QUALSTAR CREDIT UNION
VISA® DEBIT CARD AGREEMENT

This Agreement covers electronic funds transfers, including the Visa Debit Card issued by Qualstar Credit Union. In this Agreement the words "you," "your," "yours," and "applicant" mean any person who signs the application for this Account, any joint obligor, guarantor, authorized user, or the person whose name is embossed on the Card. The words "we," "us," and "our" means Qualstar Credit Union. The word "Card" means any one or more debit cards issued under this Account. If you sign an application for this Account or sign or use any Card or personal identification number (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 which will govern this Account. By signing the Account Card or signing or using a Card, you agree to the following terms governing your and our rights and responsibilities concerning the electronic funds transfer services, as applicable. Terms and conditions set forth elsewhere in this Agreement shall also apply to your electronic funds transfer service. Electronic funds transfers ("EFTs") include electronically initiated transfers of money through debit card transactions, and automated teller machines ("ATMs") transactions involving your deposit accounts at the Credit Union.

1. Services.

a. ATM: You may use your Card and Personal Identification Number (PIN) in ATMs of the Credit Union and ATMs within the Co-op Network, Plus System Network, and such other machines or facilities as the Credit Union may designate. At the present time, you may use your Card to:
- Make deposits to your savings share account or your checking account. You must qualify for this service.
- Withdraw cash from your checking account and savings share account.
- Transfer funds between your savings share account and your checking account.
- Obtain balance information for your savings share account and your checking account.

b. Visa Debit Card. All the services and transactions listed above are available with your debit card. You may use your Card to purchase goods and services anywhere your Card is honored by participating merchants that accept Visa or other card networks Qualstar subscribes to. Contact Qualstar for an up-to-date list of participating networks. Funds to cover your Card purchases will be deducted from your checking account. If the balance in your account is not sufficient to pay the transaction amount, the Credit Union may treat the transaction as an overdraft request pursuant to the overdraft protection plan or may terminate all services under this Agreement.

2. Services Limitations.

a. ATM s.
1) Withdrawals. Cash withdrawals can be made from ATMs and a fee may be assessed for an excessive number of withdrawals, as set forth in the Rate & Fee schedule. You may withdraw up to your daily ATM withdrawal limit, which is at least $300 and varies by account. Please contact us at 1-800-848-0018 to ask about the limit of your account.
2) Deposits. You should review the Credit Union's Funds Availability Policy to determine the availability of funds deposited at ATMs.
3) Transfers. You may transfer up to the available balance in your account at the time of transfer. Only one savings and one checking account can be coded for ATM access.

a. Visa Debit Card. All the services and transactions listed above are available with your debit card. There is no limit on the number of debit card or Point of Sale (POS) purchase transactions you may make by card during a statement period. The minimum daily purchase limit is $2,500 per day - your daily POS limit may be higher; please contact Qualstar to verify your limit. The daily purchase limit for youth accounts is $500. There is a daily limit of 20 card transactions permitted for each Debit Card. POS Transactions are permitted only if you have sufficient available funds in your account to cover the full amount of the transaction, or if you have opted-in for Extended Courtesy Pay coverage. The Credit Union may set other limits on the amount of the transaction, and you will be notified of those limits.

3. Security of Personal Identification Number (PIN). The personal identification number (PIN) issued to you is for your security purposes. PINs are confidential and should not be disclosed to third parties or recorded on or with the Card. You are responsible for safekeeping your PIN. You agree not to disclose or otherwise make your PIN available to anyone not authorized to sign on your accounts. If you authorize anyone to use your PIN that authority shall continue until you specifically revoke such authority by notifying the Credit Union in writing. If you fail to maintain the security of these access codes and the Credit Union suffers a loss, we may terminate your card and account services immediately.

4. Member Liability. You are responsible for all transfers you authorize using your EFT card services under this Agreement. If you permit other persons to use an EFT card service, Card or access code, you are responsible for any transactions they authorize or conduct on any of your accounts. However, tell us at once if you believe anyone has used your Account, Card or access code and accessed your accounts without your authority. Telephoning or blocking your card in Online Services is the best way of keeping your possible losses down. For VISA Debit Card purchase transactions, if you notify us of your lost or stolen card, you may not be liable for any losses provided you were not negligent or fraudulent in handling your Card and you provide us with a written statement regarding your unauthorized Card claim, otherwise the following liability limits will apply. For all other EFT card transactions, if you tell us within two (2) business days of detecting unauthorized activity, you can lose no more than $50 if someone accessed your account without your permission. If you do not tell us within two (2) business days after you learn of the unauthorized use of your ATM or Debit Card, PIN, credentials, or authorization codes, and we can prove that we could have stopped someone from accessing your account without your permission if you had told us, you could lose as much as $500. Also, if your statement shows EFT card transactions that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money lost after the sixty days if we can prove that we could have stopped someone from making the transactions if you had told us in time. If a good reason (such as a hospital stay) kept you from telling us, we will extend the time periods.

Call: (800) 848-0018 toll free
(206) 643-3400 local

Or Write: Qualstar Credit Union
P.O. Box 3050, Bothell, WA 98041-3050

5. ATM Surcharge. If you use an ATM that is not operated by us, you may be charged an ATM surcharge by the ATM operator or by the ATM network utilized for such a transaction. The ATM surcharge will be debited from your account if you elect to complete the transaction.

6. Illegal Activity. You may not use the Card 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.

7. Business Days. Our business days are Monday through Friday. Holidays recognized by the Federal Reserve Bank are not included.

8. Fees and Charges. We may impose the following charges for ATM and Visa Debit Card services:

a. Withdrawal fee – There is a charge for each withdrawal from a regular share/savings account in excess of 3 per calendar month. There is also a charge for each withdrawal from a Money Market account in excess of 6 per calendar month. Please refer to the current Fee Schedule available at www.qualstarcu.com/account-rates-fees.
b. ATM fee - On all accounts except for Premier Checking, there is a charge for each ATM withdrawal after 10 ATM withdrawals per calendar month. Please refer to the current Fee Schedule available at www.qualstarcu.com/account-rates-fees.
c. Extended Courtesy Pay fee – If you have opted-in to Extended Courtesy Pay, there is a charge for each ATM and everyday debit card transaction which overdrafts your account. Please refer to the current Fee Schedule available at www.qualstarcu.com/account-rates-fees.
d. Card replacement fee - There is a charge for each card reported lost or damaged. Please refer to the current Fee Schedule available at www.qualstarcu.com/account-rates-fees.
e. Visa Currency Conversion/International Service Assessment Fee - 1% of the U.S. dollar equivalent of any transaction done with a merchant or processor in a

foreign country. See item #17.

f. Fees and charges may be changed from time to time. We will notify you of any changes as required by law. For current fees, go to qualstarcu.com/account-rates-fees.

9. Right to Receive Documentation of Transfers

a. Periodic Statements. Transfers and withdrawals transacted through an ATM or Visa Debit Card purchases will be recorded on your periodic statement.
b. You will receive a statement monthly unless there is no transaction in a particular month. In any case, you will receive a statement at least quarterly.
c. Terminal Receipt. You will get a receipt at the time you make any transaction (except inquiries) involving your account using an ATM or a POS terminal.

10. Account Information Disclosure. We may disclose information to third parties about your account or the transfers you make:

a. As necessary to complete transfers;
b. To verify the existence of sufficient funds to cover specific transactions upon the request of a third party, such as a credit bureau or merchant;
c. To comply with government agency or court orders; or
d. If you give us written permission.

11. Credit Union Liability for Failure to Make Transfers. If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable for instance:

a. If, through no fault of ours, you do not have enough money in your account to make the transfer or the transfer would go over the credit limit on your line of credit.
b. If you used the wrong Card or PIN, or you used a PIN or Card in an incorrect manner.
c. If the automated teller machine (ATM) where you are making the transfer does not have enough cash.
d. If the ATM was not working properly and you knew about the problem when you started the transaction.
e. If circumstances beyond our control (such as fire, flood or power failure) prevent the transaction.
f. If the money in your account is subject to legal process or other claim.
g. If your account is frozen because of a delinquent loan.
h. If the error was caused by an ATM network Qualstar subscribes to.
i. If there are other exceptions as established by Us.
j. The ATM machine may retain your Card in certain instances, in which event you may contact the Credit Union about its replacement.

12. Termination of Electronic Fund Transfer Card Services. You agree that we may terminate this Agreement and your electronic fund transfer card services, if:

a. You, or any authorized user or your Card or PIN, breach this or any other agreement with us;
b. We have reason to believe that there has been an unauthorized use of your Card or PIN;
c. We notify you or any other party to your account that we have canceled or will cancel this Agreement; or
d. You are terminated from Credit Union membership.

You or any other party to your account can terminate this Agreement by notifying us in writing. Termination of service will be effective the first business day following receipt of your written notice. Termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

13. Notices. The Credit Union reserves the right to change the terms and conditions upon which this service is offered. The Credit Union will mail notice to you at least twenty-one (21) days before the effective date of any change, as required by law. Use of this service is subject to existing regulations governing the Credit Union account and any future changes to those regulations.

14. Billing Errors. In case of errors or questions about your electronic transfer card transactions, telephone us at the phone numbers or write us at the address set forth above as soon as you can. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

a. Tell us your name and account number.
b. Describe the electronic transfer card transaction you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
c. Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days. We will tell you the results of our investigation within 10 business days* after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45** days to investigate your complaint or question. If we decide to do this, we will credit your account within 10* business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. (If the error you assert is an unauthorized Visa transaction, other than a cash disbursement at an ATM, we will credit your account within 5 business days unless we determine that the circumstances or your account history warrant a delay, in which case you will receive credit within 10 business days). If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account. We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation within three (3) business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

*If you give notice of an error within 30 days after you make the first deposit to your account, we will have 20 business days instead of 10 business days.

**If you give notice of an error within 30 days after you make the first deposit to your account, notice of an error involving a Point of Sale (POS) card transaction, or notice of an error involving a transaction initiated outside the U.S. its possessions and territories, we will have 90 days instead of 45 days to investigate.

15. Enforcement. This Agreement is governed by the laws of the State of Washington. In the event either party brings a legal action to enforce the Agreement or collect any overdrawn funds on accounts accessed under this Agreement, the prevailing party shall be entitled, subject to applicable law, to payment by the other party of its reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions, if applicable. If there is a lawsuit, you agree that it may be filed and heard in the county and state in which the Credit Union is located, if allowed by applicable law.

16. ATM Safety Notice. The following information is a list of safety precautions regarding the use of Automated Teller Machine (ATM) and Night Deposits Facilities.

a. Be aware of your surroundings, particularly at night.
b. Consider having someone accompany you when the ATM or night deposit facility is used after dark.
c. If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction.
d. Refrain from displaying your cash at the ATM or night deposit facility. As soon as your transaction is completed, place your money in your purse or wallet. Count the cash later in the safety of your car or home.
e. If you notice anything suspicious at the ATM or night deposit facility, consider using another ATM or night deposit facility or coming back later. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, take your ATM access device or deposit envelope, and leave.
f. If you are followed after making a transaction, go to the nearest public area where people are located.
g. Do not write your personal identification number or code on your ATM or Debit Card.
h. Report all crimes to law enforcement officials immediately.

17. Visa Debit Card Foreign Country Transactions. Visa purchases and cash advances processed in foreign countries or currencies (other than U.S. dollars) will be converted to and billed to you in U.S. dollars under the regulations established by Visa International. Qualstar does not determine the currency conversion rate used, nor do we receive any portions of the currency conversion rate. The conversion rate to U.S. dollars will be (a) a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which may vary from the rate Visa itself receives, or (b) the government mandated rate in effect for the applicable central processing date, in each instance, plus or minus any adjustment determined by the Issuer Conversion to U.S. dollars may occur on a date other than the transaction date; therefore, the currency conversion rate may be different than the rate in effect at the time of the transaction. In each instance, Visa charges a 1% Currency Conversion/International Service Assessment fee for each transaction done with a merchant or processor in a foreign country (including telephone and internet transactions). You understand and agree to pay the 1% fee charged to you by Visa through QCU in addition to your actual charges.