



VISA CREDIT CARD AGREEMENT AND TRUTH IN LENDING DISCLOSURE

Interest Rates and Interest Charges		
Annual Percentage Rates (APRs) for Purchases	☐ Non-Variable Rate Program	
	☐ Variable Rate Program	This APR will vary with the market based upon Prime Rate.
APR for Balance Transfers	☐ Non-Variable Rate Program	
	☐ Variable Rate Program	This APR will vary with the market based upon Prime Rate.
APR for Cash Advances	☐ Non-Variable Rate Program	
	☐ Variable Rate Program	This APR will vary with the market based upon Prime Rate.
Penalty APR and When It Applies	No penalty rate will be applied.	
Paying Interest	Your due date is at least twenty-five (25) days after the close of each billing cycle. You will have thirty (30) days from the close of the statement period to pay your entire balance in order to be not charge interest on your purchases. For cash advances and balance transfers, we will begin charging interest on the transaction date.	
For Credit Card Tips from the Federal Reserve Board	To learn more about factors to consider when applying for or using a credit card, visit the website of the Bureau of Consumer Financial Protection at http://www.consumerfinance.gov/learnmore	

Fees	
Annual Fee	\$0
Transaction Fees:	
Balance Transfer Fee	\$0
Cash Advance Fee	\$0
Foreign Transaction Fee	1% of the U.S. dollar amount of the transaction is charged
Penalty Fees:	
Late Payment	Up to \$15
Over-the-Credit Limit	\$0
Returned Payment	Up to \$22
Other Fees	
Redwood Rewards	\$0

How We Will Calculate Your Balance: We use a method called “average daily balance (including new purchases).” See your account agreement for more details.

Billing Rights: Information on your rights to dispute transactions and how to exercise those rights is provided in your account agreement.

Military Lending Act Disclosures: 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; fees



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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).

Listen to these disclosures and a description of your payment obligations by calling toll-free 1 (800) 479-7928.

This Agreement contains a BINDING INDIVIDUAL ARBITRATION PROVISION AND JURY AND CLASS ACTION WAIVER which affects your rights with respect to any claims or disputes by or against Redwood Credit Union. You may opt out of that provision as described in Section T. This provision does not apply to members of the Armed Forces or their dependents.

This Visa® Credit Card Agreement and Truth in Lending Disclosure (the "Agreement") is a disclosure of the terms and conditions associated with REDWOOD CREDIT UNION Visa® CREDIT CARD ACCOUNTS. Hereafter, the words "you" and "your" mean: (a) the person(s) who is issued, uses, or authorizes the use of, or (b) who signs an application for, a Redwood Credit Union Visa Credit Card. "Card" means the Redwood Credit Union Visa Credit Card and any digital cards, tokenized cards, duplicates, renewal, or any other form where the transaction ties back to the Visa Credit Card loan that the Credit Union issues to you. "Account" means your Visa Credit Card line of credit account with the Credit Union. "We", "us", "Credit Union", or "RCU" means Redwood Credit Union. Please read the entire Agreement and save a copy for your records and future reference.

A. LOAN ADVANCES

1. You agree that if you use any Card(s) issued or personal identification number (PIN), or allow others to use the Account, Card(s), or PIN, or any other access device issued to you hereunder, you and they will have accepted this Agreement, and they will be jointly and severally bound by the following terms and conditions.
2. If RCU approves your application, each applicant will be issued a Card and will be able to access the Account. Each applicant will also be individually and jointly responsible for repaying the Account under the terms of this Agreement.
3. You are obligated to repay any charges resulting from the use of the Card by another person with your permission, whether or not the person stays within the scope of the permission you have given them.
4. To make a purchase or obtain a cash advance on your Card, you must present the Card or give your Card number to a participating Visa plan merchant, to RCU, or to another financial institution. If you make your transaction in person, you may sign a sales receipt or cash advance draft imprinted with your truncated Card number. You will keep a copy of the receipt or draft to verify with your monthly statement. You can also access your account at designated ATMs.
5. You agree not to use your Card for illegal transactions, such as illegal online gambling. You are responsible for determining the legality of transactions you make. The illegality of any authorized transaction will not be a defense to your obligation to pay for it.
6. Your Account will be an open-ended or revolving account. This means that you can borrow up to the full amount of the line of credit, repay the principal in full or in part, and borrow again up to my maximum line of credit as long as you continue to be creditworthy and a Member of RCU in good standing.
7. Each joint borrower may borrow on the Account up to the extent of the credit limit and will be held responsible with any other joint borrower to repay the loan. Each joint borrower will remain responsible for payment, even if another person has been directed to pay the debt by an agreement or court order, such as a divorce decree to which RCU is not a party. No release from the obligation to pay will be valid unless (a) in writing and signed by an authorized RCU employee or (b) pursuant to a court order in an action to which RCU is a party, such as a bankruptcy.
8. RCU has the right to refuse your request to borrow against your credit line for any reason, in its sole and absolute discretion. RCU will generally notify you in writing of the reason for any such denial of credit. Examples of



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the reasons RCU may refuse to advance you credit is that you have already borrowed up to your credit limit, or you have failed to meet your obligations to RCU, or there has been an adverse change in your credit standing.

B. CREDIT LIMIT

1. RCU sets your credit limit at RCU's sole and independent discretion. The loans which RCU may extend to you under this account may only exceed the assigned credit limit at RCU's sole discretion. RCU may review your account from time to time. RCU's review may include asking you to provide current information or complete a new application, and/or checking your credit with third-party sources at any time you have open Accounts that are subject to this Agreement. RCU may increase or decrease your credit limit, change the interest rate that applies to future advances on your Account, or close your loan Account, based on RCU's review. You can request an increase in your credit limit by submitting a written or online application requesting the increase.
2. RCU sets your cash advance limit at thirty (30) percent of the total credit limit. This means you may only borrow up to thirty (30) percent of your total credit limit utilizing cash advances.
3. For transactions at some merchants, if the available Account balance is not sufficient to complete the full purchase, a partial approval in the amount of the remaining available balance may be provided to the merchant and the merchant may permit you to use another source of funds to pay for the remaining amount due. The option to complete a purchase using the remaining available balance on your Account and another source of funds for the remainder is not available at all merchants. Some merchants may decline the transaction if the card balance is less than the transaction amount.

C. REPAYMENT TERMS

1. You promise to pay RCU, at the address designated for payment on your statement, all sums advanced to you under this Agreement at any time, plus a finance charge as determined by RCU. The finance charge is the amount of money that you pay for the money that you borrow. The finance charge is computed by applying an Annual Percentage Rate (APR) to the amounts you owe. To make credit available to as many Members as possible, RCU may offer a range of rates on Cards. The rate offered will depend on RCU's evaluation of your creditworthiness and your ability to pay.

2. The Card program and Annual Percentage Rate (APR) that applies to my Credit Card is checked below:

☐ **Variable Rate Program:** The APR that applies to this Card is a variable rate based on the Prime Lending Rate plus a margin of [XX.XX] for purchases and balance transfers and [XX.XX] for cash advances. The APR on the Card will increase or decrease as the Prime Lending Rate increases or decreases and can change every billing cycle. An increase to your rate will result in a longer repayment period and higher payments. Changes to the APR will take effect on the first day of the billing cycle following a change to the Prime Lending Rate. The resulting rate will apply to all outstanding balances unless a promotional rate applies to a particular balance. The APR cannot exceed 21.00% while the Card is open.

The APR and resulting daily periodic rate on your Card is currently:

APR for Purchases and Balance Transfers: [XX.XX] Daily Periodic Rate: [XX.XX]

APR for Cash Advances: [XX.XX] Daily Periodic Rate: [XX.XX]

These rates are accurate as of [DATE]

☐ **Non-Variable Rate Program:** The APR that applies to this Card is the rate disclosed in the Interest Rates and Interest Charges section on the first page of this Agreement. This rate will not increase on existing balances but may increase for future advances as provided for in Section F: Change of Terms.

The APR and resulting daily periodic rate on my card is:

APR for Purchases and Balance Transfers: [XX.XX] Daily Periodic Rate: [XX.XX]

APR for Cash Advances: [XX.XX] Daily Periodic Rate: [XX.XX]



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3. Your minimum periodic payment on any Card Account balance will be the greater of the amount shown on your current monthly billing statement or \$10.00, plus any delinquent amounts. The minimum payment is generally 2% of the new balance.
4. Calculation of Finance Charges--Average Daily Balance Method: The Finance Charge on Card advances accrues from the date each transaction posts to your account. RCU arrives at the Finance Charge by first calculating the average daily principal balance for the statement period. To do this, RCU obtains the balances for each day of the statement period by adding any cash advances or purchases to, and subtracting any payments or credits from, the previous day's balance. Then RCU adds up the daily balances for each day of the statement period and divides that total by the number of days in the statement period to get the Average Daily Balance. RCU then multiplies the Average Daily Balance by the Monthly Periodic Rate (1/12 of the APR) to determine the Finance Charges for the statement period.
5. Grace Period for Purchases Only: If you either had a zero balance at the end of the previous statement period or paid your previous month's new balance in full on or before the due date, you will have thirty (30) days from the close of the statement period to pay your new balance of purchases without the specified Finance Charge. After the grace period, you must pay the specified Finance Charge. A partial payment of your balance will not reduce the Finance Charge. No grace period applies to cash advances or balance transfers. Finance Charges will accrue from the day a cash advance or balance transfer posts to your Account.
6. Card Account payments are applied to the components of your Account in the following order: in accordance with applicable law, RCU will choose the order in which any payment will be applied to your indebtedness to RCU at the time the payment is made. Payments will be applied first to late charges and other applicable fees, then finance charge due on purchases and cash advances, then to the outstanding principal balance of cash advances and purchases.
7. You can repay the balance you owe, including the accrued Finance Charge, at any time, in full or in part, without prepayment penalty. If you make less than the minimum payment amount, your payment due date will not advance.
8. Your minimum monthly payment will increase when the outstanding balance increases, as stated in the periodic statement or payment notice.
9. RCU will provide you with periodic statements of your Card Account that will advise you of the status of your loan, including any additional information as required by law.
10. You will make at least minimum monthly payments on or before the day specified in your billing statements.
11. If your balance exceeds your authorized credit limit, RCU will provide you with written notice. Upon receipt of such notice, you must immediately make a single lump-sum payment to reduce your outstanding balance to at or below your authorized credit limit.
12. Foreign Transactions. For transactions initiated in foreign currencies, the exchange rate between the transaction currency and the billing currency (U.S. dollars) will be (a) a rate selected by Visa from the range of rates available in wholesale currency markets, which rate may vary from the rate Visa itself receives, or (b) the government-mandated rate in effect for the applicable central processing date, in each instance, plus or minus any adjustment determined by RCU. Foreign transactions include transactions initiated in the United States authorizing access to a debit card, credit card, or deposit account number using a telephone, the internet, and/or mobile device application, but with a merchant who processes the transaction in a foreign currency. A currency conversion fee equal to one (1) percent of the U.S. dollar amount of the transaction is charged to the transaction amount by RCU. The currency conversion rate used by Visa on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date. RCU has no control over the conversion rate. RCU reserves the right to increase or decrease the currency conversion fee to transaction amounts in the future. Notice of fee or surcharge changes will be provided as required by law.
13. For users of Visa Autopay only: You authorize RCU to initiate debit entries each month to your designated checking or savings account for the purpose of crediting your Card Account (Authorization). The amount of the payment for your Card account will be credited to the Card Account on the Payment Due Date (approximately twenty-five (25) days after the closing of the statement) and debited from your checking or savings account



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approximately one (1) to four (4) days after this date. You further understand and agree that in order for RCU to make any payment transfers, you must have the full payment amount available in your checking or savings account or the transfer may not take place and your checking or savings account may be assessed a fee. Except for the "Last Statement Balance" transfer option, any amount over the credit limit will not be included in the payment transfer. This Authorization will remain in full force and effect as long as the Account remains in good standing or until you provide RCU with a written request changing the Authorization or terminating the automatic payments, or until RCU has given you written notice of cancellation. You must submit the Autopay Cancellation Request (or a new application if making a change) at least fifteen (15) days prior to the payment due date in order for the cancellation or change to take place. RCU will not be liable to you for any loss or damage you incur because RCU followed your instructions under this Authorization in a reasonable manner. Even if RCU negligently or intentionally fails to follow your instructions, RCU will only be liable for your actual damages. Actual damages mean the actual loss you incur due to RCU's failure to follow your instructions in a reasonable manner, and does not include consequential damages such as alleged loss of profits or alleged harm to your credit standing. You will indemnify and hold RCU harmless from any and all costs, claims, damages, attorney's fees, or liability it sustains as a result of carrying out your instructions in a reasonable manner. You acknowledge that the origination of Visa Autopay/ACH transactions to your Card Account must comply with the provisions of U.S. Law. In order for RCU to debit your checking or savings account, you must be named as an owner of the checking or savings account that the funds will be debited from, and a signer on the Card Account that the funds will be applied to.

14. Payment Sweeps. RCU offers SmartSweep ("SmartSweep"), a payment sweep service that allows you to pay your Card Account from an established RCU savings or checking account. Such service is offered as a benefit to you and is governed by the SmartSweep Terms and Conditions, which are incorporated into this Agreement by reference.

D. OTHER CHARGES

1. Dishonored Loan Payments: Any payment I make with a non-cash item that is not honored may result in a fee up to \$22.00 being charged to my Account.

E. SECURITY INTERESTS

1. Specific Account Pledge: If you have granted RCU a security interest in a specified amount in one or more of your RCU share accounts as security for the repayment of all amounts loaned to me under the terms of this Agreement, the amount pledged and the account will be identified on a separate security agreement, incorporated herein by this reference, that is also signed by you. You cannot withdraw the pledged funds from the account as long as the pledge is in effect. If you default on your payments under the terms of this Agreement, RCU has the right to apply the amount specifically pledged to pay off the loan in full or in part.

F. CHANGES IN TERMS

1. RCU may change the terms of this Agreement, including your APR, from time to time for any reason consistent with applicable law after giving you any advance notice required by law. Your failure to exercise any right you may have to reject the change in terms in a timely manner will indicate your agreement to the change. Except as restricted or prohibited by law, any change in terms will apply to your existing account balance as well as to future transactions.

2. The terms of this Agreement may also be changed by a mutual written agreement between RCU and you or by the order of a court in an action to which RCU is a party.

G. HONEST DEALING

1. You must promptly notify RCU of any information that affects your creditworthiness or your ability to pay what you owe, including but not limited to, a change in your name, address, or employment. You shall not use your Card, or any credit access device issued to you, if you have reason to believe you will be unable to make the scheduled payments.



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H. DEFAULT-LIEN-ACCELERATION

1. If you default on your loan payments, breach this Agreement or any other agreement you have with RCU, make false statements to obtain credit, die, or if you become the debtor in a bankruptcy or other insolvency proceeding, RCU may declare the entire unpaid balance of the Card Account due and payable immediately, without notice. Even if RCU accepts a late payment or a partial payment, RCU is not waiving its right to accelerate the payment of the Card Account and declare the entire unpaid balance due. The regular interest required under the terms of this Agreement will continue to accrue even after your default and our acceleration of the obligation.

I. COLLECTION COSTS

1. If you do not make a payment to RCU within fifteen (15) days after the due date, a single late charge of \$15.00 will be charged to your account. You agree to pay all reasonable collection costs RCU may incur before a suit is filed, as allowed by applicable law. If RCU takes legal action to collect what you owe to RCU, subject to the arbitration provision, as applicable, set forth below, you agree to pay RCU's reasonable attorney's fees and costs, whether the legal action is a collection lawsuit, a proceeding to protect RCU's interests if you become a bankruptcy debtor, or any other type of legal action. RCU can add collection costs and attorney's fees to your loan balance, and we will accrue interest at the stated interest rate for your loan.

2. RCU may submit a negative credit report to a credit-reporting agency that will reflect on your credit record if you fail to fulfill the terms of your credit obligations.

J. OTHER RIGHTS APPLICABLE TO CREDIT CARDS

1. Unauthorized Use of Credit Cards – If there is unauthorized use of your Card, your liability will be zero (\$0.00). This provision limiting your liability does not apply to business Visa credit cards, ATM cash disbursements, or non-Visa PIN-less debit transactions. Additionally, your liability with respect to unauthorized transactions may be greater than the above limit, to the extent allowed under applicable law, if RCU reasonably determines, based on substantial evidence, that you were grossly negligent or fraudulent in the handling of your Account or Card. In any case, to minimize your potential liability, notify us of any unauthorized use immediately, and no later than sixty (60) days after your statement was delivered to you.

2. Lost or Stolen Card – You agree to immediately notify RCU of the loss or theft of your Card by calling RCU at (707) 545-4000 or 1 (800) 479-7928, or by writing to RCU at Redwood Credit Union, PO Box 6104, Santa Rosa, CA 95406-0104. You also agree to assist RCU in determining the facts and circumstances relating to any such unauthorized use.

3. Merchant Disputes – RCU is not responsible for the refusal of any merchant or financial institution to honor your Card. RCU is subject to good faith claims and defenses recognized by law (other than tort claims) arising out of goods or services you purchase with the Card, only if you have made a good faith attempt but have been unable to obtain satisfaction from the plan merchant, and (a) your purchase was made in response to an advertisement RCU sent or participated in sending you or from a merchant RCU owns or operates, or (b) your purchase cost more than \$50.00 and was made within California, or if not within California, then within one hundred (100) miles from your current designated address in California. RCU is relieved from liability if you have already paid RCU for the disputed transaction. You must resolve any other disputes directly with the merchant.

4. Credits - A merchant who honors your Card and later gives you credit for a return or adjustment will do so by sending RCU a credit slip, which RCU will post to your account. If your credits and payments exceed what you owe RCU, RCU will hold and apply the credit balance against future purchases and cash advances or refund it on your written request if it is \$1.00 or more. If you have had a credit balance with RCU, RCU will automatically refund it within six (6) months via a deposit to an RCU share account of yours or by sending you a check at your last address in RCU's records. As required by law, RCU will promptly post payments to your account so that you will not pay improper finance charges. However, RCU has the right to reasonably delay refunding credit balances to you or increasing your credit limit for the maximum time allowed by law until final collection of non-cash items presented for payment of your account.

K. CARD CONTROLS – FREEZE CARD



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1. The ability to freeze your credit card is available within digital banking card controls. "Freeze Card" is a reversible process that will block new purchases and cash advances on your credit card. When "Freeze Card" is utilized, recurring transactions, payments, balance transfers, and credits will continue to post without disruption.

L. RCU'S LIABILITY

1. If RCU does not properly complete a transaction according to RCU's agreement with you, RCU is liable for your direct losses or damages. However, there are some exceptions. RCU will not be liable if:

- (a) Through no fault of RCU's, you lack sufficient available credit to make the transaction.
 - (b) The ATM system is not working properly, and you knew about the system issue when you started the transaction.
 - (c) The money in your accounts is subject to legal process or other claim.
 - (d) Your PIN has been reported missing and RCU has blocked its use.
 - (e) Circumstances beyond RCU's reasonable control such as fire, flood, electrical failure, or malfunction of the central data processing system prevent RCU from completing the transaction despite RCU's reasonable precautions.
 - (f) RCU establishes other lawful exceptions and notifies you of them in advance.
2. In no event will RCU be liable for consequential, indirect, or punitive costs or damages.

M. ERROR CORRECTION

1. RCU can correct clerical errors in loan documents, including but not limited to, errors in the interest rate quoted to you. You will be notified of any corrections and the reasons for them.

N. TERMINATION

- 1. RCU can terminate this Agreement at any time for any lawful reason. RCU will send you a written notice of the termination and the business reasons for it, such as RCU's discontinuing a type of credit product or service. RCU can also terminate this Agreement if you fail to meet your obligations to RCU or cease to be a Member in good standing.
- 2. You may terminate this Agreement at any time by giving written notice to RCU.
- 3. Termination of this Agreement does not relieve you of the obligation to repay the full balance due under this Agreement. The Cards you receive remain the property of RCU and you must surrender to RCU all Cards upon request or upon termination of this Agreement.

O. PAYMENT PROTECTION

1. You may voluntarily elect to purchase Payment Protection, a voluntary debt protection product. You do not have to obtain this insurance to borrow money. RCU can cancel your Payment Protection if you do not make your Payment Protection and/or Card payments on time. RCU will add the premiums to the monthly principal balance of the Card Account and the premium will accrue finance charges until paid. Exact unit cost will be stated in a separate Payment Protection document. Payment Protection is also subject to a separate written agreement, which is incorporated herein by reference.

P. VISA ACCOUNT UPDATER

- 1. Visa Account Updater (VAU) is a service provided to you by Visa. When your Card's expiration date or Card number changes, VAU may update your new Card information with participating merchants that you have already authorized to charge your Card. Only merchants with account-on-file business models, such as recurring bill payment providers, subscription services, or online "one-click" merchants may participate in VAU and your updated Credit Card information is only sent to qualified participating merchants.
- 2. VAU is designed to help prevent interruptions associated with recurring payments and possible service disruptions when your card information changes. Because not all merchants participate in VAU, it is ultimately your responsibility to notify each merchant of your new Credit Card number and/or new expiration date to ensure that your payments continue uninterrupted.



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3. VAU is a benefit to Credit Card holders, and you may opt out of VAU at any time. Your opt-out will not be transferred to any future replacement cards or any new cards issued to you. Any lost, stolen, or new Cards will be automatically enrolled in VAU. If you wish to opt out of VAU or have any questions regarding this service, please refer to the Contact Us section at the end of this Agreement.

Q. GENERAL TERMS

1. The singular implies the plural if more than one person signs this Agreement. If any part of this Agreement is found invalid, the other parts shall remain in full force and effect. This Agreement shall not be construed against either party.
2. WAIVER, DELAY IN ENFORCEMENT – RCU may delay enforcing any of its rights under this Agreement at any time without affecting any of its other rights under this Agreement.
3. AVAILABLE ATM SERVICES - (a) You may obtain cash, up to your established cash advance limit and in accordance with RCU's ATM services. Any cash advances performed at an ATM will be under RCU's sole discretion. (b) ATM service is generally available twenty-four (24) hours a day, seven (7) days a week. The separate Electronic Funds Transfer Disclosure contained in your Redwood Credit Union Membership Account Disclosure provides information about using ATMs to access RCU accounts such as share (savings) and share draft (checking).
4. DOCUMENTATION OF TRANSACTIONS - Cash advances using your Card will be shown on a receipt dispensed by the ATM and on the periodic statement.
5. BUSINESS DAYS - RCU's business days are Monday through Friday, excluding holidays.
6. ATM SECURITY - Do not use an ATM unless it appears safe to do so. Do not key in your PIN if someone is looking. Take your card and receipt when you are done with your transaction. After withdrawing funds, put your money away quickly and leave the site.

R. TELEPHONE CONSUMER PROTECTION ACT EXPRESS CONSENT

1. You hereby give your express consent to RCU and its successors and assigns, and to any third party acting on behalf of any of them, to contact you regarding your accounts and/or any other business relationship you have now or at any time in the future with RCU. This includes your consent for RCU to contact you by telephone or text message at any telephone number or numbers you provide to RCU now or later for any purpose or that RCU obtains from any other source, including (but not limited to) any telephone number assigned to a cellular telephone service or any other service for which you are charged for the call. This consent applies even if RCU uses an automatic telephone dialing system or an artificial or prerecorded voice to make the call or send the message. You promise to tell RCU in writing if any telephone number you provide to RCU is assigned to a cellular telephone service or to any other service for which anyone may be charged for the call. You also promise to tell RCU in writing if you are not the person who subscribes to the related telephone service or if you are not the most common user of any such telephone number.

S. GOVERNING LAW AND DISPUTE RESOLUTION

1. This Agreement will be governed by and interpreted in accordance with federal law and regulation, and to the extent that there is no applicable federal law or regulation, by the laws of the State of California, without giving effect to the conflict of law provisions of your actual state or country of residence. To the extent permitted by applicable law and subject to the terms of the arbitration paragraph below, if applicable, you agree that any legal action regarding this Agreement shall be brought in the county in which RCU's headquarters office is located.

T. ARBITRATION AGREEMENT AND WAIVER OF CLASS AND COLLECTIVE ACTION

1. General Terms

Please read this Arbitration Agreement and Waiver of Class and Collective Actions ("Arbitration Agreement") carefully. If you do not timely opt-out as permitted below, it affects your rights and may have a substantial impact on how legal claims and disputes between you and the Credit Union are resolved.



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2. Agreement to Arbitrate Claims

This Arbitration Agreement is effective upon the 61st day after the first time we provide it to you ("Effective Date") unless you opt-out in accordance with the requirements of the YOUR RIGHT TO OPT-OUT OF THIS ARBITRATION AGREEMENT provision below. We reserve the right to make changes to this Arbitration Agreement. We will provide you with notice of any change as required by law. However, if we believe we are making changes that are to your benefit or are simply providing you with additional information about arbitration and/or this Arbitration Agreement, you agree that any such changes will not provide you with any new right to opt-out, unless otherwise provided under applicable law.

You and the Credit Union agree that binding arbitration may be elected by either you or the Credit Union with respect to any past, present, or future dispute, claim, or controversy above the small claims jurisdictional limit arising out of or relating to the Visa® Credit Card Agreement and Truth in Lending Disclosure ("Credit Card Disclosure") and/or any Credit Union account, product, or service governed by the Membership Account Agreement, even if the claim, dispute, or controversy arises out of, affects, or relates to conduct that occurred prior to the Effective Date of this Arbitration Agreement, and even if the other party has already initiated a lawsuit.

How is arbitration elected? Arbitration is elected by one party making a written demand for arbitration to the other party, by filing a motion to compel arbitration in court, or by initiating arbitration against the other party. You and the Credit Union agree, upon such written demand, motion, or initiation, to submit to, and that such claim shall be settled by, binding arbitration.

What if the claim amount falls within small claims court jurisdiction? Neither party will demand the arbitration of an action properly filed in small claims court, or its state's equivalent court, or for any claim or dispute within the scope of the small claims court's jurisdiction. But if a claim is transferred, removed, or appealed to a different court, such claim shall be subject to binding arbitration.

What rules will govern the arbitration action? The arbitration will be subject to the rules of the American Arbitration Association ("AAA") for consumer disputes in effect at the time the arbitration is initiated, or such similar rules as may be adopted by AAA ("Rules"). If there is any conflict between the Rules of the AAA and this Arbitration Agreement, then this Arbitration Agreement will control to the extent of the inconsistency. If the AAA is unavailable to resolve a claim or dispute, and if you and the Credit Union do not agree on a substitute forum, then the Credit Union can select the arbitration forum for the resolution of the claim or dispute. For more details and to obtain a copy of AAA's Rules and arbitrator rosters, check the American Arbitration Association's website, www.adr.org, or call the American Arbitration Association's Customer Service telephone number at (800) 778-7879. The arbitration shall be conducted before a single arbitrator appointed by the AAA. The arbitrator shall be an attorney, retired judge, or AAA panel member, with experience and knowledge regarding financial institutions and transactions.

What are the basic distinctions between arbitration and court proceedings? There is no judge or jury in an arbitration proceeding, and the appellate rights of both parties are more limited than in court. All statutes of limitations or other defenses relating to the timeliness of the assertion of a dispute or claim that otherwise would be applicable to an action brought in a court of law must be followed by the arbitrator, and the commencement of an arbitration under this Arbitration Agreement shall be deemed the commencement of an action for such purposes. Discovery shall be available for non-privileged information to the fullest extent permitted under the Rules. The arbitrator's decision shall be final and binding and may be entered in any state or federal court having jurisdiction. Except as provided under applicable law, the arbitrator's award is not subject to review by a court, and it cannot be appealed. Any claims and defenses that can be asserted in court can be asserted in arbitration. The arbitrator may award any remedy provided by the substantive law that would apply if the action were pending in



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court, including public injunctive relief under the California Consumer Legal Remedies Act and Unfair Competition Law.

How are arbitration fees and costs allocated? The filing, administration, and arbitrator fees imposed on you and/or the parties by the AAA pursuant to this Arbitration Agreement shall be paid by the Credit Union. Each party shall be responsible for and pay their respective costs, including attorneys' fees, incurred by them in preparing and presenting their cases during the arbitration proceedings, regardless of who prevails.

Where will the arbitration be held? Arbitration hearings will be held in a location reasonably convenient to your residence, or at another location if mutually agreed, but if personal attendance is burdensome or not feasible for you, the Credit Union will not object to you choosing to have your claims handled via telephone or other medium allowing for remote access to hearings and proceedings if otherwise allowable by the AAA and/or under the Rules.

What rights and or claims are not affected by this Arbitration Agreement? This Arbitration Agreement does not preclude you from bringing claims regarding the Credit Card Disclosure and/or your accounts, products, or services governed thereunder to the attention of any federal, state, or local government agency or entity. Such agency or entity may be able to seek relief on your behalf. Nothing in this Arbitration Agreement shall limit your or the Credit Union's right, whether before, during, or after the pendency of any arbitration proceeding, to exercise any self-help remedies, such as set-off or repossession and sale of collateral, or to apply to a court of competent jurisdiction to obtain provisional remedies (including, but not limited to, applying for injunctive relief, a temporary restraining order, a temporary protective order, an attachment order, or any other pre-judgment remedies) or interpleader relief. The exercise of such rights will not constitute a waiver of the right to submit to arbitration any dispute regarding the Credit Card Disclosure. This Arbitration Agreement will not apply to any disputes involving a consumer loan secured by real estate, or a consumer loan we provide you to the extent you and/or a co-borrower are "covered borrowers" under the Military Lending Act on such loan.

Will this Arbitration Agreement survive if your relationship with the Credit Union changes? This Arbitration Agreement shall survive your death, the closing of any of your accounts, the termination of any product or service, or of your business or transaction(s) with us, or any bankruptcy filing to the extent consistent with applicable bankruptcy law and shall also survive as to any claim within the scope of the Credit Card Disclosure.

What law will govern the enforceability of this Arbitration Agreement? Notwithstanding anything to the contrary in the Credit Card Disclosure, this Arbitration Agreement is governed by the Federal Arbitration Act ("FAA") and shall be interpreted and enforced in accordance with the FAA to the fullest extent possible, notwithstanding any state law to the contrary, regardless of the origin or nature of the claim or dispute at issue. Any issue concerning whether or the extent to which a dispute or claim is subject to arbitration, including issues relating to the validity or enforceability of this Arbitration Agreement, shall be determined by the arbitrator. Only a court, and not an arbitrator, however, shall determine the validity and effect of the waiver of class and collective actions below. If any term or provision of this Arbitration Agreement is held to be invalid or unenforceable, the remaining provisions shall be enforced without regard to the invalid or unenforceable term or provision.

3. WAIVER OF CLASS AND COLLECTIVE ACTION AND WAIVER OF JURY TRIAL FOR CLAIMS SUBMITTED TO ARBITRATION

YOU AND THE CREDIT UNION EACH EXPRESSLY INTEND AND AGREE THAT ANY AND ALL CLAIMS SUBMITTED TO ARBITRATION MUST BE BROUGHT IN THE PARTY'S INDIVIDUAL CAPACITY AND HEARD SOLELY ON AN INDIVIDUAL BASIS, AND NOT AS PART OF A CLASS ACTION OR OTHER PURPORTED OR ACTUAL COLLECTIVE ACTION OR OTHER REPRESENTATIVE ACTION OR PROCEEDING. WITH RESPECT TO ALL SUCH ARBITRABLE CLAIMS, YOU HEREBY AGREE TO WAIVE THE RIGHT TO PARTICIPATE IN A CLASS ACTION, COLLECTIVE ACTION, OR OTHER REPRESENTATIVE ACTION OR PROCEEDING, OR LITIGATE ON A CLASS-WIDE BASIS OR ANY BASIS OTHER THAN AN INDIVIDUAL BASIS. YOU AND THE CREDIT UNION HEREBY VOLUNTARILY AND KNOWINGLY



VISA CREDIT CARD AGREEMENT AND TRUTH IN LENDING DISCLOSURE

ACKNOWLEDGE AND AGREE THAT, WITH RESPECT TO ALL DISPUTES, CONTROVERSIES, AND CLAIMS SUBMITTED TO ARBITRATION, ALL PARTIES ARE WAIVING THE RIGHT TO TRIAL BY JURY TO THE FULLEST EXTENT ALLOWED BY LAW. THE PARTIES ANTICIPATE THAT BY ENTERING INTO THIS AGREEMENT, THEY WILL GAIN THE BENEFITS OF A SPEEDY AND LESS EXPENSIVE DISPUTE RESOLUTION PROCEDURE.

4. YOUR RIGHT TO OPT OUT OF THIS ARBITRATION AGREEMENT

IF YOU DO NOT WANT THIS ARBITRATION AGREEMENT TO APPLY TO THE CREDIT CARD DISCLOSURE AND/OR YOUR ACCOUNTS, PRODUCTS, OR SERVICES GOVERNED THEREUNDER, YOU MAY OPT OUT BY SENDING A WRITTEN REQUEST TO THE CREDIT UNION POSTMARKED WITHIN SIXTY (60) DAYS OF THE FIRST TIME YOU RECEIVE THIS ARBITRATION AGREEMENT. THE OPT OUT MUST INCLUDE YOUR FULL NAME, ADDRESS, TELEPHONE NUMBER, ACCOUNT NUMBER AND PERSONAL SIGNATURE, AND MUST BE MAILED TO THE CREDIT UNION AT: REDWOOD CREDIT UNION, PO BOX 6104, SANTA ROSA, CA 95406. OPTING OUT WILL NOT TERMINATE THE CREDIT CARD DISCLOSURE OR AFFECT ANY OTHER RIGHTS OR OBLIGATIONS YOU OR THE CREDIT UNION HAVE UNDER THE CREDIT CARD DISCLOSURE. IF YOU DO NOT OPT-OUT AS PROVIDED ABOVE WITHIN SIXTY (60) DAYS, YOU UNDERSTAND AND AGREE THAT THIS ARBITRATION AGREEMENT SHALL BE BINDING ON YOU AND THE CREDIT UNION.

U. MY BILLING RIGHTS - KEEP THIS NOTICE FOR FUTURE USE

1. STATE AND LOCAL LAW - The following summary of your rights under federal law does not cover all rights you may have under state and local law. If, under state or local law, you have a longer period of time in which to send an inquiry to RCU concerning your statement, reliance on any such longer period of time may result in you losing important rights, which could be preserved by acting more promptly under federal law. State or local provisions, if any, only become operative upon the expiration of the time period provided by CFPB Regulation Z for submitting a proper written notification of an error. This notice contains important information about my rights and responsibilities under the Fair Credit Billing Act.

2. If you think your Account statement is wrong, or if you need more information about a transaction on your statement, write RCU as soon as possible at the address shown on your statement or to Redwood Credit Union, PO Box 6104, Santa Rosa, CA 95406-0104. You must contact RCU no later than sixty (60) days after RCU sent you the first statement on which the error or problem appeared. You can telephone RCU at 1 (800) 479-7928 but doing so will not preserve your rights.

Your letter should give RCU the following information.

- Your name and account number
- The dollar amount of the suspected error
- A description of the error and an explanation of why you believe there is an error. If you need more information, you can describe the item you are not sure about.

If you have authorized RCU to pay your Card bill automatically from your savings or checking account, you can stop the payment on any amount you think is wrong. To stop the payment, write RCU as soon as possible at the address shown on your statement or to Redwood Credit Union, PO Box 6104, Santa Rosa, CA 95406-0104. Your letter must reach RCU three (3) business days before the automatic payment is scheduled to occur.

3. YOUR RIGHTS AND RCU'S RESPONSIBILITIES AFTER RCU RECEIVES YOUR WRITTEN NOTICE - RCU must acknowledge your letter within thirty (30) days, unless RCU has corrected the error by then. Within ninety (90) days, RCU must either correct the error or explain why RCU believes the statement was correct. After RCU receives your letter, RCU cannot try to collect any amount in question, or report you as delinquent. RCU can continue to bill you for the amount in question, including finance charges, and RCU can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while RCU is investigating, but you are still obligated to pay the parts of your statement that are not in question.



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If RCU finds that RCU made a mistake on your statement, you will not have to pay any finance charges related to any questioned amount. If RCU did not make a mistake, you may have to pay finance charges, and you will have to make up any missed payments on the questioned amount. In either case, RCU will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that RCU thinks you owe, RCU may report me as delinquent. However, if RCU's explanation does not satisfy you and you write to RCU within ten (10) days telling RCU that you still refuse to pay, RCU must tell anyone to whom RCU reports you that you have a question about your statement, and RCU must tell you the name of any person to whom RCU reported you. RCU must tell anyone to whom RCU has reported you that the matter has been settled between us when it finally is. If RCU does not follow these rules, RCU cannot collect the first \$50.00 of the questioned amount, even if your statement was correct.

4. SPECIAL RULE FOR CREDIT CARD PURCHASES - If you have a problem with the quality of goods or services that you purchased with the Card and 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 property or services. There are two limitations on this right:

- (a) You must have made the purchase in your home state or, if not within your home state, within 100 miles from your home.
- (b) The purchase price must have been more than \$50.00.

These limitations do not apply if RCU owns or operates the merchant or if RCU mailed you the advertisement for the property or services.

V. CALIFORNIA RESIDENTS

1. Under California law, RCU's rights to recover credit extended to you for Card purchases is subject to any defenses you have against the seller if:

- (a) The purchase price of the item in question exceeded \$50.00.
- (b) You made the purchase in California.
- (c) You made a written demand to the seller and made a good faith attempt to get satisfaction of your complaint.
- (d) You notify RCU in writing of the name of the seller, the date of the purchase, the price paid, the goods or services purchased, the nature of your defense, and the acts you took to obtain satisfaction from the seller.

2. The amount to which the defense applies is limited to the amount outstanding on the purchase as well as Late Charges and Finance Charges at the time RCU receives the written demand.

3. This remedy is the only one you have against RCU. Your rights are limited to those circumstances outlined in California Civil Code §1747.90. Purchases with cash or check are not included even if you used your Card to validate your credit.

4. RCU cannot penalize you either by giving out unfavorable credit information about you or canceling or refusing to renew your Credit Card solely because you obtained relief under your rights to correct billing errors.

W. HOW TO CONTACT RCU – RCU may be contacted by:

- Email:
 - Secure email: In digital banking, select the "Messages" option
 - General Email: www.redwoodcu.org - click on "Contact Us"
- Phone: Local - (707) 545-4000 or Toll-Free - 1 (800) 479-7928
- Mail: Redwood Credit Union, PO Box 6104, Santa Rosa, CA 95406



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PLEDGE OF SHARES AGREEMENT

Borrower(s) Account Number: _____ Loan Type: Visa Credit Card Amount Pledged: \$ _____
Owner(s) of Pledged Account (if different than Borrower(s)): _____
Pledged Account Number: _____ Pledge Share ID: _____

This is an amendment to the VISA Credit Card Agreement and Truth in Lending Disclosure ("Credit Agreement") between the Borrower named above and Redwood Credit Union ("RCU"). This Agreement must be executed by each Borrower and by an owner of the pledged account (only if no Borrower is an owner of the pledged account). "I", "me", and "my" refers to the Borrower and any non-Borrower owner of a Pledged Account. The singular implies the plural if there is more than one Borrower or owner of a pledged account.

In consideration for RCU opening the above referenced loan for the Borrower, I give RCU an immediate possessory security interest in the Amount Pledged in the Pledged Account identified above.

The Amount Pledged in the Pledged Account secures repayment of all or a portion of the amounts borrowed using the Visa Credit Card. I will not have access to the Pledged Amount until RCU releases its security interest by notifying me in writing that it has done so. The pledge will continue until:

- The amounts borrowed that are secured by this pledge are paid in full and the Visa Credit Card is closed at my request;
- RCU, at its sole discretion, voluntarily releases its security interest by notifying me in writing that it has done so; or
- RCU closes the Visa Credit Card for any reason allowed by law or the Credit Agreement.

RCU is not obligated to release the Pledged Amount until RCU deems it unlikely that any further charges or debits will post to the Visa Credit Card. However, if a debit transaction does post to the Visa Credit Card after it has been closed and RCU has released its security interest in the Pledged Amount, the Borrower remains obligated to pay the amount of the charge and any interest or fees according to the terms of the Credit Agreement. If the Borrower fails to pay such charges, the Borrower agrees RCU can, without further notice, take funds from any RCU account in which the Borrower has an interest to recover all or part of the delinquent obligation to RCU to the extent not otherwise prohibited by law.

Incurring charges on my loan in excess of the approved credit limit violates my Credit Agreement. If I exceed my credit limit, RCU can, at its sole option, either (a) require me to immediately reduce the unpaid balance to an amount within the approved credit limit, (b) pledge additional funds as security for an increased credit limit, or (c) close the Visa Credit Card to further use and demand payment of the entire outstanding balance in full. RCU will give me notice required by law if it takes any of these actions.

If I fail to make my required payments or I otherwise default under the terms of the Credit Agreement, RCU has the right to take all or a portion of the funds in the Pledged Account to pay off my credit card balance in full or in part. I agree that if RCU exercises its security interest in this manner after I default, RCU is not waiving its right to exercise other remedies against me to collect what I owe.

My giving of this pledge will not affect the dividend rate on the Pledged Account (except to the extent that specified minimum balance levels affect dividend rates generally) or the interest rate charged on my Credit Card Account.

This Pledge is incorporated by reference into and made part of the Credit Agreement.

Borrower Signature

Date

Co Borrower Signature

Date

Pledged Account Holder Signature

Date