

6. The credit card account shall be repaid as follows:

Either the full amount billed shall be paid or, at the option of the undersigned, an installment equal to at least the required minimum payment. If the outstanding balance is \$15.00 or less, it shall be payable in full. The required minimum monthly payment shall be the greater of:

 - (a) \$15.00
 - (b) 3% of that portion of the outstanding balance which does not exceed the Cardholder(s) credit limit, plus the entire portion of the outstanding balance in excess of the credit limit, plus any amount past due, rounded to the nearest whole dollar.
7. Purchases and cash advances made in foreign countries and foreign currencies will be billed to you in U.S. dollars. The conversion rate dollars will be at the (i) the wholesale market rate or (ii) the government mandated rate; whichever is applicable, in effect one day prior to the processing date, increased by one percent.
8. Each payment shall be first applied to any outstanding late charges, then to FINANCE CHARGES earned to the date of receipt of said payment and the remainder applied to the unpaid principal balance. A statement of account shall be furnished monthly, or more frequently if required by law, and shall also be furnished to Cardholder(s) at any time upon request and payment of a service charge.
9. THE CREDIT UNION MAY TERMINATE THE RIGHT OF THE CARDHOLDER(S) TO USE THE CARD AT ANY TIME AND FOR ANY REASON WITHOUT NOTICE. Further, upon demand by the Credit Union, Cardholder(s) will immediately return and surrender the Card to the Credit Union without further negotiation. All rights and privileges extended under this agreement shall terminate on any expiration date determined solely by the Credit Union. It is specifically agreed that the Credit Union would not issue the Card if it were not for the Cardholder(s), jointly and individually, agreeing to all matters contained in this Agreement.
10. CROSS COLLATERAL CLAUSE. The undersigned, jointly and severally, hereby pledges all secured collateral, unless it is your principal residence, paid shares, share or security certificates, deposits, payments and earnings thereon which they or any of them now have, or hereinafter may have with Hughes Federal Credit Union, as security for the repayment of any and all monies advanced under this credit plan, and interest, costs and/or expenses that may accrue thereon. The undersigned authorizes the Credit Union to apply any or all such shares, share or security certificates, deposits, payments and earnings thereon to the payment of this plan, and interest, costs and/or expenses, in the event of the undersigned's failure to pay when said payments are due or such time as the Credit Union at its absolute discretion deems this loan to be in jeopardy by reason of nonpayment or other circumstances, which may substantially reduce the undersigned's ability to repay what is owed. This includes the transfer of any unsecured balance that is in default into an existing secured collateralized loan, that is not your principal residence, with the Credit Union.
11. STATUTORY LIEN. If you are in default on your financial obligation with the Credit Union, Federal Law gives the Credit Union the right to apply the balances of shares and dividends in your account(s) at the time of default to satisfy that obligation. Once you are in default, we may exercise that right without further notice to you.
12. Cardholder(s) grants to Credit Union a purchase money security interest under the Uniform Commercial Code in any goods purchased through the Credit Card Account. In the event of any default, Credit Union is hereby authorized to recover any of these goods which have not been paid for by Cardholder(s).
13. This document and the payments due hereunder may be guaranteed by any person(s), if required and who is not a member of said Credit Union.
14. Any guarantor or co-maker of this plan shall be obligated for the full amount of all advances granted to the undersigned from time to time but may be relieved of liability for future advances but not past advances upon receipt by the Credit Union of a signed written statement to such effect.
15. In the event of any default in the payments as herein agreed, then the entire unpaid balance of the credit card account, together with accrued interest, shall, at the option of the Credit Union, become immediately due and payable as principal, which amount thereafter shall bear interest pursuant to the terms of this agreement. In the event of any action to enforce the terms, conditions, and provisions of this Agreement or to enforce collection of any sums due hereunder, Cardholder(s) agrees to pay, and Credit Union shall be awarded, its costs, including collection costs, court costs and attorney's fees, whether or not suit is filed. I understand that interest of 1 1/2% percent per month will be charged on the unpaid balance of my account. In addition, if this debt, or any portion of it, is turned over to an outside debt collector, Cardholder(s) agree to pay an additional 35% to 50% of the balance so turned over, to defray creditors additional expense. Cardholder(s), jointly and individually, covenant and agree that their community property and the respective separate property of each of them shall be liable for the payments of the obligation evidenced by this account together with all costs of collection and suit, including reasonable attorney's fees and court costs. Cardholder(s) are hereby notified that they may have exemption rights in the personal property pledge and in which Credit Union is granted a security interest. Cardholder(s) with such notice waive any such exemption rights in the personal property so pledged and in which Credit Union is granted said security interest. Further, Cardholder(s) waive grace, presentment, demand, notice of dishonor and protest.
16. This agreement/contract shall be deemed to have been made in Pima County, Arizona, regardless of the order in which the signatures of the parties shall be affixed hereto; and shall be interpreted and the rights and liabilities of the parties here determined, in accordance with the laws of the State of Arizona. As part of the consideration for the execution of this agreement by the creditor, the undersigned hereby agree that all action and/or proceedings arising directly or indirectly from this and any other contract agreement with this creditor, shall be litigated only in courts within the State of Arizona; and further that the undersigned hereby consent to the jurisdiction and venue of Pima County, Arizona.
17. The Credit Union may retain the original agreement to comply with Federal and/or State law, and may change the terms of this agreement from time to time upon, at least, forty-five (45) days prior written notice mailed to the Cardholder(s) last known address as shown on records of Credit Union, subject, however, to the terms of Section 226.9(c) of the regulations, as amended, issued under the Truth in Lending Act. (Regulation Z). Credit Union will consider that Cardholder(s) have accepted the changes if the card is kept or used after receipt of said change(s). If Cardholder(s) do not accept the changes, this agreement may be terminated by cutting the card in half and returning the pieces to Credit Union. Cardholder(s) will still be responsible for all fees and charges made before this agreement is terminated.
18. In the event that any one or more of the foregoing provisions of this Agreement are deemed invalid or unenforceable, for any reason, by any court of law, then in no event shall the remaining provisions be held to be invalid or unenforceable. The remaining provisions shall have the full force and effect of law and be enforceable in any court of law.
19. The Credit union may delay or waive the enforcement of any of our rights under this Agreement without losing that right or any other right. If the Credit Union delays or waives any of its rights, the Credit Union may enforce that right at any time in the future without advance notice.
20. Cardholder(s) acknowledge(s) receipt of a duplicate copy hereof, before the first charge or advance is made.
21. LATE CHARGES: If you fail to make your required monthly payments, the Credit Union may impose a late charge of up to \$30 for any installment that has not been received within 10 days after the payment is due. Refer to the Rate/Fee Schedule as fees are subject to change.

EQUAL CREDIT OPPORTUNITY ACT NOTICE

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract), because all or part of the applicant's income is derived from any public assistance program, or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal agency that administers compliance with this law concerning HUGHES FCU is the National Credit Union Administration, 4807 Spicewood Springs Road, Austin, Texas 78759, (512) 482-4500.