

# BECU BUSINESS CREDIT CARD AGREEMENT AND DISCLOSURES



This Business Credit Card Agreement and Disclosures (“Agreement”) contains the terms and conditions that govern your Business Credit Card Account (“Business Account”). References to the use of a “Credit Card” below relate not only to transactions conducted through use of the physical device(s) issued for use with the Business Account but also to any other use of the Business Account. This Agreement may be supplemented by information in other documents we issue (such as the Application, BECU Business Lending Rates, BECU Business Visa® with Cash Rewards Rules, Terms, and Conditions, periodic account billing statements, and the materials, which accompany new or replacement cards), which we identify as supplementing or making amendments to the terms of this Agreement. You automatically accept and agree to the terms of this Agreement as it may be amended from time to time, by signing the Application, and each User automatically accepts and agrees to the terms of this Agreement as it may be amended from time to time, by making a Purchase, requesting a Balance Transfer, taking a Cash Advance, or otherwise using or authorizing use of the Business Account, or any credit card device issued in conjunction with the Business Account. You should read this Agreement carefully and keep it for your records.

## 1. Responsibility

In this Agreement, the words “we”, “us”, “our” or “BECU” means Boeing Employees’ Credit Union. “You”, “your,” and “yours” means, individually and collectively, the Business and each person signing the Application as a Business owner/ Guarantor. The word “User” means, individually and collectively, the Business, each person signing the Application as a Business Owner/Guarantor, each Cardholder named on the Application or Business Credit Card Servicing form, and any person who uses or permits others to use a Credit Card. “Guarantor” means each person who guarantees the payment and performance of each and every debt, liability, and obligation of every type and description, which the Business may owe us, or at any time hereafter owe us, under this Agreement. “Business” means the sole proprietorship, partnership, corporation, limited liability company, or other business entity, which is liable to us as Borrower identified on the Application as the entity with respect to which Cardholders will engage in business purpose transactions using the Business Account, and its successors and assigns. “Cardholder” means the person(s) authorized to obtain credit under the Business Account, whether named in an Application as an Authorized Cardholder or otherwise. “Application” means the Business Credit Card Application and Agreement and related documents completed in order to open the Business Account. By accepting, signing, using, or authorizing the use of any Credit Card you, individually and on behalf of the Business, (a) represent that the individual(s) opening the Business Account is an authorized representative of the Business with the authority to legally bind that Business; (b) request that a Business Account be opened for you; (c) request that Credit Cards be issued on that Business Account as indicated in the Application or through subsequent requests; (d) authorize the receipt, reporting and exchange of credit information about you and credit or financial information about the Business; agree to be and are bound by the terms of this Agreement as it may be amended from time to time; (f) represent and agree that the Credit Cards and all transactions will be used only for business purposes, including commercial, industrial, professional purposes, and will not be used for personal, family or household purpose.

## 2. Credit Limit

We will establish a maximum credit limit available for your Business Account, which represents the maximum credit available to you. In addition each card account will have a maximum spending limit, which will be defined by you. The credit limit is specified in the Business Account acceptance letter. You agree that no User will attempt to obtain more credit than the amount of the maximum credit limit available for your business or the spending limit on any individually assigned card. If your business credit limit or any individual spending limit is temporarily exceeded, you understand that granting such additional credit does not increase the maximum credit limit or the specific spending limit for any card. Each time a transaction is attempted, which results in your applicable outstanding balance (plus authorizations) exceeding the business credit limit or an individual spending limit we may, in our sole discretion: (1.) permit the transaction without raising your credit limit or the spending limit, (2) permit the transaction and treat the amount of the transaction that is more than the credit limit or spending limit as immediately due, or (3) refuse to permit the transaction. If we refuse to permit the transaction, we may advise the person who attempted the transaction that it has been refused. If we refuse to permit a Check Cash Advance or Balance Transfer, we may so do by advising the person presenting the Check Cash Advance or Balance Transfer that the credit has been refused, that there are insufficient funds to pay the Check Cash Advance or Balance Transfer, or in any other manner. You understand that we can still charge you for all Purchases, Cash Advances, Balance Transfers, and other transactions incurred above the business credit limit or any assigned spending limit for an individual card. If we permit a transaction that temporarily exceeds the business credit limit or any individual spending limit, we can charge you an overlimit fee and you agree to pay us that excess amount, any overlimit fee and applicable Finance Charges, immediately. We can increase or decrease your credit limit at our discretion. We may suspend or close your Business Account, reduce or suspend the credit limit on your Business Account or any individually assigned spending limit, suspend or terminate any User or otherwise terminate your ability to use your Business Account at any time and for any reason.

Your obligations under this Agreement continue even after we have done this. The Credit Card may not be used for any illegal or unlawful transaction and we may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness.

**a. Single Individual Credit Card Account**

- i. The single individual credit card account will be assigned a separate spending limit and account number. One or more credit card devices may be issued for the account. Each device will contain the account number of the single individual credit card account and will have full access to the available single individual credit card account spending limit.
- ii. All payments received will be applied to the single individual card account balance.

**b. Multiple Individual Credit Card Accounts**

- i. Each individual credit card account will be assigned a separate spending limit, account number and credit card device.
- ii. Separate payments are required for balances accrued on each individual credit card account and will be applied to that individual credit card account balance and spending limit only.

**c. Consolidated Pay Credit Card Accounts**

- i. A Control Account will be established with an assigned spending limit.
- ii. Sub-Accounts will be established under the Control Account for each cardholder, each with separate spending limits, separate account numbers and credit card devices. The aggregate of all of Sub-Account spending limits cannot exceed the Control Account spending limit.
- iii. All payments will be applied to the Control Account balance and spending limit only. Any payment made to the Control Account will reset the available balance to 100% availability on all Sub-Accounts regardless of payment amount or Sub-Account outstanding balance.

**3. Promise to Pay**

You unconditionally promise to pay us the total amount of all Purchases, Cash Advances, Balance Transfers, and other transactions charged to the Business Account, plus Finance Charges, fees and other charges incurred in connection with the Business Account, and all amounts due under this Agreement (the "Obligations"). Your liability for the Obligations is joint, several, and personal.

Each Guarantor agrees that to induce us to lend money or give credit to the Business, each Guarantor absolutely and unconditionally guarantees prompt and full payment of the Obligations. **Each Guarantor waives any and all suretyship defenses. All Guarantors are each jointly, severally and personally liable for all amounts due under this Agreement and each Guarantor understands that "personal liability" means an individual obligation, which must be paid by the Guarantor even if the Business becomes insolvent, inactive or ceases to exist or otherwise fails to pay us or the Guarantor discontinues his/her employment or other connection with the Business.** Each Guarantor agrees to be personally responsible to pay the Obligations although such Guarantor may not personally receive any goods, services, or money from the advance. We can demand a Guarantor pay, even though we do not try to collect from the Business and without enforcing any security interest the Business or any Guarantor has given us. The obligation of each Guarantor hereunder is independent of the obligations of the Business, and a separate action or actions may be brought against any Guarantor on any guaranteed indebtedness. This guaranty is a continuing guaranty, any payment by a Guarantor, the Business, or any other person shall not reduce the maximum principal amount of any Guarantor's obligations hereunder. Any Guarantor may revoke his or her guaranty effective upon our receipt of written notice as provided herein; provided that (a) revocation shall be effective at the close of our business day when the notice is actually received; (b) revocation will not affect any Guarantor's obligation with respect to any indebtedness existing before such revocation is effective; and, (c) revocation will not affect any other Guarantor's guaranty. If a Guarantor executes more than one guaranty of any indebtedness of the Business to us, the limits of liability with respect to all the guaranties such Guarantor has executed will be cumulative. Each Guarantor agrees to pay or reimburse us for all costs and expenses under the terms of the Agreement including reasonable attorney fees and legal expenses incurred by us in connection with the protection, defense, or enforcement of this guaranty in any litigation, bankruptcy, or insolvency proceedings. Each Guarantor understands that if such Guarantor leaves the employment of the Business, such Guarantor will continue to be responsible for the Obligations.

The liability of the Business and the Guarantors for the Obligations includes liability for all transactions and charges made by anyone whom the Business, a Cardholder or a Guarantor allows to use the Business Account. We may collect from or bring a legal claim against any individual Guarantor and/or against the Business, without giving up any of our rights against any other person or entity. Improper or negligent acts, including acts of omission, with respect to handling any Credit Card or personal identification number may result in liability to you and the Business. Additionally, you may be liable for the loss, theft or unauthorized use of your Credit Card as well as for losses resulting from negligent actions by you, your agents or authorized Cardholders.

If two or more persons or entities are responsible to pay any outstanding balance, we may refuse to release any of them from liability until all of the unexpired Credit Cards issued have been returned to us and/or the balance is paid in full.

#### 4. Lost, Stolen, or Unauthorized Use of Your Card

All Users agree to notify us immediately, orally or in writing, of the loss, theft, or unauthorized use of your Credit Card. We may investigate any cases of unauthorized use of your Credit Card. We may terminate or limit access to your Credit Card if any User has notified us or we have determined that your Credit Card may have been lost or stolen, or that there may be unauthorized access to your Credit Card. Unless you, your agents or any User has been negligent or has engaged in improper conduct, you will not be liable for any unauthorized transactions using your lost or stolen Credit Card. If you are liable for unauthorized transactions, your liability will not exceed \$50. However, every Business that provides Credit Cards issued by us to ten (10) or more of its employees, principals or partners, will have unlimited liability for unauthorized use that occurs prior to notification. You will not be liable for unauthorized transactions that occur after you notify us at: BECU, P.O. Box 97050, Seattle, WA 98124-9750. Telephone: 206-439-5700 or outside Seattle at 1-800-233-2328 Hours: 7:00 a.m. - 7:00 p.m. PT Monday-Friday; 9:00 a.m. - 1:00 p.m. PT Saturday.

After hours: Call 1-800-449-7728. (This number is only for use of reporting the loss, theft, or unauthorized use of your Credit Card.)

#### 5. Daily Periodic Rate and Annual Percentage Rate

**a. Interest Rate:** The Daily Periodic Rate and corresponding ANNUAL PERCENTAGE RATE used to calculate the FINANCE CHARGE is a variable rate. The Daily Periodic Rate is the Annual Percentage Rate divided by 365. The Daily Periodic Rate (DPR) and corresponding ANNUAL PERCENTAGE RATE (APR) for your Business Account is stated on your Approval Letter and your monthly statement.

**i. Introductory or Promotional Rate.** If you have not previously received a Credit Card and you establish your Business Account, you may be eligible for an introductory rate or promotional rate. Any introductory rate, and the period for which it will be in effect, will be stated on the Approval Letter and/or the Credit Card Carrier provided to you when you open your Business Account. Any promotional rate, and the period for which it will be in effect, will be stated in a notice provided to you at the beginning of the promotional rate period. The introductory rate or promotional rate may be extended by BECU in its discretion.

**ii. Variable Rates.** A variable DPR and APR will be used to calculate the finance charge applicable to your Business Account, after the expiration of any applicable introductory rate period. The APR will be based on the value of an index. The index will be the highest U.S. Prime Rate published in the Money Rates section of The Wall Street Journal on the first business day of each month. This Prime Rate is a reference index and is not the lowest interest rate available. If The Wall Street Journal does not publish the U.S. Prime Rate, or if it changes the definition of the U.S. Prime Rate, we may substitute another index, subject to applicable law. To determine the APR that will apply to your Business Account, we will add a margin to the value of the index. The current range of APRs that can apply is disclosed in the BECU Business Lending Rates. The margin and the corresponding APR applicable to your Business Account will be stated in an Approval Letter and/or Card Carrier provided to you when you open your Business Account, and may depend on your (you and/or the business') credit qualifications, income, credit or employment history. Your APR can change on the first business day of the billing cycle of each month, based on the index rate in effect as of the first day of the prior calendar month. Increases or decreases in the U.S. Prime Rate will cause increases or decreases in the APR, resulting in increases or decreases in the interest charge, which in turn will affect the number of your regularly scheduled minimum payments. There is no limit on the amount by which this variable APR can change in any month.

**b. Default Rate:** If your Business Account is considered in default for any reason and your credit privileges are terminated, BECU reserves the right to charge a default rate, which may be up to the highest rate allowed by law.

#### 6. Finance Charges

**a. Purchases:** A finance charge as described in section 7, will be imposed on Purchases included in the New Balance and not paid by the payment due date on your monthly statement, and on purchases made during the following billing cycle.

**b. Cash Advances:** BECU reserves the right to charge a finance charge on Cash Advances (including Balance Transfers) as follows:

**i.** On each Cash Advance, excluding Balance Transfers, a **Cash Advance Fee** as disclosed in the BECU Business Lending Rates.

**ii.** On all Cash Advances, including Balance Transfers, finance charges as described in section 7, regardless of the amount of the Cash Advance, from the date of the Cash Advance until paid in full.

## 7. How to Determine Finance Charges

- a. **Definitions:** "New Balance" means the sum of all of the unpaid Purchases, Cash Advances, Balance Transfers, finance charges, late payment charges, and other charges outstanding on the closing date. "Previous Balance" means the sum of all unpaid Purchases, Cash Advances, Balance Transfers, finance charges, late payment charges, and other charges at the beginning of the billing cycle. "Purchases" mean transactions involving advances other than Balance Transfers and Cash Advances.
- b. **The types of FINANCE CHARGES that may be assessed on your Business Account are as follows:** Monthly periodic rate finance charges and transaction finance charges. Your total FINANCE CHARGES each billing cycle is the sum of each type of finance charges.
- c. **Calculation of Finance Charge:** All finance charges for Purchases and Cash Advances on each individual credit card account or Control Account are added together to calculate the ANNUAL PERCENTAGE RATE for each billing cycle.

### Calculation of Finance Charges for Cash Advances

A Finance Charge on Cash Advances will be imposed from the date the Cash Advance is posted to each individual credit card account and each Control Account until paid in full. There is no period in which you can pay a Cash Advance in order to avoid incurring a Finance Charge. We calculate the Finance Charge by multiplying the Average Daily Balance by the number of days in the billing cycle and then multiplying by the Daily Periodic Rate. We calculate the Average Daily Balance, attributable to Cash Advances by adding the beginning balance of each individual credit card account and each Control Account each day, add any new Cash Advances and new Cash Advance Fees and subtract any payments, credits posted to each individual credit card account and each Control Account and unpaid Finance Charges and other charges. 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.

### Calculation of Finance Charges for Purchases

To avoid incurring additional Finance Charges on the balance of the Purchases reflected on the statement, you must pay the New Balance on or before the Payment Due Date. If you do not pay the entire New Balance on or before the Payment Due Date each month, the unpaid portion of the New Balance will accrue interest beginning on the first day of the billing cycle in which the payment is due. We calculate the Finance Charge by multiplying the Average Daily Balance by the number of days in the billing cycle and then multiplying by the Daily Periodic Rate. We calculate the Average Daily Balance of Purchases by taking the beginning balance of each individual credit card account and each Control Account each day that is attributable to Purchases, add any new Purchases as of the date those charges are posted to each individual card account and each Control Account and subtract any payments, credits, and unpaid Finance Charges and other charges. 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. If you paid the entire New Balance shown on the previous monthly statement by the Payment Due Date shown on the statement, the portion of the New Balance shown on the current statement that is paid by the Payment Due Date shown on that statement will be excluded from the calculation of the balance each day.

## 8. Other Fees and Charges

BECU reserves the right to charge additional transaction related fees. Noted below is a current list of fees that may be imposed. This list of fees may change from time to time and will be provided to you prior to implementing any news fees. The amount of certain fees noted below is initially disclosed in the BECU Business Lending Rates and may change at any time without any prior written or verbal notice.

- a. **An Overlimit Fee** will be assessed when the New Balance on the statement closing date exceeds the established credit limit or spending limit. For individual credit card accounts, an account is considered overlimit if that individual credit card account exceeds its designated spending limit. Consolidated Pay accounts are considered overlimit if the Control Account exceeds its spending limit.
- b. **A Copy Request Charge** may be imposed for copies of each document that you request in connection with this Credit Card, other than those provided in response to a billing error notice under the Fair Credit Billing Act.
- c. **A Late Payment Charge** will be imposed on minimum payments not paid when due. This applies to each individual credit card account since payments are due at the card level. Consolidated Pay accounts will be considered late if the payment to the Control Account is not paid when due.
- d. **A Returned Check Charge** will be charged if any check or other instrument given as payment on an individual credit card account or a Control Account is uncollectable or is dishonored for any reason. Unless otherwise required by law, we do not have to attempt to collect any check more than once.
- e. **A Card Replacement Fee** may be assessed for each Credit Card lost, stolen or destroyed.
- f. **A Card Recovery Fee** will be charged and added to your balance if: 1) you use your Credit Card after the Credit Card has been cancelled, and 2) we must pay a recovery fee to a third party who obtains the Credit Card for us.

- g. A Collection Charge** will be charged if we must telephone you, write to you, or make a personal visit due to any default on your part.
- h. A Failed Automatic Payment Charge** will be charged if you have elected to make your payment by automatic transfer and the funds are not available in your BECU share account on the authorized transfer date.
- i. Attorneys' Fees and Collection Costs:** You agree to pay BECU's internal and external costs, collection, and other expenses such as repossession fees, expert witnesses, debt collectors, court costs, and reasonable attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys' fees in any arbitration or mediation, on appeal, in any bankruptcy (or state receivership or other insolvency proceeding) and in any forfeiture or other proceeding. All of these costs and expenses may be added to your present debt and a finance charge may be imposed on them at the highest rate applied to any of your credit advances.

## 9. Default

You will be in default under this Agreement if any of the following happens on the Business Account: (a) you do not make a payment as required by this Agreement on or before the payment due date; (b) you exceed your Business Account credit limit without our permission; (c) any User violates or fails to comply with any other term of this Agreement, (d) you become subject to bankruptcy, incompetency or insolvency proceedings or you die; (e) you make any untrue statements or omissions or provide false signatures on any application or financial statement furnished to BECU or fail to provide us financial information we request; (f) your payment item is returned unsatisfied by your financial institution for any reason; (g) any credit card check is returned unpaid by us; (h) if we believe (in our sole discretion) that there has been an adverse change in your financial condition; (i) you violate or fail to comply with any term of any other agreement you have with BECU; (j) someone tries to levy, execute upon, or attach any property securing this Agreement (including any share or other accounts at BECU, but excluding real property); (k) you no longer qualify for BECU membership; (l) you become generally unable to pay your debts, or cease doing business as a going concern; (m) we determine that you present a risk of future non-payment of your Business Account obligations, (n) any User uses, or attempt to use, a Credit Card or the Business Account for any transaction, which, if completed, would constitute fraud or a violation of law, an event of default or violation of applicable Visa® rules, or (o) any Business Owner/Guarantor revokes or disputes the validity of, or liability under, any guaranty of the Obligations. Upon the occurrence of any event of default under this Agreement, BECU, at its option, may charge default interest at the rate provided herein on all Business Account balances, and/or we have the right to terminate or suspend your credit privileges under this Agreement, to change the terms of your Business Account and this Agreement, and to demand that you immediately pay the Obligations in full. BECU may start a collection action in the county in which BECU is located or where you reside if you live outside of the State of Washington. **Default on any loan, account or other obligation that you have with us, including loans, which are not part of the Agreement, will constitute default under this Agreement.**

If any fee or charge, or any portion of any fee or charge, including but not limited to a finance charge or method of computing a finance charge, would but for this sentence be unlawful, the language of this Agreement shall be automatically reformed to eliminate any excessive or unlawful portion of such fee or charge. In no event shall the fees charged under this Agreement exceed the maximum allowed under applicable state or federal law. In its sole discretion, BECU may charge and collect a lesser amount than that specified in this Agreement, or forego any other rights under this Agreement.

Any waiver of any provision of this Agreement shall not be deemed a waiver of such rights in the future.

## 10. Change in Terms (including Finance Charges)

Subject to applicable law, we may change or terminate any term of this Agreement or add new terms at any time, including without limitation adding or increasing fees, increasing your minimum payment and increasing the rate or amount of Finance Charge, or changing the method of computing the balance upon which Finance Charges are assessed. Prior written notice will be provided to you when required by applicable law. Changes may apply to both new and outstanding balances. Any notice of change in terms required by law will be sent to the last address appearing on the records of BECU, unless you notify us of the change in your address within a reasonable time prior to the notice being sent.

## 11. Periodic Statements

If you have an outstanding debit or credit balance on any individual credit card account or a Control Account in excess of \$1.00 at the end of a billing cycle, we will send a periodic billing statement reflecting balances and activity in that individual credit card account or the Control Account to the Business and/or the Guarantor(s) at their address(es) shown in our records. We have no obligation to send multiple or duplicate statements.

## 12. Security Interest

You grant the following security interests to secure amounts outstanding from time to time in connection with your Business Account:

- a. **Deposit Account:** We have a statutory lien against all of your shares and/or deposits at BECU that you may withdraw unless you are in default. **By applying for and accepting this Business Account, you grant us a separate contractual security interest in all of the business' BECU share and deposit accounts it has with us now and in the future and, if the business is a sole proprietorship, all of your individual and joint BECU share and deposit accounts you have with us, now or in the future (excluding retirement or other accounts to the extent that applicable law precludes the pledge of such accounts), to secure the Obligations. You authorize us, without further notice to you, to apply the balances in these account(s) to pay any of the Obligations in the event of default.**
- b. **Collateral for Loans:** You grant BECU a security interest in collateral securing other loans you have with BECU to secure the Obligations (other than collateral consisting of a dwelling or real property).
- c. **Goods Purchased:** You grant us a security interest in each item purchased with advances obtained under this Agreement to secure the Obligations. This security interest will remain in full force and effect as long as there is an outstanding balance on the item purchased. If we have the right to demand full payment of the Obligations, we may also take possession of this property (you promise to give it to us if we ask) and sell it to satisfy the Obligations. Any outstanding debt will be allocated upon the first-bought, first paid rule. You agree that 10 days is reasonable time to give you notice of any such sale.

## 13. Merchant Claims

Each User agrees to assert all defenses, complaints, rights and claims, which such User may have relating to goods or services purchased through the use of the Account only against the Merchant or other person selling or providing those goods or services and not against us. You agree that regardless of the existence of any merchant claims, you will be liable to us as this Agreement provides and without any exception, we will not be responsible for any merchant claims you may have.

## 14. The Minimum Periodic Payment Required

- a. **Payments:** You agree to make all payments by check or money order to us at the location and in the manner specified on your periodic billing statement in U.S. Dollars. Payments tendered to and accepted by us at a location other than the address stated on the billing statement are not effective until received by us at the address specified. Payments received at Card Services, P.O. Box 84707, Seattle WA 98124-6007 before 5 p.m. Pacific Time on any business day will be credited to your Account as of that date; payments received on or after 5 p.m. PT, on a weekend or federal holiday will be posted to your Account as of the next business day. Crediting to individual credit card account(s) or Control Account(s) may be delayed up to five days if payment is received at any other address or not accompanied by the remittance portion of your Account statement(s). You agree that you will pay at least the required minimum payment specified in this Agreement and as shown on your periodic billing statement(s) as the Minimum Payment Due. Application of payment amounts to the various components of the Obligations will be at our discretion, and may include, (among other things), application of payments to fees, finance charges before principal amounts and to components bearing lower interest rates before components bearing higher interest rates, and may vary from time to time. Payments are credited nightly.
- b. **New Balance:** If you elect not to pay your New Balance on each individual credit card account or Control Account in full, a payment according to the following schedule plus any amount that is past due must be made by you within 25 days after the closing date of each billing cycle as shown on your statement. If the New Balance on each individual credit card account or Control Account is less than \$25 your minimum payment will be the full balance; if your balance is \$25 to \$1,000 your minimum payment will be \$25; if your balance is more than \$1,000 your minimum payment will be 2½% of your New Balance on that account rounded down to the nearest whole dollar. A credit posting from a merchant or reversal of fees do not constitute nor may be applied toward your minimum payment.
- c. **Past Due and Overlimit Amounts:** In addition to the above, the minimum payment will also include the greater of any amount past due or any amount by which the New Balance exceeds the approved spending limit for individual credit card account(s) or the Control Account. If an individual credit card account or Control Account is past due, and/or overlimit, that amount of the minimum payment is immediately due.
- d. **Payment in Full:** The payment of the New Balance in full will not reduce the minimum payment for the next billing cycle if there are new Purchases or Cash Advance transactions.

**e. Pre-payment and Irregular Payments:** You may pay all or part of your balance or loan(s) early, at any time, without paying any penalty. However, payments in excess of your minimum payment will not relieve you of your obligation to make your subsequent minimum payments on the dates when due. Instead, a prepayment or early payment will reduce the principal amounts owing on the individual credit card account or Control Account. We may accept late payments, partial payments, and payments marked "payment in full" or other restrictive endorsements without losing our rights under this Agreement. ALL COMMUNICATIONS CONCERNING ANY DISPUTED DEBTS, INCLUDING ANY CHECK OR INSTRUMENT TENDERED AS FULL SATISFACTION OF A DEBT (INCLUDING CREDIT CARDS), SHALL BE SENT ONLY TO THE ATTENTION OF: Risk Management Representative – Account Dispute, P.O. Box 97050, Seattle, WA 98124-9750.

## 15. Additional Provisions

- a. Ownership of Credit Cards:** Any Credit Card, other credit instrument or device, which we supply is our property and must be returned to us or our agent, immediately upon demand. If we ask, the User will destroy the Credit Card by cutting it in half and will surrender it to us or our agent, mail it to us, or take it to a location we designate.
- b. Honoring of Credit Card:** We will not be responsible for the failure or refusal of anyone to honor the Credit Card or any other credit instrument or device we supply.
- c. Transfer of Credit Card:** The Credit Card may not be transferred to any other person, although you will be liable for any use by anyone else that has been authorized by you or another Cardholder or as otherwise provided for in this Agreement.
- d. Refunds:** If a seller agrees to give a User a refund or adjustment, the User will accept a credit slip for your Credit Card in lieu of a cash refund.
- e. Transactions:** For statement verification, a copy of each slip (ticket/draft) resulting from each Purchase, Cash Advance, or other transaction on your Credit Card must be retained. We will provide you with photographic or other documentary evidence of each transaction upon your reasonable request or upon proper written notice of a billing error. (See section 8 for cost information.)
- f. International Transactions and Foreign Exchange:** If the Credit Card is used for international transactions, the exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by Visa® USA, Inc. or its affiliates ("Visa") from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa® itself receives, or the government-mandated rate in effect for the applicable central processing date. In addition, an International Transaction Fee is applicable to all International Transactions, regardless of whether or not currency conversion is involved and applies to all international purchase, and cash disbursement original and reversal transactions. The International Transaction Fee is disclosed in the BECU Business Lending Rates, and may change at any time without any prior written or verbal notice. The currency conversion rate on the day before the transaction processing date may differ from the rate in effect at the time of the transaction or on the date the transaction is posted on your Account.
- g. Phone Inquiries:** Inquiries regarding your Business Account, individual credit card account or Control Account (you may not inquire about someone else's Business Account) may be made by calling BECU at 206-812-5140 or, outside Seattle at 1-800-233-2328 extension 5140 or by writing us at the address provided below.
- h. Our Address:** Please address all other correspondence, letters, and notices (excluding payments) with respect to your Business Account, individual credit card account or Control Account to us at: BECU, P.O. Box 97050 MS 1146-1, Seattle, WA 98124-9750.
- i. Non-Activation:** If any Cardholder fails to activate an individual credit card account or Sub-Account within 30 calendar days of that account being established, BECU reserves the right to cancel that account.
- j. Inactivity:** BECU reserves the right to terminate the credit if there are no transactions in one year.
- k. Closing your Business Account:** You may cancel the Business Account and revoke any Cardholder's authorization by either calling us at 206-812-5140 or, outside Seattle at 1-800-233-2328 extension 5140 or writing us at the address provided above. If you cancel the Business Account, you must immediately pay everything you owe us, including any amounts owed but not yet billed to you. If you do not pay us immediately, outstanding balances will continue to accrue finance and other charges and be subject to the terms and conditions of this Agreement. You also agree to return to us or destroy your Card(s).
- l. Visa Account Updater:** BECU may use the Visa Account Updater (VAU) service, which would automatically update your card-on-file information at participating merchants, for example sending updates about replacement account numbers if your card is lost or stolen. BECU reserves the right to terminate or suspend, or reinstate, the functioning of the VAU service for one or more individual Visa accounts or for all Visa accounts, in BECU's discretion at any time, and without prior notice. If you have questions about the VAU service or would like to opt-out of this service, please call one of the phone numbers listed in Section 15 (g) above, or write to the address

listed in Section 15 (h) above. Opt-outs are completed within 5-7 business days after request

**m. Recurring Merchant Transactions:** If you authorize a merchant to charge your account for repeat transactions with your Card, you must notify the merchant when you want to discontinue the repeat transactions, including when your Card account is closed or a new Card number is issued by us, and you must monitor your periodic statements to be vigilant for unauthorized recurring transactions with merchants who participate in the VAU service described above. You may opt out of the VAU service to block all participating merchants from receiving updated new account information.

#### **16. Business Account Use after Termination**

You agree that it is your responsibility to contact and cancel all reoccurring transactions with merchants or other third parties. Use of the Business Account or Credit Card devices after termination or closure of the Business Account is fraudulent and may be subject to civil liability and/or to prosecution.

#### **17. Credit Information/Financial Statements**

Each User authorizes us to (a) release information from our records regarding Users and the Business Account in response to any summons, request or subpoena issued by any state or federal agency, court or by counsel for a party to any litigation; (b) provide responses and information about Users and the Business Account from our files to others who we reasonably believe are conducting a proper inquiry (e.g., credit bureaus, merchants, and other financial institutions) regarding the status and history of your Business Account. You agree to provide us upon request at any time with a current financial statement, updated credit information, or any appraisal on the collateral requested in our sole discretion. You also agree we may obtain or have obtained credit reports, employment or investigative inquiries on you at any time, at our sole option and expense, for any reason, including but not limited to determining whether there has been an adverse change in your financial condition.

#### **18. Governing Law**

This Agreement will not take effect until the Application is approved by us in the state of Washington. This Agreement shall be governed by the Federal laws and the laws of the state of Washington as they each apply. In accepting the terms of this contract, each User agrees that venue for any action brought by or against us to enforce the terms of this Agreement may, at our option, be properly located in King County, Seattle, Washington.

#### **19. Acknowledgment and Agreement**

Each User understands and agrees to the terms of this Agreement. No consideration has passed or will pass from the Business to us for this extension of credit. Each User acknowledges reading this Agreement and receipt of the Fair Credit Billing Notice.

#### **20. Captions and Headings for Reference Only**

Captions and headings are intended solely as aids to convenient reference and no inference as to intent with respect to this Agreement may be drawn from them.

#### **21. Enforcement**

BECU can delay enforcing any right under this Agreement without losing that right or any other right. In the event any Guarantor dies or the Business dissolves or becomes insolvent, we can collect any amounts outstanding under your Business Account as immediately owed. We may collect such amounts from your estate, from other Guarantors, or from the successors or assigns or bankruptcy estate or the Business. If any terms of this Agreement are deemed unenforceable or invalid, the remaining provisions will remain in full force and effect.

#### **22. Assignment**

We have the right to assign and transfer our rights under this Agreement and any amounts you owe to us. The term "us" shall be deemed to include each and every immediate and successive assignee. You do not have the right to assign or transfer any of your rights, duties or obligations under this Agreement.

#### **23. Notices**

All notices and statements will be sent to the last address appearing on BECU records. You agree to advise us promptly if you change your mailing address. We can accept address corrections received from the U.S. Postal Service.

#### **24. Oral Agreements**

**Oral agreements or oral commitments to loan money, extend credit, or to forbear from enforcing repayment of a debt are not enforceable under Washington law.**