

BECU CREDIT AND SECURITY AGREEMENT ADDENDUM



This addendum is incorporated into and becomes part of your Credit Card and Security Agreement (“Agreement”) that governs your credit card. Please keep this attached to your Agreement. Rates and terms are current as of July 1, 2010 and subject to change without notice.

BECU VARIABLE RATE CREDIT CARD ACCOUNT

INTEREST RATES AND INTEREST CHARGES	
Annual Percentage Rate (APR) for Purchases, Cash Advances, and Balance Transfers	6.9%, 8.9%, 10.9%, 12.9%, 18%, when you open your account, based on your creditworthiness. After that and until the last day of your billing cycle in July, 2010, this APR will vary with the market based on the Prime Rate.
How to Avoid Paying Interest	Your due date is at least 23 days after the close of each billing cycle. We will not charge you interest on purchases if you pay your entire balance by the due date each month. We will begin charging interest on cash advances and balance transfers 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 Federal Reserve Board at www.federalreserve.gov/creditcard .

FEES	
Annual Fee	None
Transaction Fees	
• Cash Advance	2% of the amount of the cash advance, not to exceed \$10.
• Foreign Transaction	1% of the US dollar amount of the foreign transaction.
Penalty Fees	
• Late Payment	\$25 for each payment that is 10 or more days late.
• Return Check	\$25
• Failed Automatic Payment	\$25 for each time the funds are not available in your BECU share account on the scheduled transfer date.

Variable Rate. The Annual Percentage Rate (APR) for this account may increase based on the Wall Street Journal Prime Rate plus a margin of 1.99% to 11.99%, adjusted on the first day of the second month following each calendar quarter. The APR for purchases and cash advances will be subject to a minimum of 6.90% to 18.00%, and a maximum of 9.99% to 19.99% based on your credit worthiness.

How We Will Calculate Your Balance: We use a method called “average daily balance” (including new purchases)

All terms, including fees and the APRs for new transactions, may change after account opening in accordance with the Agreement and applicable law.

The information in this section is incorporated into and supplements Your Billing Rights under Section II of the Loan Agreements and Disclosures Booklet. This section does not apply to home equity plans (HELOCs). Refer to your HELOC credit agreement for that information. *Your Billing Rights: Keep this Document for Future Use.* This notice contains important information 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 for:

- Your credit card account write to us at Customer Service, P.O. Box 3112, Tampa, FL 33631-3112
- Your open-end loan under a plan other than a home-equity, write to us Research and Adjustments, P.O. Box 97050, Seattle, WA 98124-97050

In your letter, give us the following information:

- **Account information:** Your name and account number.
- **Dollar amount:** The dollar amount of the suspected error.
- **Description of problem:** If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us:

- Within 60 days after the error appeared on your statement.
- At least 3 business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

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

What Will Happen After We Receive Your Letter

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

1. Within 30 days of receiving your letter, we must tell you that we received your letter. We will also tell you if we have already corrected the error.

2. Within 90 days of receiving your letter, we must either correct the error or explain to you why we believe the bill is correct.

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

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

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

- **If we made a mistake:** You will not have to pay the amount in question or any interest or other fees related to that amount.
- **If we do not believe there was a mistake:** You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount you owe and the date the payment is due. We may then report you as delinquent if you do not pay the amount we think you owe. If you receive our explanation but still believe your bill is wrong, you must write to us within 10 days telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first \$50 of 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 tired 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:

1. 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 good or services.)
2. 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.
3. Your 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: Customer Service, P.O. Box 3112, Tampa, FL 33631-3112.

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.

Other BECU Loan Rates Rates as of July 1, 2010.

NON-VARIABLE RATE	
LINE OF CREDIT	APR
Personal Line of Credit	8.9% (0.024384% DPR), 10.9% (0.029863% DPR), 13.9% (0.038082% DPR) or 18.% (0.049315% DPR)
The APR you receive will be within the range disclosed above, based on applicant's credit worthiness. Your actual APR will be determined when a credit decision is made and may be higher than the lowest rate available. Default/Penalty Rate: If you fail twice within any 12 month period to make your total Minimum Periodic Payment within 29 days of the payment due date or your Account is considered in default for any reason, the APR will increase up to 19.9% APR (0.054521% DPR).	

FIXED RATE LOANS	
	APR
New Auto 2007 and newer	4.49%-18.00%
New Auto (80% LTV) 2007 and newer	3.49%- 6.99%
Used Auto 2006 and older	4.99%-18.00%
Used Auto (80% LTV) 2006 and older	3.99%-7.49%
Boat (20% down)	6.74%-18.00%
RV (20% down)	7.24%-18.00%
Personal Loan	12.50%
Consolidation	15.50%
Other Secured (20% down)	10.25%
Share Secured	Pledged share savings account dividend rate plus 3%
CD Secured	Pledged CD dividend rate plus 2%
Advertised rates above include 0.50% automatic payments rate reduction. Auto loan rates based on 60 month or less repayment term. Longer repayment terms may be available, ask a BECU representative for applicable rates. The APR you receive will be within the range disclosed above, based on your credit worthiness, age of collateral, repayment schedule, loan-to-value (LTV) and payment method. Your actual APR will be determined when a credit decision is made and may be higher than the lowest rate available. Higher rates may apply to new BECU member loans through participating dealers. Your final APR may differ from your loan interest rate due to additional fees (such as a boat survey fee) that may be applicable. Assume you will borrow \$20,000 for an auto loan. The calculated APR on a 5 year loan with an interest rate of 5.24 % would be 5.24 % APR with payments of \$379.68.	

VARIABLE RATE LOANS	
	APR
Private Student Loan	5.49%-7.24%
After account opening, APR may vary each quarter (Jan, Apr, Jul, Oct) based on changes in the Prime Rate (as published in the Wall Street Journal), subject to 5.49% APR minimum and a maximum of 18% APR. Rates offered based on applicant and co-applicant's credit qualifications.	

EQUITY ADVANTAGE ¹	
	APR
Variable Line of Credit	3.99%-4.74%
Fixed Rate Advance	5.74%-7.74%
EQUITY ADVANTAGE (High Loan-to-Value) ¹	
Variable Line of Credit	4.99%
Fixed Rate Advance	7.74%-9.49%
EQUITY ADVANTAGE (Non-Owner Occupied) ²	
Variable Line of Credit	4.99%-5.74%
Fixed Rate Advance	8.24%-10.24%

¹**For owner occupied**, the property must be located in one of the following states: Washington, Oregon, California, Arizona, Kansas, Missouri, Illinois, and Pennsylvania. A BECU Loan Fee of \$300 will be charged for loans secured by real estate located outside the State of Washington.

²**For non-owner occupied**, the property must be located in the State of Washington.

Equity Advantage Rates above include 0.50% automatic payments rate reduction; for loans without automatic payment option or if option is cancelled after the account is opened, the APR will be 0.50% more. APRs do not include costs. Line of Credit rate may vary monthly, based on the highest Prime Rate as published in the Wall Street Journal as of the date of any rate adjustment plus or minus a margin; maximum 18% APR. Equity Advantage Lines of Credit provide for monthly payments of interest, subject to lesser of \$100 or your balance, for up to 10 years (the credit advance draw period). During the interest-only period, principal is not reduced and at the end of this period, your monthly payment will increase based on the principal and interest necessary to pay the loan balance over the remainder of the loan term. Fixed Rate Advances provide for monthly principal and interest payments up to 15 years, depending on the amount advanced. The APR and financing offered is based on your credit qualifications, occupancy and property loan-to-value. You may have to pay certain fees to third parties that range between \$0 to \$2,753. Additional state or local mortgage fees or taxes may apply. Property insurance and, if applicable, flood insurance required. Please ask us about your qualifying rate.

MORTGAGE LOANS

BECU offers a variety of fixed and adjustable rate mortgage products. To be connected with BECU's mortgage department, please call **206-439-5772**.

SMALL BUSINESS LOANS

Designed with the needs of Small Businesses in mind, BECU offers a wide variety of business loans, lines, credit cards and other lending products. Let us be your partner in success by taking care of your credit needs. For more information stop by any of our conveniently located Neighborhood Financial Centers or contact us at **206-439-5700** or, outside Seattle **800-233-2328**.

RATES AND TERMS IN EFFECT AS OF July 1, 2010 AND ARE SUBJECT TO CHANGE WITHOUT NOTICE.