



Horizon Credit Union
P.O. Box 15128
Spokane Valley, WA 99215
(800) 852-5316

CREDIT CARD AGREEMENT

IN THIS AGREEMENT, "YOU" AND "YOUR" MEAN ANY PERSON WHO ACCEPTS THIS AGREEMENT OR USES THE CARD. THE "CARD" MEANS ANY CREDIT CARD ISSUED TO YOU OR THOSE DESIGNATED BY YOU UNDER THE TERMS OF THIS AGREEMENT. "WE", "US", "OUR" AND THE "CREDIT UNION" MEANS HORIZON CREDIT UNION OR ITS SUCCESSORS. BY USING YOUR CARD, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS SET FORTH HEREIN.

THE GRANTING OF THIS SECURITY INTEREST IS A CONDITION FOR THE ISSUANCE OF CREDIT UNDER THIS AGREEMENT.

YOU SPECIFICALLY GRANT US A CONSensual SECURITY INTEREST IN ALL INDIVIDUAL AND JOINT ACCOUNTS YOU HAVE WITH US NOW AND IN THE FUTURE TO SECURE REPAYMENT OF CREDIT EXTENDED UNDER THIS AGREEMENT. YOU ALSO AGREE THAT WE HAVE SIMILAR STATUTORY LIEN RIGHTS UNDER STATE AND/OR FEDERAL LAW. IF YOU ARE IN DEFAULT, WE CAN APPLY YOUR SHARES TO THE AMOUNT YOU OWE.

Shares and deposits in an Individual Retirement Account or any other account that would lose special tax treatment under state or federal law if given are not subject to this security interest.

If you have other loans with us, collateral securing such loans will also secure your obligations under this Agreement, unless that other collateral is your principal residence or non-purchase money household goods.

Using Your Card. You can purchase or lease goods and services from any merchant who honors your Card, and you may obtain cash advances from financial institutions and ATM machines that accept the Card, up to your maximum credit limit. You agree not to present your Card or obtain a cash advance for any extension of credit in excess of your available credit limit; however, if you do exceed your credit limit, you agree to make immediate payment sufficient to bring the balance below the credit limit. Certain purchases and cash advances require authorization prior to completion of the transaction. In some cases, you may be asked to provide identification. If our system is not working, we may not be able to authorize a transaction, even though you have sufficient credit available. Also, for security reasons, we may block the use of your Card in certain countries or geographic areas. We will have no liability to you or others if any of these events occur.

Personal Identification Number (PIN). We may issue a Personal Identification Number (PIN) for use with your Card. This PIN is confidential and should not be disclosed to anyone. You may use your PIN and your Card to access your account, and all sums advanced will be added to your account balance. In the event a use of your PIN constitutes an Electronic Funds Transfer, the terms and conditions of your Electronic Funds Transfer Agreement may affect your rights.

Promise To Pay. You promise to pay us in U.S. dollars for (a) all purchases, cash advances, and balance transfers made by you or anyone whom you authorize to use the Card; (b) all Interest Charges and all other charges or fees; (c) collection costs and attorney's fees as permitted by applicable law, and any costs incurred in the recovery of the Card; and (d) credit in excess of your credit limit that we may extend to you.

Illegal Transactions. You agree that your Card and account will not be used to make or facilitate any illegal transactions as determined by applicable law; and that any such use will constitute an event of default under this Agreement. We may decline any transaction that we believe to be illegal under applicable law, including but not limited to any transaction involving or relating to any gambling activity. You agree that we will have no liability or responsibility for any such use by you or any authorized user(s); or for declining any such transaction. You further agree to indemnify and hold us harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from such illegal use. You promise to pay us any and all amounts owing on your Card for any transactions made by you, even if the transaction is determined to be illegal.

Joint Accounts. Each of you will be responsible, jointly and severally, for the repayment of amounts owed, regardless of who initiated any transaction under the account.

Others Using Your Account. If you allow anyone else to use your account, you will be liable for all credit extended to such persons. You promise to pay for all purchases and advances made by anyone you authorize to use your account, whether or not you notify us that he or she will be using it. If someone else is authorized to use your account and you want to end that person's privilege, you must notify us in writing, and if he or she has a Card, you must return that Card with your written notice for it to be effective.

Ownership of Card. Your Card remains our property and may be cancelled by us at any time without notice. You agree to surrender your Card and to discontinue use of the account immediately upon our request.

Interest Charges. You agree to pay interest at the rate(s) disclosed to you at the time you open your account and as may be changed from time to time in accordance with applicable law. *Average Daily Balance including new transactions:* Interest Charges will accrue on your average daily balance outstanding during the month. To get the average daily balance, we take the beginning balance each day, add any new purchases, cash advances, balance transfers or other advances, and subtract any payments, unpaid interest charges, and unpaid late charges. This gives us the daily balance. Then, we add up all the daily balances for the billing cycle and divide that by the number of days in the billing cycle. We then multiply that by the periodic rate corresponding to the Annual Percentage Rate on your account. If you have different rates for purchases, cash advances or balance transfers, separate average daily balances for each will be calculated and the appropriate periodic rate is then applied to each.

Grace Period on Purchases Only: You can avoid Interest Charges on purchases by paying the full amount of the new balance for purchases each month by the date on which the payment is due. Otherwise, the new balance of your account, and subsequent advances from the date they are posted to the account, will be subject to an Interest Charge. You cannot avoid Interest Charges on cash advances and balance transfers; even if you pay the entire cash advance balance or balance transfer balance by the payment due date, you will incur the Interest Charges accrued from the date the cash advance or balance transfer is posted to your account.

Fees. In addition to the Interest Charges set forth above, you agree to also pay any and all fees that you incur as disclosed to you on your Truth-in-Lending Statement or similar disclosures (as may be amended from time to time), or as disclosed to you during the term of your Card.

If Your Card is Lost or Stolen or if an Unauthorized Use Occurs. You agree to notify us immediately if your Card is ever lost or stolen or if an unauthorized use may have occurred. "Unauthorized use" means the use of the Card by someone other than you who does not have actual, implied or apparent authority for such use, and from which you receive no benefit. The telephone number to call is (509) 928-6494 or (800) 852-5316. You agree to follow up your call with notice in writing to us at: P.O. Box 15128, Spokane, WA 99215. You also agree to assist us in determining the facts, circumstances and other pertinent information relating to any loss, theft or possible unauthorized use of your Card and comply with such procedures as we may require in connection with our investigation. You will be liable for any unauthorized use only if we can prove that you were negligent in your use or handling of your Card, or if we can prove that you used your Card fraudulently.

Minimum Payment Due; Crediting of Payments. Payments are due in the amount and on the date disclosed on your billing statement. If your payment is received by us on a business day at the address and by the time designated on the billing statement, it will be credited to your account on the date of receipt. If payment is made at any location other than the address designated on the periodic statement, credit for such payment may be delayed up to five (5) days. Payments will be applied in any order we determine, subject to applicable law.

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Default; Acceleration; Credit Suspension; Collection Costs. You will be in default if: (1) you fail to make any payment on time; (2) if you fail to keep any promises you have made under this Agreement or under other Agreements you have with us; (3) if you die; (4) if you file a petition in bankruptcy or have a bankruptcy petition filed against you, or if you become involved in any insolvency, receivership or custodial proceeding; (5) if anyone attempts to take any of your funds held by us via legal process or if you have a judgment or tax lien filed against you; (6) if you make any false, inaccurate, or misleading statements in any credit application or credit update; or (7) if we, in good faith, believe that your ability to repay what you owe is or soon will be impaired, or that you are unwilling to make your payments.

If you are in default, we have the right to demand immediate payment of your full account balance without giving you notice. If immediate payment is demanded, you agree to continue paying interest charges and fees until what you owe has been paid, and any shares that were given as security for your account may be applied towards what you owe. You agree to pay all reasonable costs of collection, including court costs and attorney's fees, and any costs incurred in the recovery of the Card, subject to applicable law. Even if your unpaid balance is less than your credit limit, you will have no credit available during any time that any aspect of your account is in default.

Suspension of electronic services and access to share or deposit accounts. Subject to applicable law, we may suspend some or all electronic services and access to your checking or other account(s) if you become delinquent on any of your credit card or deposit obligations to us or you cause a loss to us. We shall not be liable to you in any regard in connection with such suspension of services.

Additional Benefits/Card Enhancements. We may from time to time offer additional services to your Account at no additional cost to you. You understand that we are not obligated to offer such services and may withdraw or change them at any time.

Convenience Checks. We may, at our discretion, issue checks to you which may be used for any purpose other than making a payment for credit to your account. By signing such check, you authorize us to pay the item for the amount indicated and post such amount as a cash advance to your account. We do not have to pay any item which would cause the outstanding balance in your account to exceed your credit limit.

Credit Information. We may from time to time request personal information from you or obtain credit reports from the credit reporting agencies for the purpose of updating your credit status. Your failure to provide such information when requested by us may result in suspension of credit privileges under this Agreement, including your ability to obtain any future advances by any means. You authorize us to investigate your credit standing when opening or reviewing your account. You authorize us to disclose information regarding your account to credit bureau and creditors who inquire about your credit standing.

Foreign Transactions; Currency Conversion. Purchases and cash advances made in foreign currencies will be billed to you in U.S. dollars. The conversion rate in dollars will be a rate selected by the card company from a range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate the card company itself receives, or the government-mandated rate in effect for the applicable central processing date in each instance. All transactions processed outside of the United States (which may include internet transactions) will be charged a foreign transaction fee in the amount disclosed on your Truth-in-Lending Statement (as amended from time to time), even if you are located in the United States.

Termination; Change-in-Terms. We may, by written notice, terminate this Agreement at any time, subject to applicable law. You may terminate this Agreement by written notice. Termination by either party shall not affect your obligation to repay any balance on your account resulting from use of the Card as well as Interest Charges and fees incurred. We may change the terms of this Agreement, including the method of calculating the periodic rate, at any time, by written notice, subject to applicable law. Use of the Card

constitutes agreement and acceptance of any change in terms, unless applicable law requires otherwise. Our failure to exercise any of our rights or to take any action shall not constitute a waiver of those rights, or an amendment or change in any of the terms of this Agreement.

Late or Partial Payments. Any payment that delays the reduction of your balance will increase your total interest costs. Partial payments or prepayments will not delay your next scheduled payment - you will still need to make the minimum scheduled payment by the next scheduled due date to keep your account current. We may accept late payments, partial payments, checks or money orders marked "payment in full" and such action shall not constitute final settlement of your account or a waiver or forgiveness of any amounts owing under this Agreement.

Enforcement. We do not lose our rights under this or any related agreement if we delay enforcing them. If any provision of this or any related agreement is determined to be unenforceable or invalid, all other provisions remain in full force and effect.

Returns and Adjustments. Merchants and others who honor the Card may give credit for returns or adjustments, and they will do so by submitting a credit slip which will be posted to your account. If your credits and payments exceed what you owe us, the amount will be applied against future purchases and cash advances. If the credit balance amount is \$1 or more, it will be refunded upon your written or verbal request.

Plan Merchant Disputes. We are not responsible for the refusal of any plan merchant or financial institution to honor your Card. Also, we are not responsible for goods or services that you purchase with the Card unless: (a) your purchase was made in response to an advertisement we sent or participated in sending you; or (b) your purchase cost more than \$50 and was made from a plan merchant in your state or within 100 miles of your home; and only if you have made a good faith attempt, but have been unable to obtain satisfaction from the plan merchant. You must resolve all other disputes directly with the plan merchant. We do not warrant any merchandise or services purchased by you with the Card.

Statements and Notices. Statements and notices will be mailed to you at the most recent postal address or e-mail address (if you have elected to receive such documents via electronic means) you have given us. Notice sent to any one of you will be considered notice to all.

Notification of Address Change. You will notify us promptly if you change your address for any reason. In order to prevent identity theft, your identity may need to be verified before we act upon the notification.

Copy Received. You acknowledge that you have received a copy of this Agreement.

Governing Law. This Agreement shall be construed under federal law and state law in the state in which we are primarily located, and the venue shall be located in the county and state in which we are primarily located. Operating regulations of Visa may also apply. This Agreement is the contract that applies to all transactions even though the sales, cash advance, convenience check, credit or other slips you sign or receive may contain different terms.

NOTICE TO UTAH BORROWERS: This written agreement is a final expression of the agreement between you and the Credit Union. This written agreement may not be contradicted by evidence of any oral agreement.

IMPORTANT DISCLOSURES FOR ACTIVE MEMBERS OF THE MILITARY AND THEIR DEPENDENTS:

The following applies if at the time this loan is made you are an active member of the military or a dependent (as those terms are defined in the Military Lending Act (MLA), 10 U.S.C. 987 and its implementing regulations ("MLA")), and (a) your loan is unsecured or secured by personal property or a vehicle that you did not purchase with the proceeds of the loan; or (b) it is otherwise determined by law that the MLA applies to your loan. If this loan is a revolving line of credit or credit card, the MLA ceases to apply at any time during which you are not a member of the military or a dependent (as defined in the MLA).

- NOTICE:** 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 percent. This rate must include, as applicable to the credit transaction or account: the costs associated with credit insurance premiums or debt protection fees; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specified credit transactions or accounts); and any participation fee charged (other than certain participation fees for a credit card account). To receive this notice verbally, please call 1-800-852-5316 24 hours a day, 7 days a week.
- This loan will not be secured by a consensual lien on shares or deposits in any of your accounts unless you agree to establish an account in connection with this loan ("Secured Account"). Only funds deposited into the Secured Account after the loan is made will secure this loan. Any cross-collateralization provision contained in your loan or account documents will not apply to the Secured Account or your other share or deposit accounts for any loan subject to the Military Lending Act.
However, we reserve our statutory lien rights and rights to set-off or administrative freeze under federal or state law, which gives us the right to apply the sums in the Secured Account or any other account(s) you have with us to satisfy your obligations under this loan.
- Any reference in this consumer credit contract to the following are hereby inapplicable to your loan: (a) Mandatory arbitration; (b) Any requirement(s) to waive your rights to legal recourse under any applicable state or federal law; (c) Any demands or requirements construed as unreasonable notice from you in order to exercise your legal rights; or (d) Prepayment penalties.
- Any provisions in your consumer credit contract, loan, security, or account agreements that are determined to be inconsistent with or contradictory to these disclosures or the MLA (as they may be changed or amended from time to time) are inapplicable with regard to this loan. However, all other terms and conditions of the consumer credit contract shall remain in full force and effect.

YOUR BILLING RIGHTS - KEEP THIS NOTICE 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 the address(es) listed on your statement.

In your letter, give us the following information:

- Your name and account number.
- The dollar amount of the suspected error.
- 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:

- 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.
- 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:

- 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.)
- 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.
- 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 address(es) listed on your statement.

While we investigate, the same rules apply to the disputed amount as discussed above. After we finish our investigation, we will tell you our decision. At that point, if we think you owe an amount and you do not pay, we may report you as delinquent.

CARDHOLDER'S SIGNATURES

By signing below, you acknowledge that you have read, understand and accept the terms and conditions of the Credit Card Agreement and Truth-in-Lending Statement. You acknowledge that you have received copies of these documents. You also understand and agree that by using your card or accessing proceeds from the credit card account, you are bound to the aforementioned documents.

Negative Information Notice: We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

IMPORTANT NOTICE ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying information.

BORROWER'S SIGNATURE

DATE

X

CO-BORROWER'S SIGNATURE

DATE

X

APPLICATION, DISCLOSURES, AND PROGRAM AGREEMENT for DEBT PROTECTION PLAN

This Product is Optional. Your purchase of the Debt Protection Plan ("Plan") is optional. Whether or not you purchase this protection will not affect your application for credit or the terms of any existing credit agreement you have with Horizon Credit Union ("us" or "we").

Termination of the Plan. You have the right to terminate the Plan at any time. If you terminate within 30 days, we will refund any fees paid. We have the right to terminate the Plan by giving you written notice at least 30 days in advance of the termination. See the "Termination of the Plan and Change in Terms" section for other ways the Plan may terminate.

Benefits May Be Denied. Even if you are eligible to purchase this Plan, there are eligibility requirements, conditions, and exclusions that could prevent you from receiving cancellations under the Plan. This agreement will provide you with a complete explanation of all eligibility requirements, conditions, and exclusions for the Plan. **Example:** If you received medical treatment within the 6 months before enrolling, and you become disabled for that condition within the 6 months after enrolling, you will not qualify for Disability cancellations (this is called a "pre-existing condition").

Eligible Loans: <i>closed-end consumer loans; consumer lines of credit; credit cards; closed-end home equity loans (i.e., second mortgages); and home equity lines of credit</i>			
I ELECT: <i>(Check only one box)</i>		Cost:	
		<i>Lines of Credit: monthly cost per \$1,000 of outstanding loan balance</i>	<i>Closed-End Loans: estimated total fee</i>
PLAN 1: <i>Plan #542600</i> Death: Cancels loan balance up to \$75,000 Disability: Cancels up to \$1,000 per month for up to 6 payments Involuntary Unemployment: Cancels up to \$1,000 per month for up to 3 months Hospital Stay: Cancels up to \$1,000 for 1 payment	☐ Borrower (single) ☐ Both Borrowers (joint)	\$4.25	\$ _____
PLAN 2: <i>Plan #542601</i> Death: Cancels loan balance up to \$75,000 Disability: Cancels up to \$1,000 per month for up to 6 payments Hospital Stay: Cancels up to \$1,000 for 1 payment	☐ Borrower (single) ☐ Both Borrowers (joint)	\$2.19	\$ _____
PLAN 3: <i>Plan #542602</i> Death: Cancels loan balance up to \$75,000 Hospital Stay: Cancels up to \$1,000 for 1 payment	☐ Borrower (single) ☐ Both Borrowers (joint)	\$1.28	\$ _____

Cancellation Maximums

Monthly cancellations listed are per occurrence for each protected borrower.

Monthly cancellations are limited to a maximum of \$15,000 over the term of the loan, per each Protected Event and per each protected Borrower.

☐ No, I do not wish to apply for the voluntary Plan at this time. _____ (Borrower initials) _____ (Co-Borrower initials)

Application Eligibility:

Eligible borrowers may apply for coverage any time up to 180 days after the date of (a) your closed-end loan or (b) an advance under a line of credit. Only one Borrower and one Co-Borrower may apply for the Plan. Co-signers, guarantors, and non-borrower owners of collateral are not eligible to apply.

To be eligible to apply, I must meet the following conditions. By signing this Application, I am stating that:

1. I am under age 70;
2. *If applying for Disability or Involuntary Unemployment protection:* I am presently working 24 or more hours per week;
3. *If applying for Involuntary Unemployment protection:* I am not self-employed.

Seasonal Workers: Whether you qualify for Involuntary Unemployment Benefits at the end of your seasonal employment will depend on whether you qualify for your state's unemployment benefits.

90-Day Waiting Period: *Involuntary unemployment and hospital stay that occurs within the first 90 days after your Effective Date will not be covered.*

Email Communication: *By signing this application, you acknowledge and agree that our administrator can (1) send you claims forms or other administrative forms to the email address that you provide to us and (2) otherwise communicate to you via email in order to administer your coverage if you activate your protection. Our administrator does not sell your information and will not use your email address for any purpose other than as outlined herein.*

Borrowers' Signatures

Yes, I want to purchase the Plan. I have received a copy of this Application, Disclosures, and Program Agreement ("agreement"), and agree to follow the terms of this agreement. I authorize the Plan fees to be added to my loan payment each month. This document is a part of my loan or line of credit agreement. *Each borrower applying for protection must sign (both borrowers must sign if applying for joint protection). You should carefully review all of the terms and conditions of the agreement before signing.*

BORROWER SIGNATURE	DATE
X	

CO-BORROWER SIGNATURE	DATE
X	

PROGRAM AGREEMENT for DEBT PROTECTION PLAN

BENEFIT CHART - REQUIREMENTS, CONDITIONS, AND EXCLUSIONS

The following describes the types of Protected Events, the amounts cancelled, and the exclusions and conditions that apply:

Protected Event	To qualify for cancellations:	Number of cancellations and amount*:	You will not receive cancellations if:
Death	If you die during the term of this agreement, you will be eligible for cancellation.	We will cancel the outstanding balance, up to \$75,000. Only one cancellation will be made, even if you have joint protection. If you have joint protection and both borrowers die at the same time, no more than \$75,000 will be cancelled.	- Your death is due to: - suicide committed within the first 2 years of protection; - an intentionally self-inflicted injury; - a Pre-existing Condition (see Definition section); - war or any act of war, whether declared or undeclared; or - Your death occurs on or after your 70th birthday; or - Within the first 2 years after you apply, we find you were not eligible when you applied.
Disability	During the term of this Agreement, you must: - Be continuously unable, due to sickness or injury, to perform the substantial and material duties of your regular occupation; and - Be under the regular care and treatment of a licensed physician or licensed health care provider; and - Be disabled for at least 30 consecutive days.	- We will cancel one payment if you are disabled for 30 days. Thereafter, we will cancel one payment for each Monthly Anniversary Date on which you are disabled, for up to 6 total payment cancellations. Your Monthly Anniversary Date is the numerical date of the month on which you become disabled. Example: Suppose you become disabled on April 4. If you are still disabled 30 days later on May 3, we will cancel one monthly payment. If you are still disabled on the Monthly Anniversary Date of May 4, we will cancel one additional monthly payment, and each monthly payment thereafter for each month you remain disabled on your Monthly Anniversary Date - Cancellations will immediately stop if: - you recover or return to work; or - the loan is paid off, refinanced with a different lender, or discharged. Maximum monthly cancellation: \$1,000. Maximum cancellation over the term of the loan: \$15,000 per borrower regardless of the number of occurrences.	- Your disability is due to: - an intentionally self-inflicted injury; - a normal pregnancy, normal childbirth, or elective abortions. Complications due to pregnancy or childbirth will only be protected if the complications themselves are the cause of the disability; - a Pre-existing Condition (see Definition section); - war or any act of war, whether declared or undeclared; or - Your disability occurs on or after your 70th birthday; or - Within the first 2 years after you apply, we find you were not eligible when you applied.
Involuntary Unemployment	During the term of this agreement, you must: - Involuntarily lose your employment in which you were actively working for income for 24 hours or more per week; and - Be involuntarily unemployed for 30 consecutive days; and - Be receiving state or railroad unemployment benefits.* *If you are still unemployed after reaching your maximum state or railroad benefits, you must be registered with a state employment office or otherwise recognized employment agency to continue having payments cancelled. *If you reside in a state or territory without unemployment benefits, you must be registered with a recognized employment agency in order to continue having payments cancelled.	- We will cancel one payment if you are involuntarily unemployed for 30 days. Thereafter, we will cancel one payment for each Monthly Anniversary Date on which you are unemployed, for up to 3 total payment cancellations. Your Monthly Anniversary Date is the numerical date of the month on which you become unemployed. Example: Suppose you become involuntarily unemployed on April 4. If you are still unemployed 30 days later on May 3, we will cancel one monthly payment. If you are still unemployed on the Monthly Anniversary Date of May 4, we will cancel one additional monthly payment, and each monthly payment thereafter for each month you remain unemployed on your Monthly Anniversary Date. - Cancellations will immediately stop if: - your unemployment benefits are discontinued for any reason other than reaching the maximum benefit allowed; - you regain employment; or - the loan is paid off, refinanced with a different lender, or discharged. Maximum monthly cancellation: \$1,000. Maximum Cancellation over the term of the loan: \$15,000 per borrower regardless of the number of occurrences.	- Your unemployment occurs on or after your 70th birthday; - Your unemployment occurs within the first 90 days after the Effective Date. - Your unemployment was voluntary (e.g., you retired, quit, or resigned); or - Within the first 2 years after you apply, we find you were not eligible when you applied.

Protected Event	To qualify for cancellations:	Number of cancellations and amount*:	You will not receive cancellations if:
Hospital Stay	During the term of this agreement, you must: 1. Be admitted to a "hospital" due to a medical condition; and 2. Be hospitalized for 3 consecutive days The term "hospital" includes any licensed medical hospital or chiropractic hospital, acute care, convalescent nursing, residential drug, psychiatric or hospice facility.	1. We will cancel up to 1 payment, per occurrence, if you are hospitalized for 3 consecutive days. Example: Suppose you were admitted to the hospital on March 4. If you are still hospitalized on March 7, we will cancel one monthly payment. 2. Maximum monthly cancellation: \$1,000. 3. Maximum cancellation over the term of the loan: \$15,000 per borrower regardless of the number of occurrences.	1. Your hospital stay is due to: a. an intentionally self-inflicted injury; b. a normal pregnancy, normal childbirth, or elective abortions. Complications due to pregnancy or childbirth will only be protected if the complications themselves are the cause of the hospitalization; c. a Pre-existing Condition (see Definition section); d. war or any act of war, whether declared or undeclared; or 2. Your hospital stay occurs on or after your 70th birthday; 3. Your hospital stay occurs within the first 90 days after the Effective Date; or 4. Within the first 2 years after you apply, we find you were not eligible when you applied.

***Additional Conditions:**

- Monthly cancellations listed above are per occurrence and per each protected borrower.
- If the Monthly Anniversary Date is the 29th, 30th, or 31st, the Monthly Anniversary Date will be the last day of the month in months in which there is no 29th, 30th, or 31st day.
- Cancellations will not be provided under one Protected Event if you are currently receiving cancellations under another Protected Event.
- Additional Disability cancellations will not be provided if you suffer another disability while you are already receiving Disability cancellations.

OTHER IMPORTANT TERMS

Fees and Cancellations

What amounts will be cancelled? For Death protection, we will cancel the outstanding balance as of the date of death, up to the maximum listed on the Benefit Chart. For any other Protected Event, we will cancel the minimum regularly scheduled monthly loan payment due as of the month in which your Protected Event occurs, up to the maximum listed on your Benefit Chart. The amounts cancelled will include principal, interest, the monthly Plan fee and any amounts originally financed as part of the loan. We will not cancel late fees or other fees, real estate taxes or property insurance premiums; or any past due amounts. If you have a balloon loan, the balloon payment will only be covered for a Protected Event that cancels the outstanding balance.

How is my Plan Fee calculated and collected? The Plan Fee is calculated by applying the rate per \$1,000 (or any fraction thereof) to your monthly outstanding balance and will be charged and collected monthly. The fee is added to your outstanding balance and becomes part of your monthly loan payment. If you purchase the Plan after your loan has closed, we may increase your minimum monthly payment or extend the term of your loan.

What are the tax implications? You may be subject to federal, state and local taxes on the amount of your cancelled loan payment or balance. You should consult your tax advisor. We do not provide you with guidance on the tax implications, if any, of a cancelled debt.

Filing a Claim

How do I file a claim? Contact us at 800-852-5316. You must be able to verify the Protected Event to our satisfaction. If your delay in filing a claim prevents us from determining eligibility under the Plan, we will not make any cancellations.

In the event of a claim, we may ask you to sign a medical release and provide your past medical history.

Can you dispute my coverage? Yes. If within the first 2 years of this Plan, we find that you did not meet the eligibility requirements at the time of your application, your protection under the Plan will be removed, you will receive a refund of fees paid, and an otherwise valid claim will be denied. We can also deny a claim for the reasons listed in the Benefit Chart.

Do I have to make payments while my claim is being processed? Yes. While we are processing your claim, you must make your monthly payment on your loan or line of credit by the due date. Once cancellations begin, you are responsible for any amounts that are not cancelled.

What if I become disabled again or lose my job again? If you become disabled again with the same condition within 6 months of having recovered, or you become involuntarily unemployed again within 6 months of returning to full-time work, this will be a continuation of the first event. This means that if the maximum number of cancellations was already reached, we will not make any additional cancellations. But if you become disabled again with the same condition more than 6 months after your recovery, or you become involuntarily unemployed again more than 6 months after you return to full-time work, this will be a new event. It will also be a new event if you become disabled again with a different condition. This means you start a new set of cancellations, up to the maximums listed in your Benefit Chart.

What if I have an unrelated injury or sickness while I am disabled? If you are disabled ("original occurrence") and sustain another sickness or injury which would also be disabling, the second sickness or injury will not be considered a new occurrence of Disability. This means that you will receive cancellations for the second sickness or injury only if you did not reach your maximum per-occurrence cancellations for the original occurrence.

Termination of the Plan and Change in Terms

How can the Plan be terminated? (a) You may terminate this Plan at any time by writing us at Horizon Credit Union, P.O. Box 15128, Spokane Valley, WA 99215. If you do so within 30 days of the first time we bill you, we will credit your loan account for any fees charged. (b) We can terminate this Plan by giving you written notice at least 30 days in advance of the termination. Termination will be effective on the first of the month after you receive notice of termination. Fees for the month in which notice of termination is received will still be due and collected from the loan payment. (c) Your Plan will be terminated immediately and without notice: (1) If your loan is paid off, refinanced with us or another lender, sold, transferred, or discharged. (2) If your loan or line of credit payments are past due 90 days or more (if you bring your loan current after your Plan has been terminated for delinquency, you must reapply for the Plan). (3) You fail to pay the Plan fee. (4) When you reach age 70 or die. For joint protection, when the oldest borrower reaches age 70, the oldest borrowers protection terminates. Protection will automatically convert to Single Protection for the younger borrower. Once the younger borrower reaches age 70, all protection will terminate. If either borrower dies, any available cancellation for death will be made, subject to the terms of this agreement, and the protection for that borrower will terminate. or (5) When the protected balance is paid off under the Plan or all maximum cancellations are reached.

Can you change the fee and terms of this Plan? Yes. We can change the terms of this Plan, including the fee, at any time. If we do, we will give you prior notice and a chance to terminate the Plan without penalty.

What if I refinance or modify my loan? If you refinance your loan with another lender, this Plan will terminate; if we are making cancellations when you refinance, cancellations will cease. If you refinance the loan with us so that you have a new loan with us, this Plan will terminate and you will need to complete a new debt protection application and requalify for protection if you wish to have debt protection on the new loan. However, if we are making cancellations at the time you refinance your loan with us, those cancellations will continue on the new loan in accordance with this agreement. If you modify the terms of your loan, coverage will continue.

What if my loan ends while I am receiving cancellations under the Plan? Cancellations will stop if the loan is paid off, refinanced with a different lender, sold, transferred, or discharged, even if you haven't received all of your cancellations.

Definitions

Actively working 24 or more hours per week and full-time employment: This means that you are actively working for income for 24 hours or more per week. Working means actually performing your job duties and not off of work due to leave of absence; layoff; routine or seasonal work interruption; or any other reason.

Effective Date: This means the date your Plan becomes effective, which is the later of: (1) the date you sign the Plan application; or (2) the date the loan funds are disbursed; or (3) the date of your first advance under a protected line of credit.

Pre-existing condition: This means a condition for which you received medical treatment or advice or had diagnostic tests for the same or related condition in the 6 month period prior to the Effective Date or an advance under a line of credit. This exclusion only applies if the Protected Event begins within the 6 months after the Effective Date or within the 6 months after an advance under a line of credit.

Example: if you break your leg within the 6 months before the Effective Date or an advance under a line of credit, and you become disabled because of that broken leg within 6 months after the Effective Date or advance, we will not make any cancellations. However, if you become disabled 7 months after the Effective Date or advance, we will make cancellations as described in the Benefit Chart.

Who to Contact with Questions or Concerns About this Plan

Call us at 800-852-5316 or write or visit us at Horizon Credit Union, P.O. Box 15128, Spokane Valley, WA 99215.

This is Not an Insurance Policy

This agreement is not a policy of insurance and you will not receive cash benefits. This agreement is between you and us as your creditor. Under this agreement, we will cancel your loan balance or payments if you qualify for such cancellation(s) under the terms of this agreement. If your claim is approved by us, we will cancel your balance or loan payments in accordance with this agreement. We have hired Minnesota Life Insurance Company to administrator claims on our behalf, but they are not a party to this agreement.