Industrial CREDIT UNION

BUSINESS MASTERCARD CREDIT CARD ACCOUNT AGREEMENT AND DISCLOSURES

Company

_____
_____
_____

Credit Union

Industrial Credit Union of Whatcom County
PO BOX 1767,
Bellingham, WA 98227-1767

Total Credit Limit

$_____

Account Number _____

Agreement

By signing below and according to all terms of this Agreement, you are obligating the company identified above, and yourself individually if you are signing as "Owner" on behalf of a sole proprietorship, to pay to Credit Union all amounts due and to adhere to the Credit Limits set forth above. Your agreement to all of these provisions, as amended from time to time, will be shown by your signature below applying for the Card and indicating your consent to and agreement with all terms in this Agreement, your acceptance of the Card, or your use of the Card, whichever occurs first.

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

Commercial Plan. Each signer below represents and warrants to us that the purpose of this credit card Account is strictly intended for business and commercial purposes, and that no part of the Account or any property purchased or pledged as collateral is or will be used for personal, family, or household purposes. You agree that we are relying on this statement. You also represent and warrant your authority to enter into and bind the Company to the terms and conditions set forth herein and you hereby execute and deliver this Agreement, including the Account Disclosures and Additional Terms and Conditions below and all other terms and conditions set forth in this Agreement, as of the date shown below.

Guaranty

By signing this Agreement and intending to induce Credit Union to make, renew, or extend a credit facility accessed by credit card to Company, each of the undersigned personally and unconditionally guaranties the prompt payment when due to the Credit Union and any other holder of the above Agreement of the entire amount owing on the Agreement if Company defaults in payment or performance of any obligations to the Credit Union. This is a guaranty of payment and not of collection. The undersigned waives notice of acceptance of this guaranty and agrees that Credit Union does not have to provide notice if any payments under the Agreement have not been paid or if Company has otherwise defaulted. Credit Union can change the terms of the Agreement or the schedule of payments or release any security of Company or any guarantor without notifying the undersigned or releasing any guarantor from responsibility under this guaranty. The undersigned agrees to be bound by all terms of this Agreement and agrees to pay all amounts owing under the Agreement on demand, without requiring Credit Union to bring suit or take any action against Company or any collateral for the Agreement. If the Credit Union sues to enforce this guaranty, the undersigned agree to pay all reasonable attorney fees of the holder of this Guaranty, at trial and on appeal.

Account Disclosures

Annual Percentage Rate. The Periodic Rate and corresponding Annual Percentage Rate(s) (APR) used to compute the Interest Charge are variable and based on the market and changes in creditworthiness. The Annual Percentage Rate is divided by 365 to obtain the Periodic Rate. The rate can change annually. Any increase or decrease in the Annual Percentage Rate will affect the number of monthly payments you may have to make. Your rate will never exceed the maximum rate permitted under applicable law. Any increase in the rate will result in higher monthly payments.

Method Used to Determine the Balance on which the Interest Charge May Be Computed and Amount of Interest Charge. The Interest Charge on your Account is computed by applying the monthly Periodic Rate to the "average daily balance" of purchases and cash advances. To get the average daily balance, we take the beginning balance of your account each day and subtract any payments,

credits, non-accruing fees, and unpaid interest charges. We add in new purchases and cash advances. This gives us the daily balance. Then we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the "average daily balance."

Minimum Monthly Payment. The minimum monthly payment will be the larger of (a) $25 or (b) 3% of your outstanding balance shown on your statement ("New Balance"), rounded up to the nearest $1.

Late Fee. If your payment is not received by the due date, you will pay a late fee of $25. A late fee may also apply if an item is returned and not replaced with collected funds by the due date.

Overlimit Fee. None.

Cash Advance Fee. None.

Balance Transfer Fee. None.

Returned Payment Fee. If any check, draft, or electronic payment we receive from you as payment for any amount you owe to us is returned to us unpaid, you agree to pay a returned item fee of up to $25.

Additional Terms and Conditions

This Mastercard Credit Card Account Agreement ("Agreement") and the Account Disclosures section above ("Account Disclosures") given to you when you opened your credit card account ("Account") will govern your Mastercard Credit Card and Account issued by Industrial Credit Union of Whatcom County ("Credit Union"). In this Agreement, the words "you," "your," "yours," "applicant," "Company," and "Borrower" mean any person who signs the application for this Account, and any joint obligor, guarantor, authorized user, or the person whose name is embossed on the Card. The words "we," "us," "our," and "Credit Union" mean Industrial Credit Union of Whatcom County. The word "Card" means any one or more credit cards issued under this Account. Other capitalized terms are defined below. **If you sign an application for this Account or sign or use any Card or PIN or allow others to use the Card or PIN, you and they will have accepted this Agreement just as if you and they signed it, and you and they, jointly and severally, will be bound by the following terms and conditions, all of which govern this Account.**

1. YOU PROMISE TO PAY. You promise to pay us all amounts, plus any Interest Charges, that arise from use of the Card or Account by you or any other person, and to be jointly and severally liable with such person unless such other person does not have actual, implied, or apparent authority for such use, and you received no benefit from the use. You promise to pay us either by direct payment or by automatic transfers from your deposit account.

2. ACCOUNT ACCESS.

a. Purchases. You can use the Card to buy or lease goods, services, or insurance wherever the Card is honored, up to the full amount of your Credit Line.

3. CREDIT LINE. If we approve your application, this Agreement will constitute a revolving line of credit for an amount that will be identified as the credit limit available within your Account ("Credit Line"). We will advise you of the amount of your Credit Line. That amount will be the maximum amount you may have outstanding at any one time. You agree not to attempt to obtain more credit than the amount of your Credit Line. If you temporarily exceed your Credit Line, however, you agree to repay the excess immediately, even if we have not yet billed you. Obtaining such credit does not increase your Credit Line. We retain the right to increase or decrease your Credit Line at any time. Any increase or reduction in the amount of your Credit Line will be shown on your monthly statement or by separate notice together with any changes in the applicable Minimum Monthly Payments. Your eligibility for this Credit Line is determined by our loan policy and may be terminated at our sole discretion, without demand or notice. You may close your Credit Line at any time by notifying us in writing and shredding all Cards. If you terminate this Agreement or if we terminate or suspend your credit privileges, the provisions of this Agreement and your liability hereunder shall otherwise remain in full force and effect until you have paid us all sums due us under this Agreement and destroyed all Cards.

a. MINIMUM MONTHLY PAYMENT. We will mail you a statement or, if you have consented, provide a statement electronically every month if your Account has a balance. You agree that you will pay each month not less than the minimum monthly payment on or before the closing date shown on the statement. The minimum monthly payment is set forth in the Account Disclosures above. If your outstanding balance is less than $25, you agree to pay the balance in full. In addition to the minimum monthly payment, you agree to pay any "Overlimit Amount" and any amount past due shown on your statement each month by the due date shown on your statement. You may pay in full for all your purchases and other advances each month or you may repay in monthly installments, subject to the minimum payment requirements above. We can accept late payments or partial payments, or checks, drafts, or money orders marked "payment in full" without prejudice to our rights under this Agreement, which are hereby explicitly reserved. A credit posting from a merchant or reversal of fees does not constitute a minimum payment. Payments in excess of the minimum monthly payment will be allocated first to higher rate balances, as applicable. Subject to the foregoing, payments will be applied first to accrued interest, then to any fees, charges, or other amounts owed under this Agreement, and the remainder to principal. From time to time, we may allow you to skip your minimum monthly payment due. If you choose to skip that payment, Interest Charges will continue to accrue in accordance with this Agreement. Payments received at Industrial Credit Union of Whatcom County, PO BOX 1767, Bellingham, WA 98227-1767,

on or before 5:00 PM Pacific Time on any business day will be credited to your Account as of that date. Payments received by mail at that address after 5:00 PM Pacific Time or on a weekend will be posted to your Account as of the next business day.

4. SECURITY INTEREST. To secure your Account, you grant us a purchase money security interest under the Washington Uniform Commercial Code in any goods you purchase through your Account. If you default, we will have the right to recover any of these goods that have not been paid for through application of your payments in the manner described in Section 4. In addition, you grant us a security interest in all of your deposits and deposit accounts, present and future, and all accounts (except Individual Retirement Accounts and Keogh Accounts) with the Credit Union to secure your Account and agree, upon default, the Credit Union may apply all that is secured to pay any amounts due under this Agreement, without further notice to you. **You further agree that collateral securing other loans with the Credit Union (except loans secured by real property) also secures this Account.**

5. PERIODIC STATEMENTS. For each month in which your outstanding balance exceeds $1, we will send you a statement showing new purchases, payments, and credits made to your Account during the billing period, your Previous Balance, your "Total New Balance," any Interest Charge, and any other charges. Your statement also will identify the remaining Credit Line available and the Minimum Monthly Payment you must make for that billing period and the date it is due. For statement verification purposes, you agree to retain copies of transaction slips resulting from each purchase, each advance, and other transaction on your Account. Unless you notify us of a billing error as described below, you accept your monthly statement as an accurate statement of your Account with us.

6. CIRCUMSTANCES UNDER WHICH AN INTEREST CHARGE WILL BE IMPOSED. The total outstanding balance of purchases on the Account on the closing date of a billing period, including any Interest Charge, will be shown on the Periodic Statement for that billing period as the "New Balance." To avoid incurring an additional Interest Charge on the balance of purchases reflected on your monthly statement, you must pay the New Balance shown on your monthly statement on or before the Payment Due Date. The grace period for the New Balance of purchases extends to the Payment Due Date. An Interest Charge will be imposed on the portion of purchases included in the New Balance that is not paid by the due date. If you do not pay the New Balance for purchases within the grace period, your Interest Charge will accrue on any unpaid purchase transactions from the first day of the billing period in which the payment is due. Interest will be charged beginning on the transaction date for cash advances and balance transfers.

7. PERIODIC RATE AND CORRESPONDING ANNUAL PERCENTAGE RATE. The Periodic Rate and corresponding Annual Percentage Rate(s) used to compute the Interest Charge are set forth in the Account Disclosures above and are a part of this Agreement. The Annual Percentage Rate is divided by 365 to obtain the Daily Periodic Rate.

8. CONDITIONS UNDER WHICH OTHER CHARGES MAY BE IMPOSED. You agree to pay the following fees and charges on your Account. All fees and charges will be added to your purchase balance and will accrue interest charges at the same rate that applies to your purchase balance.

a. Late Fee. If your payment is not received by the due date, you will pay a late fee specified in the Account Disclosures above.

c. Returned Payment Fee. If any check, draft, or electronic payment we receive from you as payment for any amount you owe to us is returned to us unpaid, we may charge and you agree to pay the returned payment fee specified in the Account Disclosures above.

f. Attorney Fees and Costs. If you default on any part of this Agreement, you agree to pay us all costs to collect your Account, including court costs and reasonable attorney fees whether or not there is a lawsuit, and fees on any appeal and fees for bankruptcy proceedings, appeals, and any post-judgment collection services, if applicable. These fees and costs may be added to your Account balance and will bear interest at the Annual Percentage Rate in effect at that time.

9. CONDITIONS OF CARD USE. The use of your Card and Account are subject to the following conditions:

a. Use. Your Card and Account may be used only for valid and lawful purposes. You may not use your Card (i) to make Purchases for any illegal transaction or (ii) for any internet or online gambling transactions. If you use your Card for any illegal or prohibited transaction, this Agreement also applies to such transaction and you agree to pay any and all amounts related to such transaction pursuant to the terms of this Agreement. We may, at our sole discretion and without warning, restrict the use of the Card or terminate your Account if we notice excessive use of your Card or other suspicious activities or if we reasonably believe the Card or Account is or has been used for one or more illegal or prohibited transactions.

b. Ownership of Cards. Any Card or other credit instrument or device that we supply to you is our property and must be managed according to our instructions. The Card may be repossessed at any time in our sole discretion without demand or notice. You cannot transfer your Card or Account to another person.

c. Honoring the Card. We may decline to honor any transaction for any reason. Neither we nor merchants authorized to honor the Card will be responsible for the failure or refusal to honor the Card or any other credit instrument or device we supply to you. If a merchant agrees to give you a refund or adjustment, you agree to accept a credit to your Account in lieu of a cash refund.

d. Currency Conversion/International Transaction Fee. Purchases made in foreign countries will be billed to you in U.S. dollars. The currency conversion rate for international transactions as established by Mastercard International, Inc., is a rate selected by Mastercard from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Mastercard itself receives, or the government-mandated rate in effect for the applicable central processing date.

e. Notices and Payments. All notices will be delivered to you electronically if you have provided consent or mailed to your address as shown in the application. You agree to advise us promptly in writing if you change your mailing address. All payments should be submitted electronically ormailed to us at the remittance address shown on your monthly statements. Payments received at that address will be credited to your Account as of the date received. Written notices and inquiries to us must be sent to Industrial Credit Union of Whatcom County, PO BOX 1767, Bellingham, WA 98227-1767.

f. Personal Identification Number. If we issue you a Personal Identification Number ("PIN") for use with your Card in accessing your line of credit at ATMs, these numbers are issued to you for your security. These numbers are confidential and should not be disclosed to third parties. You are responsible for safekeeping your PIN. You agree not to disclose or otherwise make available your PIN to anyone not authorized to sign on your Account. To keep your Account secure, please do not write your PIN on your Card or keep it in the same place as your Card.

10. LOAN PROTECTION. Loan Protection coverage is not required for any extension of credit under this Agreement. However, you may purchase any loan protection available through us and have the monthly fee added to your outstanding balance as purchases. If you elect to do so, we will give you the necessary disclosures and documents separately.

11. DEFAULT. You will be in default under this Agreement if any of the following occur: (a) Any Minimum Monthly Payment is not made when due, (b) you become insolvent, bankrupt, or you die, (c) you violate any part of this Agreement or any other agreement with us, or (d) we reasonably deem ourselves insecure with respect to your Account. Upon default, we may declare the entire unpaid balance immediately due and payable and you agree to pay that amount plus any attorney fees and costs as set forth in Section 10 above, including fees and costs in any appeal or bankruptcy proceeding. We can delay enforcing any right under this Agreement without losing that right or any other right. We will notify you in writing of any such action as soon as practical if it occurs.

12. GOVERNING LAW. This Agreement will not take effect until it is approved by us. This Agreement shall be governed by the laws of Washington.

13. SEVERABILITY. If any provision of this Agreement is held invalid, the remaining provisions that are severable shall remain in effect.

14. LOSS OR THEFT OF CARD. You agree to notify us immediately of the loss, theft, or use without your permission of any Card or other credit instrument or device that we supply to you. You may be liable for the unauthorized use of your card if you were grossly negligent or fraudulent in using your Card or if you delay in reporting unauthorized use. You will not be liable for unauthorized use that occurs after you notify us orally or in writing of loss, theft, or possible unauthorized use. You must report the loss, theft, or unauthorized use of the Card to us by calling 360.734.2043 or 877.640.0420 (during regular business hours) or 1 (888) 241.2510 (outside of regular business hours), or 1 (909) 941.1034 if calling from outside the United States, or in writing at Industrial Credit Union of Whatcom County, PO BOX 1767, Bellingham, WA 98227-1767.

15. CREDIT INFORMATION/FINANCIAL STATEMENTS. You authorize us to release information to others (*e.g.*, credit bureaus, merchants, and other financial institutions) regarding the status and history of your Account. You agree to provide us, at any time we deem necessary, with a current financial statement and/or updated credit information upon request. We may investigate your credit directly or through a credit reporting agency.

16. AMENDMENTS. We reserve the right to change any terms or conditions of this Agreement at any time, to the extent permitted by applicable law. We will notify you of the changes to this Agreement as required by law.

19. ACKNOWLEDGMENT. You understand and agree to the terms and conditions in this Agreement. You acknowledge that you have received a copy of this Agreement and the Account Disclosures. This Agreement is a final expression of the agreement between you and the Credit Union.

Borrower 1 _____ **Borrower 2** _____

Signed: _____ Signed: _____

Date: _____ Date: _____

YOUR BILLING RIGHTS - KEEP THIS NOTICE FOR FUTURE USE

This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

What To Do If You Find A Mistake On Your Statement

If you think there is an error on your statement, call us at 360.734.2043 or 877.640.0420, or write to us at Industrial Credit Union of Whatcom County, PO BOX 1767, Bellingham, WA 98227-1767.

In your letter, give us the following information:

1. Your name and account number.
2. The dollar amount of the suspected error.
3. If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us:

- Within sixty days after the error appeared on your statement.
- At least three business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

You must notify us of any potential errors in writing. You may call us, but if you do, we are not required to investigate any potential errors and you may have to pay the amount in question.

What Will Happen After We Receive Your Letter

When we receive your letter, we must do two things:

1. Within thirty days of receiving your letter, we must tell you that we received your letter. We will also tell you if we have already corrected the error.
2. Within ninety days of receiving your letter, we must either correct the error or explain to you why we believe the bill is correct.

While we investigate whether or not there has been an error:

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

After we finish our investigation, one of two things will happen:

- If we made a mistake: You will not have to pay the amount in question or any interest or other fees related to that amount.
- If we do not believe there was a mistake: You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount you owe and the date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe.

If you receive our explanation but still believe your bill is wrong, you must write to us within ten days telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first $50 of the amount you question even if your bill is correct.

Your Rights If You Are Dissatisfied With Your Credit Card Purchases

If you are dissatisfied with the goods or services that you have purchased with your credit card, and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the purchase. To use this right, all of the following must be true:

- The purchase must have been made in your home state or within 100 miles of your current mailing address, and the purchase price must have been more than $50. (Note: Neither of these are necessary if your purchase was based on an advertisement we mailed to you, or if we own the company that sold you the goods or services.)
- You must have used your credit card for the purchase. Purchases made with cash advances from an ATM or with a check that accesses your credit card account do not qualify.
- You must not yet have fully paid for the purchase.

If all of the criteria above are met and you are still dissatisfied with the purchase, contact us in writing at Industrial Credit Union of Whatcom County, PO BOX 1767, Bellingham, WA 98227-1767.

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