



Alliance Federal Credit Union VISA Credit Card Agreement

make an advance and/or terminate your Account at any time for any reason not prohibited by law.

AGREEMENT

This Credit Card Agreement is effective February 22, 2010. This Agreement incorporates by reference all of the numerical rates and fees set forth in our Rate and Fee Schedule that are applicable to your Account. This Agreement governs your credit card Account. You promise to pay for all transactions, interest charges and fees assessed on your Account, and any past due months. In this Agreement the words "you" and "your" mean each and all of those who agree to be bound by this Agreement: "Card" means the Credit Card and any duplicates, renewals, or substitutions the Credit Union issues to you; "Account" means your Credit Card line of credit account with the Credit Union, and "Credit Union" means the Credit Union whose name appears on this Agreement or anyone to whom the Credit Union transfers this Agreement.

Signature and Copy Received: You acknowledge that you have received a copy of this Agreement. By signing in the Signature area of the application form accompanied with this Agreement, you agree to the terms of this Agreement. You should keep this Agreement and retain it for your records.

Effect of Agreement: This Agreement is the contract which applies to all transactions on your Account even though the sales, cash advances, credit or other slips you sign or receive may contain different terms. We may amend this Agreement from time to time by sending you the advance written notice required by law. Your use of the card thereafter will indicate your agreement to the amendments. Amendments will apply to your existing account balance as well as to future transactions, as indicated in our notice or indicated to the extent the law permits.

Security Interest: If you give the Credit Union a specific pledge of shares by signing a separate pledge of shares, your pledged shares will secure your Account. You also give the Credit Union a security interest in any funds in any Credit Union account you now have or may have in the future. Collateral securing other loans you have with the Credit Union may also secure this Account, except that your home will never be considered as security for this Account, notwithstanding anything to the contrary in any other agreement.

USING YOUR ACCOUNT

Your Account is to be used only for personal, family or household purposes. You promise that you will not allow your Account to be used for Internet gambling, and you will not use it for any unlawful purposes or transactions, including check kiting.

If you are approved for an Account, the Credit Union will establish a line of credit for you and notify you of your credit limit. You agree that your credit limit is the maximum amount (purchases, cash advances, finance charges, plus "other charges") that you will have outstanding on your Account at any time. Each payment you make to your Account will restore your credit limit by the amount of the payment, unless you are over your credit limit. If you are over your credit limit, you must pay the amount you are over before payments will begin to restore your credit limit. You may request an increase in your credit limit only by a method acceptable to the Credit Union. The Credit Union has the right to reduce your credit limit, refuse to

Responsibility: You agree to pay all charges (purchases and cash advances) to your Account that are made by you or anyone whom you authorize to use your Account. You also agree to pay all finance charges and other charges added to your Account under the terms of this agreement or another agreement you made with the Credit Union.

Billing Cycles/Statements: Your Account will have time periods called "billing cycles" or "billing periods." Each billing cycle is about one month in length. We will provide a billing statement each month one is required by applicable law.

Joint Accounts: If this is a joint Account, each person on the Account must sign the Agreement. Each of you will be individually and jointly responsible for paying all amounts owed under this Agreement. Each of you authorizes the other(s) to make purchases or cash advances individually. Any one of you may terminate the Account and the termination will be effective as to all of you.

Liability for Unauthorized Use-Lost/Stolen Card Notification: If you lose or someone steals your card or any other means to access your Account, or if you think someone has used your Account without your permission, you must tell us immediately. You will not be liable for unauthorized use that occurs after you notify us. Call Card Services at the telephone number listed on the back of your card. If it is after business hours, please call 1-800-682-6075. You may also contact us in writing to Alliance Federal Credit Union 8401 Quaker P.O. Box 64970, Lubbock, TX 79464-4970.

Changing or Terminating Your Account: The Credit Union may change the terms of this agreement from time to time. Notice of any change will be given in accordance with applicable law. If permitted by law and specified in the notice to you, the change will apply to your existing Account balance as well as to future transactions. Either you or the Credit Union may terminate this agreement at any time, but termination by you or the Credit Union will not affect your obligation to pay the Account balance plus any finance and other charges you owe under this Agreement. You are also responsible for all transactions made to your Account after termination, unless the transactions were unauthorized and you contacted the Credit Union regarding said transactions. The Card(s) you receive remain the property of the Credit Union and you must surrender to the Credit Union all cards upon request or upon termination of this Agreement. Should the termination of your Account be at the Credit Union's discretion, we have the right to require you to pay your full Account balance at any time after your Account is terminated.

OTHER FEES AND CHARGES

Finance Charge: The Finance Charge for a billing cycle is computed by applying the monthly Periodic Rate to the average daily balance of Credit Purchases, which is determined by dividing the sum of the daily balances during the billing cycle by the number of days in the cycle. Each daily balance of Credit Purchases is determined by adding to the outstanding unpaid balance of Credit Purchases at the beginning of the billing cycle any new Credit Purchases posted to your account, and subtracting any payments as received and credits as posted to your account, but excluding any unpaid Finance Charges.

A Finance Charge will be imposed on Credit Purchases only if you elect not to pay the entire New Balance shown on your monthly statement for the previous billing cycle within 25 days from the closing date of that statement. If you elect not to pay the entire New Balance shown on your previous monthly statement within that 25-day period, a Finance Charge will be imposed on the unpaid average daily balance of such Credit Purchases from the previous statement closing date and on new Credit Purchases from the date of posting to your account during the current billing cycle, and will continue to accrue until the closing date of the billing cycle preceding the date on which the entire New Balance is paid in full or until the date of payment if more than 25 days from the closing date.

Over Limit Fee: If you agree to allow us to charge overlimit fees, we may charge such a fee to the extent allowed by law when your Account goes over your credit limit. You have the right to opt-out of our charging the overlimit fee at any time by contacting the Credit Union. If you choose to opt-out, transactions that would cause your Account to exceed its credit limit by any amount will be declined.

Late Payment Fee: We may charge a fee if we do not receive at least the required Minimum Payment for any billing cycle by the date and time it is due.

ATM: If you obtain a cash advance by using an automated teller machine, you may be charged any amounts imposed upon the Credit Union by the owner or operator of the machine. Any charge made under this paragraph will be added to the balance of your account and treated as a purchase.

Card Replacement Fee: A fee may be assessed for replacement of any damaged or destroyed card. You may be assessed an additional fee for a rush replacement of your card.

Return Fee: We may charge a NSF Fee if your check payment or other type of payment is not honored by the issuing financial institution, or an automatic debit or other electronic payment is returned unpaid.

TYPES OF TRANSACTIONS

Credit Purchases: You may use your card to pay for goods or services. A Finance Charge will be imposed on Credit Purchases from the date the Credit Purchase is posted to your account and will continue to accrue until the date of payment.

Cash Advances: You may use your card to get cash, using an ATM or from financial institutions that accept the card. A Finance Charge will be imposed on Cash Advances from the date made or from the first day of the billing cycle in which the Cash Advance is posted to your account, whichever is later, and will continue to accrue until the date of payment

Returns and Adjustments: Merchants and others who honor your Card may give credit for returns or adjustments, and they will do so by sending the Credit Union (or our designee) a credit slip which will be posted to your Account. If your credits and payments exceed what you owe the Credit Union, 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 request or automatically after six months.

Additional Benefits/Card Enhancements: The Credit Union may from time to time offer additional services to your Account, such as travel accident insurance, at no additional cost to you. You understand that the Credit Union is not obligated to offer such services and may withdraw or change them at any time.

Merchant Disputes: The Credit Union is not responsible for the refusal of any merchant or financial institution to honor your Card. The Credit Union is subject to claims and defenses (other than tort claims) arising out of goods or services you purchase with the Card if you have made a good faith attempt but have been unable to obtain satisfaction from the merchant or service provider, and (a) your purchase was made in response to an advertisement the Credit Union sent or participated in sending to you; or (b) your purchase cost was more than \$50.00 and was made in your state or within 100 miles of your home. Any other disputes you must resolve directly with the plan merchant.

Foreign Transactions: Purchases and cash advances made in foreign countries and foreign currencies will be billed to you in U.S. dollars. The conversion rate to dollars will be made in accordance with the operating regulations for international transactions established by VISA International, Inc.

Debt Cancellation: We offer Life and Disability Debt Cancellation at the cardholder's expense. You may cancel this coverage by notifying the Credit Union at any time.

PAYMENTS

Payments: Each month you must pay at least the minimum payment shown on your statement by the date specified on the statement or no later than 25 days from the statement closing date, whichever is later. If your statement says the payment is "Now Due" your payment is due no later than 25 days from the statement closing date. You may pay more frequently, pay more than the minimum payment or pay the Total New Balance in full. The minimum payment is 3% of your Total New Balance, or \$15.00, whichever is greater, plus the amount of any prior minimum payments that you have not made, and any amount you are over your credit limit. The Credit Union also has the right to demand immediate payment of any amount by which you are over your credit limit.

Payments Allocation: Upon receipt of a payment from a cardholder, the Credit Union shall apply amounts in excess of the minimum payment amount first to the card balance bearing the highest rate of interest, and then to each successive balance bearing the next highest rate of interest, until the payment is exhausted.

Postal Service: The Credit Union assumes no responsibility for the mail. Payments will be credited to the account on the date RECEIVED. Please allow 7 to 10 working days for mail payments.

ENFORCING THIS AGREEMENT

The Credit Union can delay enforcing or not enforce any of its rights under this Agreement without losing its rights to enforce them in the future. If any of the terms in this Agreement are found to be unenforceable, all other terms will remain in full force.

DEFAULT / COLLECTIONS

Default: You will be in default if you fail to make any minimum payment or other required payment by the date that it is due. You

will be in default if you break any promise you make under this Agreement. You will be in default if you die, file for bankruptcy or become insolvent, that is, unable to pay your obligations when they become due. You will be in default if you make any false or misleading statements in any credit application or credit update. You will also be in default if something happens that the Credit Union believes may substantially reduce your ability to repay what you owe. When you are in default, the Credit Union has 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 finance charges, at the periodic rate charged before default, 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.

CREDIT INFORMATION

We may review your credit history by obtaining information from credit reporting agencies and others. We may report information about you and your Account to credit reporting agencies. If you request additional cards on your Account for others, we may report Account information in your name as well as in the names of the other people.

COMMUNICATIONS/CHANGE OF INFORMATION

We can provide cards, billing statements and other communications to you at any mailing address or email address shown in our records. If you change your contact information such as any mailing address, telephone number or email address, you must notify us in writing to the address shown on your billing statements.

If more than one person is responsible to the Account, we can provide billing statements and communications to any of you. Notice to one of you will be considered notice to all of you. You all will remain obligated on the Account. You authorize us, or anyone acting on our behalf to call any number you provide or to any number where we reasonably believe we can contact you. These include calls to mobile, cellular or similar devices. We may also send an email to any address where we reasonably believe we can contact you. Some of the legal purposes for calls and messages include: suspected fraud or identity theft, obtaining information, transactions on servicing of your Account, collecting on your Account, and providing you information about products and services.

GOVERNING LAW

THE TERMS AND ENFORCEMENT OF THIS AGREEMENT AND YOUR ACCOUNT SHALL BE GOVERNED AND INTERPRETED IN ACCORDANCE WITH FEDERAL LAW AND, TO THE EXTENT STATE LAW APPLIES. THE STATE LAW OF TEXAS, WHERE WE AND YOUR ACCOUNT ARE LOCATED, WILL APPLY NO MATTER WHERE YOU LIVE OR USE THE ACCOUNT.

FURTHER INFORMATION

YOUR BILLING RIGHTS: This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

Notify Us In Case of Errors or Questions About Your Bill:

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet at the address listed on your bill. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill

on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights. In your letter, give us the following information:

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

If you have authorized us to pay your credit 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 your letter must reach us three business days before the automatic payment is scheduled to occur.

Your Rights and Our Responsibilities After We Receive Your

Written Notice: We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill was correct. After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply an unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question. If we find that we made a mistake on your bill, you will not have to pay any finance charges related to any questioned amount. If we 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, we 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 we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your bill. We must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is. If we do not follow these rules, we cannot collect the first \$50.00 of the questioned amount, even if your bill was correct.

Special Rule for Credit Card Purchases: If you have a problem with the quality of property or services that you purchased with a 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 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 of your current mailing address: and

(b) The purchase price must have been more than \$50.00

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.

Annual Percentage Rate For Purchases	as low as 8.00% up to 18.00%*
Other APRs	None.
Method of computing the balance for purchases	Average Daily Balance Method (including new purchases).
Grace Period for repayment of the balance for purchases	You have 25 days to repay your balance for purchases before a finance charge will be imposed.
Annual Fee	None.
Over Limit Fee**	\$15.00 when New Balance exceeds more than 5%.
Minimum Finance Charge	None.
Late Payment Fee	If payment is not made within 5 days of the due date, a \$15.00 late payment fee may be charged.

*8.00%-18.00% Your interest rate will be determined based on several criteria that have been proven to forecast credit risk. Your final interest rate will be disclosed upon approval.

** You have the right to opt-out of our charging the overlimit fee at any time by contacting the Credit Union.

The information stated above is correct as of February 22, 2010 and is subject to change. This information may have changed after this date. To find out what those changes may be, call 806.798.5554, or toll free at 1.800.687.4328 or write, PO Box 64970, Lubbock, TX 79464.