

This Credit Card Agreement governs the following accounts: VISA Classic and VISA Gold. In this agreement, the words “you” and “your” mean any person (if more than one, individually and jointly) who is responsible for your account. “The Account” means the VISA Classic or VISA Gold as the case may be. “We,” “us” and “our” refer to the bank, and “Card” refers to the VISA card(s) we issue to you. “Account” refers to your VISA Account with us.

1. Use of Your Account: We have sent or will send you the Card you requested. You agree to sign the Card promptly upon receipt. By signing or using the Card or your Account, you agree to be bound by all of the terms of this Agreement. You may use the Card to lease or purchase goods (Purchases) and to obtain services on credit from any person who accepts the Card and to obtain loans from us (Cash Advances) or from anyone who will accept the Card. You may also transfer balances from other credit card accounts to your Account (Balance Transfers). The minimum Balance Transfer allowed is \$500.00. Balance Transfers will be treated the same as Cash Advances. We do not promise that everyone will honor the Card, and we have no obligation to you if anyone refuses to accept the Card. We will not be liable if any merchant, bank or other person does not honor your Card, or fails to provide any service made available to you by us. From time to time you may be required to furnish identification when your Card is presented for use. For recurring payments, you must notify the merchant if your card number or expiration date has changed or your card is closed. We may also provide the merchant or the participating network your new account number and expiration date as enrollment in the Visa Account Updater (VAU) Service is automatic; see paragraph 27 for additional information.

2. Obtaining Credit Without a Card: If you or someone you authorize to use your Account signs a sales slip, obtains a Balance Transfer or Cash Advance, or gives your Account number to make a Purchase or obtain a Balance Transfer or Cash Advance without presenting the Card (such as for a mail order or a telephone purchase), the legal effect will be the same as if the Card itself was used by you.

3. Credits for Refunds: If you obtain a refund, adjustment or credit for a Purchase made with the Card, you will receive a credit to your Account, not cash.

4. Return of Cards: We have the right to repossess at any time the Card that we give you. You agree to surrender it at our request.

5. Obligations on Your Account: You authorize us to pay and charge your Account for all Balance Transfers, Purchases and Cash Advances resulting from the use of the Card or your Account. You agree to pay us for all of these Balance Transfers, Purchases and Cash Advances. You also agree to pay us the finance charges that are assessed on your Account, and any other amounts that you owe us according to the terms of this Agreement. Each person who signed the

application to open an Account with us or otherwise agrees is obligated to pay the full amount owed on it. We may require that you pay the full amount without our first asking the other person(s) to pay.

We are not obligated to authorize a transaction using your Card or your Account if (1) your credit line has been exceeded or would be exceeded by the transaction; (2) you have failed to pay amounts owed to us when due or have failed to follow any of the terms of this Agreement; (3) you have notified us or we have determined that the Card has or may have been lost or stolen or that there may be unauthorized access to your Account; or (4) you are in default or your rights under this Agreement have expired or been revoked. We are not liable for payment of late fees or any other fees on another account from which we completed a balance transfer to this Card.

6. Your Credit Line: Your credit line is shown on the folder containing your Card and/or on each monthly periodic statement. You agree not to make any Balance Transfers, Purchases or obtain any Cash Advances that would make the unpaid balance of your Account exceed this limit. If you do, we may demand that you pay the excess and you agree to pay it immediately. You also agree that we may change or cancel your credit line at any time subject to applicable laws or regulations without prior notice and without affecting your obligation to pay amounts that you owe under this Agreement. Any such change or cancellation may result from our periodic review of the performance on your Account and/or consumer credit reports we may obtain from consumer reporting agencies.

7. Periodic Statement: All accounts will receive monthly periodic statements except those noted below. Accounts with a zero balance and no activity will not receive a periodic statement. An account with a credit balance over \$1.00 will receive 6 periodic statements reflecting this balance. An account with a balance (positive or negative, excluding unpaid finance charges) of less than \$1.00 will receive one periodic statement reflecting this balance. You agree to notify us if you do not receive any particular statement. Periodic statements will be mailed or delivered to you at least twenty-one days before the payment due date.

8. Payments on Your Account: All payments must be made by check or money order payable in US dollars and delivered or mailed to us at the address indicated on your periodic statement. Any such payment may be returned without applying it to your Account for reasons including that it is postdated, incomplete, the numeric amount is different than the written amount or it is not made payable as indicated on your periodic statement. We may, but are not obligated to, accept any payment that is not drawn on the US Post Office or a financial institution located in the United States. Payments received by 5PM EST at the location specified on the front of the periodic statement after the phrase “Please

Mail Your Payments to:" will be credited as of the date of receipt to the account specified on the payment coupon. Payments made in person during normal business hours at branch locations where such payments are accepted will be treated as received on the same day if received prior to 5:00 PM local time Monday thru Friday. Payments made in person on Saturday will be credited the next business day. Payments that do not conform to the requirements set forth on or with the periodic statement (e.g. missing payment stub, payment envelope other than as provided with your periodic statement, multiple checks or multiple coupons in the same envelope) may be subject to delay in crediting, but shall be credited within five days of receipt. We can accept late or partial payments and payments that are marked with restrictive endorsements such as "payment in full," without losing any of our rights.

9. Minimum Monthly Payment: Each month, you may pay all or any part of your balance, except you must pay us at least your minimum payment by the due date of the payment. Your minimum monthly payment is the greater of three percent (3%) of the outstanding balance of your Account; rounded up to the next whole dollar, or \$25.00 plus, at our option, any amount you owe in excess of your credit line, plus any amounts past due.

10. Application of Payments: The amount of any payment on your Account will be applied in the following order: Balance Transfer and Cash Advance Finance Charges, Retail Purchases Finance Charges, Balance Transfer and Cash Advance Fees Billed, Retail Purchase Fees Billed, Balance Transfer and Cash Advance Minimum Payment Due, Retail Purchase Minimum Payment Due, Balance Transfer and Cash Advance Previous Balance, Retail Purchases Previous Balance, New Balance Transfer and Cash Advance Activity, New Retail Purchase Activity, Balance Transfer and Cash Advance Unbilled Fees and Retail Purchases Unbilled Fees.

11. Credit Balances and Overpayments: If we accept a payment for an amount in excess of your outstanding balance, your available credit line will not be increased by the amount of such overpayment nor shall we be required to authorize transactions for an amount in excess of your assigned credit line. If there is a credit balance on your Account or you make an overpayment which creates a credit balance, we will apply it to future amounts owed.

12. Finance and/or Interest Charges: Finance charges on your Account are imposed in two ways. One way is to apply a periodic rate to an average daily balance. The second way is by assessing transaction fees in connection with Cash Advances, Balance Transfers, International Transactions or Late Payments. The circumstances under which these will be assessed and an explanation of how they are determined are described below.

Finance Charges Determined by Periodic Rate:

To compute this portion of the finance charge, an average daily balance is multiplied by its monthly periodic rate. The results of these calculations are then added together to determine this portion of the finance charge.

Daily Balance of Purchases:

The daily balance of Purchases is determined by taking the beginning Purchase balance each day, adding any new Purchases and subtracting any payments, credits, non-accruing fees, and unpaid finance charges.

Daily Balance of Cash Advances and Balance Transfers:

The daily balance of Cash Advances and Balance Transfers is determined by taking the beginning balance of Cash Advances and Balance Transfers each day, adding any new Cash Advances and Balance Transfers and subtracting any payments, credits, non-accruing fees, and unpaid finance charges.

Average Daily Balance:

The average daily balance is determined by dividing the sum of the daily balances during the billing cycle by the number of days in the cycle.

Annual Percentage Rates:

The monthly periodic rate and the corresponding Annual Percentage Rate are variable rates and may increase or decrease from one billing cycle to another. We will calculate the Annual Percentage Rate by adding a margin to the rate disclosed as the US Prime Rate reported in the "Money Rates" table of "The Wall Street Journal" on the first business day of each month. The margin added to the US Prime Rate for the Classic VISA Card is currently 9.9%. The margin added to the VISA Gold card is currently 7.9%. Such rate shall not exceed 18% unless permitted by law. The finance charge on balances for each billing cycle will be computed by applying a monthly periodic rate equal to 1/12th of the Annual Percentage Rate in effect for such billing cycle on the respective average daily balances. The Annual Percentage Rate and the monthly periodic rate may increase if the prime rate increases, and any such increase in the Annual Percentage Rate will become effective for the second billing cycle after the Prime Rate increases. If the Annual Percentage Rate and the monthly periodic rate increase, the finance charge and the minimum payment amount may increase. Each change in the Annual Percentage Rate and in the corresponding periodic rate will apply to any balance outstanding on the effective date of such change as well as to future Purchases, Cash Advances and Balance Transfers. The Annual Percentage Rate at the time this disclosure was prepared (10.12.2018) is: VISA Gold Card – 13.15% and VISA Classic Card – 15.15%.

Finance Charges Accrual and Grace Period:

To avoid incurring an additional Finance Charge on the balance of Purchases reflected on your monthly statement and, on any new Purchase appearing on your next monthly statement, you must pay the entire 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. The Finance Charges for a billing cycle are computed by applying the periodic Rate to the "average daily balance" of Purchases.

To avoid incurring an additional Finance Charge on the beginning balance of Cash Advances and balance Transfers reflected on your monthly statement, you must pay the Beginning Balance shown on your monthly statement on or

before the Payment Due Date. No grace period is provided for current cycle Balance Transfer and Cash Advance transactions. The Finance Charges for a billing cycle are computed by applying the Periodic Rate to the "average daily balance" of Cash Advances and Balance Transfers.

13. Other Fees and Charges:

Late Payment Charges: For any minimum monthly periodic payment which is not paid within 26 days after the closing date subsequent to the payment due date as shown on your periodic statement, you may be charged and you agree to pay us, a late payment charge of \$20.00. Your payment due date will always be on the same day of the month, or the next business day if the date falls on a holiday or weekend. If a due date falls on a holiday or weekend when payments are not received or accepted by mail, the payment will not be counted as a late payment if it is received the next business day. Payments received in our branches by 5 PM will be credited the same day. For other information regarding payments on your account refer to paragraph #8.

Balance Transfer Fee: For each Balance Transfer, we will assess a Balance Transfer Transaction Fee of 2% with a minimum charge of \$10.00 and a maximum charge of \$100.00 to be charged on the date the Balance Transfer is posted to your account. No grace period applies on any transaction finance charge imposed for Balance Transfers.

Cash Advance Fee: For each Cash Advance we assess a Cash Advance Transaction Fee of 2%, with a minimum charge of \$5.00 and a maximum charge of \$100.00 to be charged on the date the Cash Advance is posted to your account. No grace period applies on any transaction finance charge imposed for Cash Advances.

Over the Limit Fees: Your account features no over limit fees. However, any transaction that causes you to go over your credit limit may be declined.

International Transaction Fees: International transactions are defined as cross border and/or currency conversion transactions that occur between a merchant outside the United States and a United States cardholder (whether or not the cardholder is outside of the United States at the time of the transaction.) For these cross border and/or currency conversions, VISA charges up to 1.0% on the transaction amount. When purchase transactions are made online, by telephone or in person from merchants using non-U.S. banks those transactions may be subject to International Service Assessment (ISA) transaction fees assessed by the processor of the transaction. The Bank assesses no additional international fees.

Unemployment, Disability and Life Credit Insurance: If you are offered unemployment, disability and/or life credit insurance in connection with your Account, and you choose to purchase it through us, you authorize us to bill you its cost each month on your periodic statement and you agree to pay for it. *Collection Costs and Attorneys' Fees:* As permitted by applicable law, you agree to pay all court and other reasonable costs of collection actually incurred by us in the collection of any amounts you owe us under this Agreement in the event we refer your Account after it is in default to an

attorney who is not our salaried employee to collect such amounts. In no event shall the costs charged exceed any legal limitations.

14. Default: Your Account will be in default and we can require that the outstanding balance be paid (a right of acceleration), if (1) you exceed the credit limit in effect on your Account; (2) you fail to pay any amount owed under this Agreement when due; or (3) your ability to pay us is materially impaired (including, but not limited to, bankruptcy or insolvency proceedings that are initiated by or against you). We do not have to notify you or demand payment in order to take this action, unless applicable law requires that we give you a notice of a right to cure your default. Your Account will not be accelerated in the event of default if not permitted by state law.

15. Cancellation: We can at any time without prior notice cancel your privileges under this Agreement (and we can list your Card in warning bulletins). We will notify you of a cancellation. You agree that you will not try to make any Purchase or Balance Transfer or obtain any Cash Advance after you have been notified that your privilege to use the Card has been canceled. You may cancel your Account at any time by notifying us and cutting all Cards issued on your Account in half. You will remain liable for any charges made to your Account (by you, a joint Account cardholder, or anyone to whom you have lent, given, or had issued a Card on your Account) prior to your cutting all Cards in half and notifying us of the cancellation. For any cancellation of your Account, we can require that you return to us all Cards issued on your Account.

16. No Security Interest: If you now or in the future have other loans from us, collateral securing those other loans will also secure your obligations under this Agreement except for your household goods and your primary dwelling, and except as otherwise prohibited by law.

17. Credit Reporting: You agree that a consumer credit report may be requested periodically from one or more consumer reporting agencies and used in connection with your application and any update, renewal or extension of credit on your Account. If you request, you will be informed whether any consumer report was requested and, if so, of the name and address of the consumer reporting agency that furnished the report. You agree that we may exchange credit information about you with others in connection with your application, your Account, and any credit we extend to you.

18. Foreign Currency Transactions: All payments by you will be made in US dollars. Charges incurred in currencies other than US dollars will be converted to US dollars at the rate in effect at the time such charges are converted by us or our agent or other authorized party making such conversion. Other International transaction fees may apply to foreign currency transactions as outlined in the International Transaction Fees section of this agreement.

19. Amendments to this Agreement: We can amend any of the terms of this Agreement at any time, and we can set the effective date for any such amendment. We will provide you with a written notice outlining the significant changes to your

account at least 45 days in advance of the change to the address provided by you for the mailing of your monthly statements. The new terms will affect all outstanding balances to the extent allowed by law. You may reject the significant changes in terms within the 45 day period by calling 425-921-2432 or toll free 1-877-921-2432, or writing The Bank of Washington, 5901 196th Street SW, Lynnwood, WA 98036. If you reject changes in terms, your account will be closed and your ability to use the various features of the account will be terminated or suspended. Your account will remain open only for you to make monthly payments until the balance (if any) is paid in full.

20. When this Agreement becomes Effective: This agreement becomes effective upon our approval of your account.

21. Delayed Enforcement; Severability: We may delay enforcing our rights under this Agreement without losing any of them. The invalidity of any provisions of this Agreement shall not affect the validity of any other provision.

22. Applicable Law: The laws of the United States and the State of Washington apply to this Agreement and to your use of the Card and your Account.

23. Inquiries or questions: You may address any billing errors, inquiries or questions which you have about your Account to:

Customer Service

PO Box 30495

Tampa Florida 33630

Or you may call us at 1-800-423-7503. If you telephone instead of writing, you may lose certain rights the law gives you to dispute billing errors.

24. Liability for Unauthorized Use: You may be liable for the unauthorized use of your Card. You will not be liable for unauthorized use that occurs after you notify The Bank of Washington by writing to us at the above address or calling us at the above number, and notifying us of the loss, theft, or possible unauthorized use of your Card. In any case, your liability for unauthorized use will not exceed \$50.00. You agree that anyone who is issued a Card for your Account (or anyone to whom you lend or give your Card) is authorized to make charges to your Account to the same extent as you and that such authority cannot be limited by you. Such authority will continue until you revoke it by notifying us, obtaining the Card in your physical possession, and if it is a Card issued to an authorized user, by also cutting it in half and canceling the card in writing.

Annual Membership Fees: If your account is a VISA Gold Card, the annual membership fee is \$25 or if your account is a Classic VISA card, it is \$12. This fee may be waived if you have a qualifying banking package of services with The Bank of Washington.

Replacement Card: You may notify us to request a replacement Card.

25. Disclaimer of Liability: We offer the Card, the Account and related services in our own interests and disclaim any duty or responsibility other than those expressly set forth in this Agreement.

Notices:

All notices required to be given by us in connection with your Account shall be deemed to have been delivered on the day when they are deposited in the U.S. Mail.

26. VISA Rules and Regulations: Conflicts. Cardholder and Issuer agree to abide by all applicable rules and regulations of VISA USA Inc (VISA) as applicable as well as all applicable laws and changes to them. If there is any conflict between the provisions of this Agreement and the rules and obligations of VISA, the rules and regulations of VISA shall control. In order to continue to provide these services, VISA cards may not be used for any illegal transactions including but not limited to online internet gambling. Under Federal rules, the bank must have policies and procedures to block transactions that finance Internet gambling by credit cards. The Bank is permitted to rely on the procedures established by our credit card operators to block illegal gambling transactions. While it is up to these operators to determine their specific procedure, it is possible that they may not differentiate between lawful and unlawful gambling, choosing instead to block all gambling transactions. Customers should be aware that all illegal Internet gambling transactions are prohibited and cannot be processed through the bank.

27. VISA Account Updater Service (VAU). Your account is automatically enrolled in the Visa Account Updater Service (VAU). This service is provided by Visa as a benefit in order to facilitate uninterrupted processing of recurring charges you have authorized. Under the VAU service, we provide notice to Visa when your acre number or expiration date change (i.e., when renewing an expiring Card or Merchant compromise). If you have authorized a participating merchant to bill your Card for recurring payments, Visa notifies the merchant of your new Card number and expiration date. Card numbers are only supplied to merchants who participate in the VAU service. Because not all merchants participate in the VAU service, you should still notify each merchant when your Card number changes in order to permit recurring payments to continue to be charged to your account.

If you would like to opt out of the VAU Service, please contact The Bank of Washington at 1-877-921-2432.