limit and Fee.** A balance transfer fee (greater of \$5.00 or 5% of the total dollar amount transferred) will be applied to your Account when the requested transfer is processed. The Fee, and the transfer transaction, will appear on your monthly Account Statement. Fees may increase your Minimum Amount Due on your next monthly statement. Each transfer will reduce your available credit just like any other transaction. See Section 9 for further information.
- (e) **Late Payment Fee.** If a payment of at least the amount of the minimum required payment disclosed on the periodic statement is not received by the Payment Due Date, a penalty fee up to \$40.00 will be imposed.
- (f) **Over the Limit Fee.** NONE
- (g) **Returned Payment Fee.** If any check or other instrument given for payment of the Account is dishonored for any reason, a penalty fee up to \$40.00 will be imposed.

(h) **Expedited Phone Payment.** An Expedited Phone Payment Fee of \$10.00 will be imposed if the payment involves an expedited service by a service representative.

(i) **Rush Card Fee.** \$40.00

(j) **Reissue Fee.** NONE

9. **INTEREST CHARGE.** The INTEREST CHARGE calculation method applicable to your Account for Purchases, Cash Advances, balance Transfers, and Checks that you obtain through the use of your Account or Card is the Average Daily Balance (including new purchases) as specified on your monthly periodic statement and explained below:

**Purchases.** To avoid incurring additional INTEREST CHARGE on the balance of purchases reflected on your periodic statement and, on any new purchases appearing on your next periodic statement, you must pay the New Balance in full shown on your monthly statement on or before the Payment Due Date. The grace period for the New Balance of purchases extends to the Payment Due Date. We calculate the INTEREST CHARGES for a billing cycle by applying the monthly Periodic Rate to the Average Daily Balance of purchases. To get the Average Daily Balance, we take the beginning balance of your account each day, add any new purchases and subtract any payments, credits, non-accruing fees, and unpaid INTEREST CHARGES. This gives us the daily balance. Then we add all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the average daily balance.

**Cash Advances.** The INTEREST CHARGE on Cash Advances begins from the date the Cash Advance is posted to your account. There is no grace period. We calculate the INTEREST CHARGES for a billing cycle by applying the monthly Periodic Rate to the Average Daily Balance of your account. To get the Average Daily Balance, we take the beginning balance of your account each day, add any new cash advances, and subtract any payments, credits, non-accruing fees, and unpaid INTEREST CHARGES. This gives us the daily balance. Then we add all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the average daily balance.

**Balance Transfer.** The INTEREST CHARGE on Balance Transfers begins from the date the Balance Transfer is posted to your account. There is no grace period. We calculate the INTEREST CHARGES for a billing cycle by applying the monthly Periodic Rate to the Average Daily Balance of your account. To get the Average Daily Balance, we take the beginning balance of your account each day, add any new cash advances, and subtract any payments, credits, non-accruing fees, and unpaid INTEREST CHARGES. This gives us the daily balance. Then we add all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the average daily balance.

**Minimum Interest Charge.** We will charge a minimum Interest Charge for purchases of \$50 and a minimum Interest Charge for Balance Transfers/Cash Advances of \$3.00 for each billing period in which an Interest Charge is payable. The Interest Charge will be added to your purchase balance and/or Cash Advance balance.

10. **BALANCE TRANSFER.** Balance transfers do not earn reward points or cash. The minimum transferable amount is \$100.00 per transfer. The total amount of your request (s) including fees and interest charges cannot exceed your available credit. Each transfer will reduce your available credit just like any other transaction. Until your balance transfer(s) is posted, you may need to continue making payments to your other accounts to keep them current. Balance transfers are not subject to a grace period, and may take up to 3 weeks to process. Balance transfers can be used to pay off non-credit card obligations; however, balance transfers cannot be used to pay off other Issuer obligations. An INTEREST CHARGE will be computed on the amount of each Balance Transfer as of the date of the transaction.

11. **CASH REWARDS.** Members will earn 1.5% cash back on net purchases (purchases minus any credits or returns) only. Purchases do not include balance transfers, cash advances, ATM transactions, convenience checks, disputed or unauthorized purchases/fraudulent transactions, Card Account fees, and finance charges. Your Account must be open and in good standing (i.e., not cancelled, delinquent, terminated, over the limit, lost, or otherwise not available for your use as a payment method) prior to redemption.

**Redeeming Cash Rewards:**

**Statement Credits:**

- Statement Credit will post to your account in the month of October each year.
- The credit is applied to the overall balance on the account, which means that you must still make the monthly minimum payment due.
- Statement credits may not be canceled or returned

12. **ANNUAL PERCENTAGE RATE.** The INTEREST CHARGE on Purchases, Cash Advances, and Balance Transfers will be computed by applying a monthly periodic rate computed as follows:

Monthly Periodic Rate	Corresponding Annual Percentage Rate
1/12 of Annual Percentage Rate	Prime Rate Plus 10.74% - 16.74%

The Annual Percentage Rate ("APR") is a variable rate and will be based on your creditworthiness. The APR shall be based on the highest Prime Rate listed in the Money Rate section of the Wall Street Journal on the 1st day of each month (or if the 1st is a Saturday, Sunday, or holiday, the next business day), with 10.74%- 16.74% added to that rate, not to exceed 24%, to arrive at your APR. Any change in the APR will go into effect on the first day of your new billing cycle that follows the effective date, as herein defined, of the Wall Street Journal published Prime Rate change. Any increase or decrease in the Prime Rate may result in an increase or decrease in the INTEREST CHARGE imposed on your account and the minimum payment due.

13. **DEFAULT/RIGHT OF SETOFF.** Issuer may require immediate payment of Your entire Account Balance and may treat You as in Default under this Agreement upon the occurrence of any of the following events: (1) You fail to pay or cause to be paid the Minimum Payment Due on the Account by the applicable Payment Due Date; (2) You or any Authorized Cardholder fails to abide by any other terms of this Agreement; (3) You or any Guarantor violate any other terms of this Agreement or other credit account or loan (including mortgage loan) agreement that You have with Issuer; (4) You or any Guarantor provide Issuer with false, misleading or fraudulent information or a false signature; (5) You or any Guarantor defaults (whether as principal or as Guarantor or other surety) in the payment on any obligation due to Issuer; (6) You or any Guarantor make a payment under this Agreement or any other agreement with Issuer that is not honored; (7) You, without receiving the prior written approval of Issuer: (a) dissolves or otherwise ceases to operate; (b) is a party to a merger or other reorganization; or (c) sells or otherwise transfers all or substantially all of its assets; (8) Any Guarantor or any natural person owning a majority interest in Your Company dies, is declared legally incompetent, is imprisoned, or sells a majority of his or its interest in Your Company; or (9) You or any Guarantor files or has filed against it a petition under a provision of the federal bankruptcy laws, becomes insolvent, or suffers an adverse change in its financial condition which, in Issuer's opinion, will increase Issuer's risk or render its prospect of payment insecure. Upon Default, You waive all notices and demands and agree to pay all costs and expenses and reasonable attorneys' fees (including allocated costs for in-house counsel and appeals, bankruptcy and insolvency proceedings) for the collection of sums due and owing under this Agreement and for any liability, loss, judgment, or demand which Issuer may be subjected to or which Issuer may incur in connection with any Claim arising from Your use of the Card. YOU AGREE TO GARNISHMENT OF YOUR DISPOSABLE EARNINGS. You authorize Issuer, without notice or demand, to set-off against any of Your accounts with Issuer and apply the same to any sums due and owing under this Agreement, in accordance with Section 2 of this Agreement. Failure by Issuer to assert any rights hereunder shall not waive such rights.

14. **CONFIDENTIALITY.** Issuer acknowledges that information it obtains from You in connection with this Agreement may be confidential, and Issuer will maintain the confidentiality of such information in accordance with its normal procedures for safeguarding Member information. You acknowledge the proprietary rights of Issuer and/or any service provider of Issuer in all materials received by You in connection with this Agreement, including, but not limited to, this Agreement, the Business Cash Card Account Cardholder Agreement, user identification codes, passwords, security devices, imbedded algorithms, software, user manuals and all other materials ("Materials") used in connection with this Agreement. You will keep such Materials confidential, use such Materials only as permitted under this Agreement, and notify Issuer promptly if any of the Materials are accessed, lost, stolen or otherwise compromised. Your obligation respecting the confidentiality of the Materials shall survive the termination of this Agreement.

15. **ACCOUNT REVIEW.** Issuer may reevaluate the financial condition and credit standing of Your Company and any Guarantor at any time. You agree to permit and cooperate with any such investigation and also to furnish the Issuer promptly upon request accurate and current information concerning Your assets and liabilities, including copies of Your filed income tax returns. Based upon such a review, Issuer in its discretion may close the Account or any or all Cardholder Accounts, or may increase or decrease the Business Credit Limit for any or all Cardholder Credit Limits at any time. You authorize Issuer to collect information about Your Company in order to conduct this review, including information Issuer receives from You, information Issuer receives from third parties such as credit bureaus, and information about Your other transactions with Issuer and others. You authorize Issuer to share such information about You or the Account with our affiliates and others unless prohibited by law.

16. **CLOSING YOUR ACCOUNT.** You may close Your Account by calling us or writing to us.

Write:	Phone:
Valley First Credit Union PO Box 1411 Modesto, CA 95353	1-888-232-9922

17. **CANCELLATION OR SUSPENDING ACCOUNT.** We may cancel Your Account, suspend the ability to make charges, cancel or suspend any feature on Your Account, and notify merchants that Your Account has been cancelled or suspended. If We do any of these, You must still pay Us for all charges under the terms of this Agreement. We may do any of these things at our discretion, even if You pay on time and Your Account is not in default. If Your Account is cancelled, You must destroy Your cards. We may agree to reinstate Your Account after a cancellation. If we do this, we may reinstate any additional cards issued on Your Account and charge You any applicable fees.

18. **CHANGES TO THIS AGREEMENT. IMPORTANT NOTICE:** In accordance with applicable law, Issuer may unilaterally change the costs of credit and other terms of this Agreement at any time. This includes modifications, deletions, and the addition of new provisions, including nonfinancial provisions (for example, Issuer may add provisions relating to Issuer's enforcement rights or the resolution of Claims and disputes). Issuer will send You notice in accordance with the communication method that Issuer chooses – via email communication, regular mail to You at Your last known address, posting of updated Agreement terms on the Valley First Credit Union website at [www.valleyfirstcu.org](http://www.valleyfirstcu.org), and/or any other reasonable method of communication that Issuer elects. The changes will be effective upon the sending or delivery of notice as described above and will apply to existing Balances and new transactions unless Issuer provides otherwise in the notice. Use of the Card after the notice constitutes acceptance of the amendment, addition and/or deletion.

19. **CHOICE OF LAW.** Except to the extent superseded by Federal Law, this Agreement shall be subject to, and interpreted under, the laws of the State of California.

20. **TELEPHONE COMMUNICATIONS/CALL MONITORING.** You consent to and authorize Issuer, any of its affiliates or agents, and its marketing associates to monitor and/or record any telephone conversations between You or Your Authorized Cardholders and Issuer's representatives or agents. When You give us Your phone number, We have Your permission to contact You at that number about all Your Accounts with Issuer. Your consent allows Us to use artificial or prerecorded voice messages and automatic dialing technology for informational and Account service calls, but not for telemarketing or sales calls. It may include contact from companies working on our behalf to service Your Accounts. If the phone number You provide is Your cell phone number, You give Us consent to use text messages in addition to the communication methods listed above for informational and Account service messages, but not for telemarketing or sales messages. Message and data rates may apply. To opt-out of this service or update Your preferences, contact Us using one of the following methods:

Write:	Phone:
Valley First Credit Union PO Box 1411 Modesto, CA 95353	1-888-232-9922

21. **MERCHANT REFUNDS.** A merchant refund to your Account will post to your Account as a credit. We don't control when a merchant sends an Account credit. We'll choose how to apply the credit to your existing Account balances. If a credit creates a credit balance on your Account, we'll credit you dda account or mail you a check for the amount if you no longer have an account with us of the credit balance is outstanding for 180 days. Note: Some merchants, including merchants outside of the U.S., may charge you a fee to use your Card for a Purchase. The fee will be either a percentage or the amount of your purchase, or a flat fee, and will be added to the amount of your purchase. Usually, a merchant will tell you about this fee before you use your Card, but not always. We don't control these fees, and can't prevent them.

22. **RECURRING AUTHORIZED TRANSACTIONS.** If you authorize a merchant or any other person to charge your Account for recurring Transactions, you must notify the merchant if:

- You want to discontinue these Transactions;
- Your Account is closed;
- Your Account number changes;
- Your Card expiration date changes.

Valley First Credit Union does use a service to notify merchants that have recurring payments set up that card information has changed. Not all merchants participate in this service. You're therefore responsible for reinstating and/or ensuring any recurring authorized Transactions are set up with the merchant directly.

23. **ARBITRATION AGREEMENT.** READ THIS PROVISION CAREFULLY AS IT WILL HAVE A SUBSTANTIAL IMPACT ON HOW DISPUTES AND CLAIMS YOU AND WE HAVE AGAINST EACH OTHER ARE RESOLVED. YOU HAVE THE RIGHT TO REJECT THIS ARBITRATION AGREEMENT AS SET FORTH BELOW. In the event of a dispute between You and Us arising out of or relating to this Account or the relationships resulting from this Account or any other dispute between You or Us ("Claim"), either You or We may choose to resolve the Claim by binding arbitration, as described below, instead of in court. Any Claim (except for a claim challenging the validity or enforceability of this arbitration agreement, including the Class Action Waiver) may be resolved by binding arbitration if either side requests it. THIS MEANS IF EITHER YOU OR WE CHOOSE ARBITRATION, NEITHER PARTY SHALL HAVE THE RIGHT TO LITIGATE SUCH CLAIM IN COURT. ALSO DISCOVERY AND APPEAL RIGHTS ARE LIMITED IN ARBITRATION. Even if all parties have opted to litigate a Claim in court, You or We may elect arbitration with respect to any Claim made by a new party or any new Claims later asserted in that lawsuit. This Arbitration Provision does not apply if, on the date You submit your Application or on the date We seek to invoke

our arbitration provision, you are a member of the Armed Forces or a dependent of such a member covered by the federal Military Lending Act. If you would like more information about whether you are covered by the Military Lending Act, please contact us at:

Write:	Phone:
Valley First Credit Union PO Box 1411 Modesto, CA 95353	1-888-232-9922

24. **CLASS ACTION WAIVER.** ARBITRATION MUST BE ON AN INDIVIDUAL BASIS. THIS MEANS NEITHER YOU NOR WE MAY JOIN OR CONSOLIDATE CLAIMS IN ARBITRATION BY OR AGAINST OTHER CARDMEMBERS, OR LITIGATE IN COURT OR ARBITRATE ANY CLAIMS AS A REPRESENTATIVE OR MEMBER OF A CLASS. The arbitrator may award injunctive relief only in favor of the individual party seeking relief and only to the extent necessary to provide relief warranted by that party's individual claim, unless the arbitrator awards public injunctive relief under the California Unfair Competition Law. If a court decides that applicable law precludes enforcement of any of this paragraph's limitations as to a particular claim for relief, then after all appeals from that decision have been exhausted, that claim (and only that claim) must be severed from the arbitration and may be brought in court. Only a court, and not an arbitrator, shall determine the validity, scope, and effect of the Class Action Waiver.

**Your Right to Go To Small Claims Court.** We will not choose to arbitrate any individual claim You bring in small claims court or Your state's equivalent court. However, if such a claim is transferred, removed or appealed to a different court, We may then choose to arbitrate.

**Governing Law and Rules.** This arbitration agreement is governed by the Federal Arbitration Act (FAA). Arbitration must proceed only with the American Arbitration Association (AAA) or JAMS. The rules for the arbitration will be those in this arbitration agreement and the procedures of the chosen arbitration organization, but the rules in this arbitration agreement will be followed if there is disagreement between the agreement and the organization's procedures. If the organization's procedures change after the claim is filed, the procedures in effect when the claim was filed will apply. For a copy of each organization's procedures, to file a claim or for other information, please contact:

- AAA at 1101 Laurel Oak Rd., Voorhees, NJ 08043, [www.adr.org](http://www.adr.org) (phone 1-877-495-4185)

or

- JAMS at 620 Eighth Ave., Floor 34, New York, NY 10018, [www.Jamsadr.com](http://www.Jamsadr.com) (phone 1-800-352-5267).

If both AAA and JAMS are completely unavailable, and if You and We cannot agree on a substitute, then either You or We may request that a court with jurisdiction appoint a substitute.

**Fees and Costs.** If You wish to begin arbitration against Us but you cannot afford to pay the organization's or arbitrator's costs, We will advance those costs if You ask us in writing. Any request like this should be sent to Valley First Credit Union, Attn: Legal Department, PO Box 1411 Modesto, CA 95353. If you lose the arbitration, the arbitrator will decide whether You must reimburse Us for money we advanced for You for the arbitration. If You win the arbitration, We will not ask for reimbursement of money we advanced. Additionally, if You win the arbitration, the arbitrator may decide that You are entitled to be reimbursed your reasonable attorneys' fees and costs (if actually paid by You).

**Hearings and Decisions.** Arbitration hearings will take place in the federal judicial district where You live. A single arbitrator will be appointed.

The arbitrator must:

- Follow all applicable substantive law, except when contradicted by the FAA;
- Follow applicable statutes of limitations;
- Honor valid claims of privilege;
- Issue a written decision including the reasons for the award. The arbitrator's decision will be final and binding except for any review allowed by the FAA. However, if more than \$100,000 was genuinely in dispute, then either You or We may choose to appeal to a new panel of three arbitrators. The appellate panel is completely free to accept or reject the entire original award or any part of it. The appeal must be filed with the arbitration organization not later than 30 days after the original award issues. The appealing party pays all appellate costs unless the appellate panel determines otherwise as part of its award.

**Other Beneficiaries of this Provision.** In addition to You and Us, the rights and duties described in this arbitration agreement apply to: our Affiliates and our and their officers, directors and employees; any third party co-defendant of a claim subject to this arbitration provision; and all joint Accountholders and Authorized Users of your Account(s).

**Survival of this Provision.** This arbitration provision shall survive:

- closing of your Account;
- voluntary payment of Your Account or any part of it;
- any legal proceedings to collect money You owe;
- any bankruptcy by You; and
- any sale by Us of Your Account.

**You Have the Right to Reject Arbitration for this Account. You may reject the arbitration agreement but only if We receive from you a written notice of rejection within 60 days of Your receipt of the Card after your Account is opened. You must send the notice of rejection to: \*\*.** Your rejection notice must include Your name, address, phone number, Account number and personal signature. No one else may sign the rejection notice for You. Your rejection notice also must not be sent with any other correspondence. Rejection of arbitration will not affect Your other rights or responsibilities under this Agreement. If You reject arbitration, neither You nor We will be subject to the arbitration provisions for this Account. Rejection of arbitration for this Account will not constitute rejection of any prior or future arbitration agreement between You and Us.

25. **NAMELESS CARDS.** If You request that we issue Cards without the individual Cardholder's name embossed or otherwise noted on the Card (a "Nameless Card"), You acknowledge that we strongly recommend against the use of Nameless Cards. Nameless Cards present, among other risks, the increased risk of loss to You from fraud and unauthorized or improper use. If You nevertheless request that we issue Nameless Cards, You assume all known and unforeseeable risks associated with the use of a Nameless Card and release us and our Representatives from any and all liability for issuing and the use of a Nameless Card.

26. **WAIVER OF RIGHTS BY CREDIT UNION.** Issuer may, but shall have no obligation to, waive any rights of Issuer under this Agreement. Any such waiver shall be limited to the particular instance or transaction involved and shall not constitute a waiver or authorize the nonobservance of the same or any other provision of this Agreement on any future occasion.

27. **NOTICES.** Any permitted or required notice hereunder shall be sent as follows:

If to Issuer: Write: Valley First Credit Union  
ATTN: Payments Department  
PO Box 1411  
Modesto, CA 95353

28. **SUCCESSOR AND ASSIGNS.** This Agreement and Your obligations hereunder may not be assigned or transferred by You without the prior written consent of Issuer. All terms and provisions of this Agreement will inure to the benefit of each party and its successor and permitted assigns.

29. **LIMITATION OF LIABILITY.** Issuer shall not be liable to You or any Cardholder for any action taken or omitted to be taken in connection with this Agreement except for direct damages arising from

Issuer's gross negligence or willful misconduct. In no event shall Issuer be liable to You or to any Cardholder for consequential, incidental, special or punitive damages or for lost profits or for lost data.

30. **DISCLAIMER OF WARRANTY.** ALL SERVICES, EQUIPMENT, SOFTWARE AND OTHER PRODUCTS PROVIDED BY ISSUER IN CONNECTION WITH THIS AGREEMENT ARE PROVIDED ON AN "AS IS" "AS AVAILABLE" BASIS AND ISSUER EXPRESSLY DISCLAIMS ALL WARRANTIES, INCLUDING THE WARRANTY OF MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE.

31. **CREDIT BALANCE.** We will make a good faith effort to return to You any credit balance that has been on Your Account longer than six (6) consecutive Billing Cycles (or, in our discretion, for a shorter time period). You may also request a refund of a credit balance on Your Account at any time by sending Your request to:

Write: Valley First Credit Union  
ATTN: Payments Department  
PO Box 1411  
Modesto, CA 95353

by first class mail, postage prepaid. We may reduce the amount of any credit balance on Your Account by applying the credit balance towards new fees and charges posted to Your Account. We do not pay any interest on credit balances.

32. **ADDITIONAL CARDHOLDERS.** At Your request, we may issue cards to Additional Cardholders. They do not have Accounts with Us but they can use Your Account subject to the terms of this Agreement. We may report an Additional Cardholder's use of Your Account to credit reporting agencies. You are responsible for all use of Your Account by Additional Cardholders and anyone they allow to use Your Account. You must pay for all charges they make. You authorize us to give Additional Cardholders information about Your Account and to discuss it with them. If You want to cancel an Additional Cardholder's right to use Your Account (and cancel their card) You must tell us.

33. **INTERNATIONAL TRANSACTIONS.** Purchases and Cash Advances occurring in foreign countries and billed in foreign countries will be billed to your Account in U.S. dollars.