

**CREDIT LINE ACCOUNT
AGREEMENT AND DISCLOSURE
EFFECTIVE AUGUST 1, 2008**

**Classic VISA
Standard MasterCard
Standard MasterCard Student Program
Secured Standard MasterCard
Platinum MasterCard**

**Secured Platinum MasterCard
Premium Travel MasterCard
Overdraft Line of Credit
Premier Plus Line of Credit
Premier Line of Credit**

THIS IS YOUR CREDIT LINE ACCOUNT AGREEMENT AND IT INCLUDES NECESSARY FEDERAL TRUTH-IN LENDING DISCLOSURE STATEMENTS AND ANY SPECIAL INSTRUCTIONS REGARDING THE USE OF YOUR CLASSIC VISA, STANDARD MASTERCARD, STANDARD MASTERCARD STUDENT PROGRAM, SECURED STANDARD MASTERCARD, PLATINUM MASTERCARD, SECURED PLATINUM MASTERCARD AND PREMIUM TRAVEL MASTERCARD CREDIT CARDS AND ANY OTHER ACCOUNT ACCESS DEVICES. PLEASE READ THIS BROCHURE CAREFULLY AND NOTIFY US AT ONCE IF ANY PARTS ARE UNCLEAR.

In this Agreement, the references to "we", "us", "our" and "credit union" mean PREMIER AMERICA CREDIT UNION. The words "you" and "your" mean each person accepting this Agreement. The words "VISA", "MasterCard", "Card" and "Credit Card" mean any Classic VISA, Standard MasterCard, Standard MasterCard Student Program, Secured Standard MasterCard, Platinum MasterCard, Secured Platinum MasterCard or Premium Travel MasterCard Credit Card Issued to you by us and any duplicates or renewals. If this is a joint account, read singular pronouns in the plural.

You, as the borrower, under a Credit Line Account ("Account), understand that the following Federal Disclosure Statement and the terms and conditions found herein constitute our Agreement with you. Your Account may be accessible through a variety of means which could include advance request forms, vouchers, convenience checks, charge slips, credit cards, telephone access, personal computer access, ATMs or other mechanical/electronic means and the like. Regardless of the access means, you promise to pay us all amounts charged or advanced to your Account by you or by any user who has access to your Account, with actual, apparent or implied authority for use of your Account, including Finance Charges and other fees or charges described herein. You may terminate the use of your Account by an authorized user by preventing the use of any Account access device (such as a Credit Card or PIN) by that user and by notifying us in writing that any such user is no longer authorized to use your Account. You understand that all advances are subject to our prior approval.

PRODUCTS

Your Account has products which may include Classic VISA, Standard MasterCard, Standard MasterCard Student Program, Secured Standard MasterCard, Platinum MasterCard, Secured Platinum MasterCard, Premium Travel MasterCard, Overdraft Line of Credit, Premier Plus line of Credit and Premier Line of Credit.

TRANSACTIONS/ADVANCES

Whenever you request a transaction or *an* advance, we may require you to *prove* your identity. If you request an advance by telephone, we will deposit the amount requested in your share savings account or your checking account (or any other sub-account suffix as directed by you) and you authorize us to do this, or we will draw a draft or check made payable to you and mail it to you. When the amount advanced appears on a subsequent statement that will be conclusive evidence of your telephone request. You understand that all advances are subject to our prior approval. Advances for all products (except for VISA and MasterCard purchases and except for VISA and MasterCard cash advances made at Premier America Credit Union office locations) are subject to a minimum of \$100.

SECURITY

As permitted by law, to secure all transactions under this Agreement in either joint or individual Accounts, we have the right to impress and enforce a statutory lien against your shares on deposit with us (other than those deposits established under a governmental approved tax deferral plan such as an IRA or Keogh account) and any dividends due or to become due to you from us to the extent that you owe on any unpaid balance on your Account and we may enforce our right to do so without further notice to you. Additionally, you agree that we may set-off any mutual indebtedness.

OTHER SECURITY/CROSS COLLATERAL

Collateral (other than household goods or any dwelling) given as security for any other loan you may have with us both now and in the future will in addition to securing all presently existing debts and liabilities you owe to us, secure all future advances We make to you or for your Account, including advances for reasonable attorneys' fees, court costs

and/or collection agency fees and costs Incurred in the collection of all indebtedness. Such Collateral shall include any and all accessions, related insurance proceeds or insurance premium refunds.

ACCOUNT RESTRICTIONS

In order to receive and maintain a Share Secured product (such as Share Secured MasterCard or Secured Platinum MasterCard), you agree to give us a specific pledge of shares which will be equal to your Credit Limit. In the event that you default on your Account, We may apply these shares toward the repayment of any amount owed on your Share Secured product. You may cancel your Share Secured product at any time by paying any amounts owed on your specific Share Secured product and returning any access devices. To be certain that your entire balance and all advances on your Account are paid, any shares pledged may not be available for 30 days after you have cancelled any such account product.

LINE OF CREDIT LIMITS

You will be notified of your specific credit limits which are available under your Account. Unless you are in default, the credit limits established for you will generally be self-replenishing as you make payments on your Account.

You will keep your unpaid balance within the credit limits set by us, and you will pay any amount over the credit limits on our demand whether or not we authorize the advances which caused you to exceed your credit limits.

For Credit Cards, your available credit will be reduced by pending transactions that have not yet been posted to your Account. Such a "hold" on your available credit might remain in effect until the earlier of the date that the transaction actually posts to your Account for a corresponding amount or 10 business days. In the event that a transaction posts for an amount that is different than a pending transaction, your available credit will still be reduced by an amount that corresponds to the related pending transaction for up to 10 business days.

JOINT ACCOUNTS

Each borrower will be responsible, jointly and severally, for the repayment of any amounts owed. If any Account access device, such as a Personal Identification Number (PIN), is requested and approved, you understand that any such Account access device(s) will be mailed only to the primary borrower(s) at the current address of record at the credit union. We may refuse to follow any instructions which run counter to this provision.

FINANCE CHARGES (EXCEPT VISA AND MASTERCARD)

The balances subject to the periodic Finance Charge are the daily ending balances outstanding for each day during the billing cycle. To get the daily ending balance, we take the beginning balance of your account each day, add any new advances, insurance premiums, debit adjustments and any applicable fees, and subtract any payments, credits and unpaid Finance Charges and late fees. The Finance Charge is computed by multiplying the Daily Periodic Rate by the daily ending balance outstanding for each day of the billing cycle. The daily Finance Charges are added together and the sum is the amount of your total new Finance Charge due. There is no grace period.

VISA AND MASTERCARD FINANCE CHARGES

The balances subject to the periodic Finance Charge are the average daily balances outstanding during the billing cycle. The Finance Charge for a billing cycle is computed by applying the Daily Periodic Rate to the average daily balance during the billing cycle. To get the average daily balance, we take the beginning balance of your Account each day, add any new purchases, cash advances, Insurance premiums, debit adjustments and any applicable fees, and subtract any payments, credits and unpaid Finance Charges or late Fees. Then, we add up all the daily balances for the billing cycle and divide them by the number of days in the billing cycle which we multiply by the Daily Periodic Rate. These daily Finance Charges are then added together and the sum is the amount of your total new Finance Charge due.

For VISA Accounts you can avoid new Finance Charges if you pay your entire new balance and outstanding Finance Charges by the payment due date shown on your monthly statement. Otherwise, Finance Charges are calculated from the beginning of the statement period on the previously billed but unpaid charges and on new charges from the date they are posted to your Account 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.

For MasterCard Accounts, you can avoid new Finance Charges on balances, excluding cash advances, if you pay your entire new balance and outstanding Finance Charges by the payment due date shown on your monthly statement. Otherwise, Finance Charges are calculated from the beginning of the statement period on your previously billed but unpaid Account balance and on new advances from the date they are posted to your Account, and will continue to accrue until the closing date of the billing cycle preceding the date on which your entire new balance is paid in full. All balances resulting from cash advances are subject to Finance Charges from the date they are posted to your Account and will continue to accrue until paid in full.

VARIABLE RATE (MASTERCARD ONLY)

MasterCard Accounts are subject to a Variable Rate which is based on the Prime Rate as published in the Money Rates Section of The Wall Street Journal on the last day of your previous billing cycle ("Index") plus Our Margin, The Index plus the Margin equals the Interest Rate. Changes in the Index will cause changes in the Interest Rate on the first day of the billing cycle following any such change in the Index. Increases or decreases in the Interest Rate will cause like increases or decreases in the Finance Charge and will affect the number of regularly scheduled payments that you will be required to make. There is no limit on the amount by which your Interest Rate can increase.

NON-VARIABLE RATE (VISA ONLY)

VISA Accounts are subject to a Non-variable Annual Percentage Rate.

VARIABLE RATE (EXCEPT VISA AND MASTERCARD)

Your Account is Subject to a Variable Rate which is based on the Prime Rate as published in the Money Rates Section of The Wall Street Journal on the last day of your previous billing cycle ("Index") plus Our Margin. The Index plus the Margin equals the "Interest Rate". Changes in the index will cause changes in the Interest Rate on the first day of the billing cycle following any such change in the Index, Increases or decreases in the Interest Rate will cause like increases or decreases in the Finance Charge and will affect the number of regularly scheduled payments that you will be required to make. There is no limit on the amount by which your Interest Rate can increase. For the current Index, Margin, Daily Periodic Rates (and the corresponding Annual Percentage Rates) and any applicable fees and charges for all products, refer to the separate page titled "Additional Disclosure – Federal Truth-in-Lending Act" which we have included with and made part of this Agreement.

MONTHLY PAYMENT SCHEDULE

Though you need only pay the Current Payment due shown on your monthly statement, you understand that you have the right to repay your Account or make larger payments on your Account at any time without penalty. You also understand that you will be charged periodic Finance Charges to the date you repay your entire Account balance. Any partial payment or prepayment of your Account will not delay your next scheduled payment. All payments to us must be in lawful money of the United States. Payments will be applied first to collection costs, then to any Finance Charges due, then to any Fees and Charges owing, then to the outstanding principal balance. Any unpaid portion of the Finance Charge will be reduced by subsequent payments and will not be added to the principal balance. You understand that any delay in the repayment of your unpaid balance will increase your periodic Finance Charges and any acceleration in the repayment of your unpaid balance will decrease your periodic Finance Charges.

Your payment is due on the payment due date as disclosed on your monthly statement. You may elect to make your payment by automatic transfer from a designated account. If you select this option, you understand and agree that you must maintain sufficient funds on deposit to permit us to transfer the payment on the payment due date.

For all products (except VISA and MasterCard), your payment will be 2.00% of your new unpaid balance at the end of each billing cycle plus any portion of the payments shown on prior statement(s) which remains unpaid, plus any amount that exceeds your approved credit limit. Your current payment in any event will be subject to the lesser of \$20 or your Account balance. VISA and MasterCard payments will be 3.00% of your new unpaid balance at the end of each billing cycle plus any portion of any payments shown on prior statement(s) which remains unpaid, plus any amount that exceeds your approved credit limit. Your payment in any event will be subject to the lesser of \$10 or your Account balance.

OVERDRAFT PROTECTION

Overdraft Protection is only made available on Overdraft Protection Lines of Credit. You agree that we may transfer funds in multiples of \$100 (or in such increments as we may from time to time determine) to your checking account by an advance on the account product designated on your Overdraft Protection Application/Sign-Up Card to clear any Overdraft on your checking account. In any event, you hold us harmless for any and all liability which might otherwise arise if the transfer does not occur. Your checking account Overdraft Protection automatically ceases if this Agreement is cancelled or terminated or your Account is in default.

PERIODIC STATEMENTS

On a regular basis, you will receive a statement showing all transactions on your Account including amounts paid and borrowed since your last statement. We will mail you a statement each month in which there have been any transactions on your Account or there is a debit or credit balance. We need not send you a statement if we feel your Account is uncollectible but such action by us does not relieve you of your liability to repay any amounts that you owe us. Each statement is deemed to be a correct statement of account unless you notify us of a billing error pursuant to the Federal Truth-In-Lending Act.

DEFAULT/CROSS DEFAULT.

You will be in default if:

- (a) You do not make any payment or perform any obligation required under any other agreement that you may have with us, including but not limited to loan agreements, credit line agreements, debt instruments and the like; or
- (b) You do not make any payment or perform any obligation required under this Agreement; or
- (c) You should die, become involved in any insolvency, receivership or custodial proceeding brought by or against you; or
- (d) You have made a false or misleading statement in your credit application and/or in your representations to us while you owe money on your Account; or
- (e) A judgment or tax lien should be filed against you or any attachment or garnishment should be issued against any of your property or rights, specifically including anyone starting an action or proceeding to seize any of your funds on deposit with us; and/or
- (f) We should, In good faith, believe your ability to repay your indebtedness hereunder is or soon will be impaired.

If you are in default, we may without prior notice or demand and to the extent permitted by law, cancel your rights under this Agreement, declare the entire unpaid balance of your Account immediately due and payable, set-off any money owed us in accordance with the terms of said Agreement and require the return of all access devices.

If immediate payment is demanded, you will continue to pay Finance Charges at the applicable Annual Percentage Rate in effect until what you owe has been repaid. Even if your unpaid balance is less than your Credit Limit(s), you will have no credit available during any time that any aspect of your Account is in default.

For all Feature Categories (Except VISA), if you are ever 30 or more days past due on any payment and/or if your account is otherwise in default, the Daily Periodic Rate applicable to your entire balance existing at that time and in the future will immediately increase by .027397% (corresponding to an increase in the ANNUAL PERCENTAGE RATE of 10.00%).

Additionally, Premium Travel MasterCard Accounts will not earn Premium Travel Points during any calendar month that your Account is 30 or more days past due.

ENFORCEMENT

We do not lose our rights under this or any related agreement if we delay enforcing them. We can accept late payments, partial payments or any other payments even if they are marked "paid in full" or contain language indicating full satisfaction of the unpaid balance without losing any of our rights under this Agreement. Any compromise in, or the reduction of, amounts owed under this Agreement must be previously agreed to in writing by an authorized employee of the Credit Union. 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.

COLLECTION COSTS

If you are in default, to the extent permitted by law, you will reimburse us for all costs of collecting the amount you owe under this Agreement including reasonable attorney fees. You agree that we may add any collection costs, including reasonable attorneys' fees, to your Account balance on which Finance Charges will be Charged, subject to the applicable Annual Percentage Rate.

DEBT CANCELLATION COVERAGE

Debt cancellation coverage ("loan Protection Plan") is not required for any extension of credit under this Agreement. However, you may purchase any loan Protection Plan available through us and have the fees added to your outstanding Account balance. If you elect to do so, you will be given the necessary disclosures and documents separately.

INTEGRATED DOCUMENTS

Any separate sheet of paper labeled "Additional Disclosure Federal Truth-in-Lending Act, "Truth-In-Savings Disclosure and Agreement" or "Schedule of Fees" which is delivered together with this Agreement or separately becomes an integrated part of this Agreement and Disclosure.

NOTIFICATION OF ADDRESS CHANGE

You will notify us promptly in writing if you: (a) move or otherwise have a change of address; or (b) change your name.

CHANGE IN TERMS

We may change the terms of this Agreement by mailing or delivering to you written notice of the changes as prescribed by the Federal Truth-In-Lending Act. To the extent permitted by law, the right to change the terms of this Agreement includes, but is not limited to, the right to change the periodic rate applicable to your unpaid balance and/or future advances.

CONSENT TO AGREEMENT

You agree to and accept the terms of this Agreement and Disclosure by signing the application for your account, by using

your account; or by using any Account access device: or by using or authorizing another to use your Account.

UPDATING AND DISCLOSING FINANCIAL INFORMATION

You will provide facts to update information contained in your original application or other financial information related to you, at our request. You also agree that we may, from time to time, as we deem necessary, make inquiries pertaining to your employment, credit standing and financial responsibility in accordance with applicable laws and regulations. You further agree that we may give information about the status and payment history of your Account to consumer credit reporting agencies, a prospective employer or insurer, or a state or federal agency having any apparent legitimate business need for such information. You agree to provide us with a current financial statement or other credit information if we request, and we have the right to make no further advances until we have determined that the information is satisfactory. We may, at our option, and without notice, declare you in default if you do not provide us with a current financial statement or other credit related information when requested.

TERMINATION

Either you or we may cancel your Account at any time, whether or not you are in default. Upon receiving a written request from any party to your Account or receiving inconsistent instructions from different parties to your Account, we, at our sole option and without notice to any other party, may terminate your Account or refuse any right with respect to your Account, including a request for credit or an advance. You will, in any case, remain liable to pay any unpaid balances according to the terms of your Account.

ARBITRATION

Any controversy or claim arising out of or relating to any product contained in this Credit Line Account Agreement And Disclosure, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Arbitration Rules and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. All parties hereby waive and give up all rights to a jury trial or class action relief.

GOVERNING LAW

This Agreement is controlled and governed by the laws of the State of California except to the extent that such laws are inconsistent with controlling federal law.

USE OF YOUR CARD

You may use your Card to buy goods and services in any place that the Card is honored and to get cash advances from participating ATMs. You agree not to use your Card for illegal transactions including but not limited to, advances made for the purpose of gambling and/or wagering where such practices are in violation of applicable state and/or federal law. Additionally, you agree not to utilize your VISA and/or MasterCard account for the purchase of any goods or services on the Internet that involves gambling of any sort. Such transactions include, but may not be limited to, any quasi-cash or online gambling transaction, any electronic commerce transaction conducted over an open network, and any betting transaction including the purchase of lottery tickets or casino gaming chips or off-track betting or wagering. However, in the event that a charge or transaction described in this paragraph is approved and processed, you will still be responsible for such charges.

OWNERSHIP

All Account access devices remain our property and may be cancelled by us at any time without notice. You agree to surrender such Account access devices and to discontinue their use immediately upon our request.

Consensual Lien

If you have been issued a Credit Card, you grant and consent to a lien on your savings, checking and certificate accounts with us (except for IRA Accounts) and any dividends due or to become due to you from us to the extent you owe on your unpaid Credit card balance.

ISSUANCE OF PERSONAL IDENTIFICATION NUMBER

We will issue you a Personal Identification Number (PIN) for use with your Card in conjunction with participating Automated Teller Machines (ATMs) and/or any other participating programs. This PIN is confidential and should not be disclosed to anyone. You may use your PIN 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 Fund Transfer, the terms and conditions of your Electronic Fund Transfer Agreement may also affect your rights. Your use of the PIN is your authorization to us to charge your Account to cover such transactions.

PREMIUM TRAVEL MASTERCARD MILEAGE PROGRAM

Premium Travel MasterCard Accounts in good standing will earn Premium Travel Points based on net purchases made on your Account. The details of the Premium Travel Awards feature of your Premium Travel MasterCard Account will be

disclosed to you separately.

REFUSAL TO HONOR CONVENIENCE CHECKS OR CREDIT CARD .

We are not liable for the refusal or inability of merchants, financial Institutions or others to accept convenience checks or Credit Cards, or electronic terminals to honor convenience checks or Credit Cards or complete a Card withdrawal, or for their retention of convenience checks or Credit Cards.

OUR RESPONSIBILITY TO HONOR CONVENIENCE CHECKS

We may not accept any convenience check if: (1) by paying a convenience check your Account balance would exceed your credit limit; (2) your convenience check or payment check is postdated; (3) your Cards or convenience checks have been reported lost or stolen; (4) your Account has been cancelled or has expired.

If a postdated convenience check is paid and as a result any other convenience check is returned or not paid, we are not responsible. Any convenience check that is returned by us unpaid or is paid and, as a result, causes your Account balance to exceed your credit limit, will be subject to either a returned check fee or an over the credit limit fee.

FOREIGN TRANSACTIONS

For transactions initiated in foreign countries and foreign currencies, the exchange rate between the transaction currency and the billing currency (U.S. dollars) will be:

(a) a rate selected by VISA and/or MasterCard, as is applicable, from the range of rates available in wholesale currency markets for the applicable central processing date which rate may vary from the rate VISA or MasterCard, as is applicable, itself receives; or (b) the government-mandated rate in effect for the applicable central processing date. In each instance, you will be charged a fee in an amount equal to 1.00% of the settlement amount.

TRANSACTION SLIPS

Your monthly statement will identify the merchant, electronic terminal or financial institution at which transactions were made, but sales, cash advance, credit or other slips are not returned with the statement.

LOST OR STOLEN CREDIT CARDS OR CONVENIENCE CHECKS

To report a lost or stolen card, immediately call (800) 811-2917. To report a lost or stolen convenience checks, contact a Premier America Credit Union Information Specialist by calling (800) 772-4000 or (818) 772-4000 in the 818 area code.

UNAUTHORIZED USE

You may be liable for the unauthorized use of your Card. You will not be liable for the unauthorized use that occurs after you notify us orally or in writing at that address or telephone number shown in this Agreement, of the loss, theft, or possible unauthorized use. In any case, your liability will not exceed \$50.

CREDITS

If a merchant who honors your Card gives you credit or returns or adjustments, they will do so by generating a credit which will be posted to your Account. If your credits and payments exceed what you owe us, we will hold and apply this credit against future purchases and cash advances or, if it is \$1.00 or more, refund it on your written request or automatically deposit it to your savings account after six months.

EFFECT OF AGREEMENT

Even though the sales, cash advance, credit or other slips you may sign or receive when using the Card contain terms, this Agreement is the contract which solely applies to all transactions involving the Card.

YOUR BILLING RIGHTS

KEEP THIS NOTICE FOR FUTURE USE

This notice contains important or billing information about your rights and our responsibilities under the Fair Credit Billing Act.

NOTIFY US IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR STATEMENT

If you think your statement is wrong, or if you need more information about a transaction on your statement, write us on a separate sheet, at Card Services, P.O. Box 10409, Des Moines, IA 50306. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first statement on which the error or problem appeared. You may also contact us by phone or e-mail, but doing so will not preserve your rights.

In your letter, give us the following information:

- Your name and Account number.
- 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.

Phone: (800) 268-1884

E-mail: disputesandfraud@themembersgroup.com

If you have authorized us to pay your Credit Card or Line of Credit 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 statement is 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 any 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 statement that are not in question.

If we find that we made a mistake on your statement, you will not have to pay any Finance Charges related to any questioned amount. If we didn't 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 10 days telling us that you still refuse to pay, we must tell anyone we reported you to that you have a question about your statement and we must tell you the name of anyone we reported you to. We must tell anyone we reported you to that the matter has been settled between us when it finally is. If we don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your statement is 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. These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.