
**Variable Rate Credit Card
Agreement and
Truth in Lending Disclosure**

**Visa® Platinum
Visa® Platinum Rewards
Visa® Signature
Visa® Platinum Cash Rewards**

**Important Document
Please keep for your records**

Hudson Valley Credit Union

Variable Rate Credit Card Agreement and Truth in Lending Disclosure

In this Variable Rate Credit Card Agreement and Truth in Lending Disclosure (Agreement), the words you and your mean each and all of those who applied for the Card. Card means the Credit Card or Cards for which you applied and any duplicates or renewals we issue. Account means this open-end revolving line of credit account established pursuant to this Agreement. Charges are posted to the Account from the use of the Card, information from the Card or any other device or procedure by which the Account can be accessed. We, us and our mean Hudson Valley Credit Union (HVCU).

THIS DISCLOSURE CONTAINS ARBITRATION AND CLASS WAIVER PROVISIONS THAT SUBSTANTIALLY IMPACT YOUR RIGHTS, INCLUDING YOUR RIGHT TO BRING OR PARTICIPATE IN A CLASS ACTION, IN THE EVENT OF ANY DISPUTE WITH HVCU.

RESPONSIBILITY

You agree to repay all charges, purchases, cash advances and finance charges arising from the use of the Card and the Account. For example, you are responsible for charges made by yourself, your spouse, and minor children. You are also responsible for charges made by anyone else to whom you give the Card, and this responsibility continues until the Card is recovered. You cannot disclaim responsibility by notifying us, but we will close the Account for new transactions if you so request and return all Cards. Your obligation to pay the Account balance continues even though an agreement, divorce decree, or other court judgment to which we are not a party may direct you or one of the other persons responsible to pay the Account.

If you have requested an authorized user on your Card, you agree to be responsible for all charges made by yourself and your authorized user. You understand the authorized user is not the person liable for debts incurred with the use of the Card, and that you are the person solely responsible for the Account.

GOVERNING LAW

This agreement is made in New York and shall be governed by the laws of the State of New York to the extent that New York law is not inconsistent with controlling Federal law. New York's choice of law rules shall not be applied if that would result in the application of non-New York Law.

ENFORCEMENT

You agree to be liable to HVCU for any liability, loss, or expense as provided in this Agreement that the Credit Union incurs as a result of any dispute involving your accounts or the services. You authorize HVCU to deduct any such liability, loss, or expense from your account without prior notice to you. In the event either party brings a legal action to enforce the 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 collections actions, if applicable.

SEVERABILITY

If any term of this Agreement is to any extent invalid, illegal, or incapable of being enforced, such term shall be excluded to the extent of such invalidity, illegality, or unenforceability; all other terms hereof shall remain in full force and effect.

CREDIT LINE

We have established a revolving line of credit for you and will notify you of the credit limit when we issue the Card. You agree not to let the Account balance exceed this approved credit line. Each payment you make on your Account will restore your credit line by the amount of the payment, which is applied to principal. If you request an increase to your credit limit and we approve the request, your use of the Card constitutes acceptance of the increased line. By giving you written notice we may reduce your credit line, or with good cause, revoke your Card and terminate this agreement. Good cause includes your failure to comply with this agreement, or an adverse re-evaluation of your creditworthiness. You may also terminate this agreement at any time, but termination by either of us does not affect your obligation to pay the Account balance. The Card remains our property and you must recover and surrender to us all Cards upon our request and upon termination of this agreement.

USING THE CARD

You understand that the use of your Card will constitute acknowledgment of receipt and agreement to the terms of this Agreement.

To make a purchase, you and any authorized user may use the Card by presenting it to a participating Visa merchant or provide the Card information for purchases not made in person. To make a cash advance, there are two alternative procedures to be followed. One is for you and any authorized user to present the Card to a participating Visa merchant, to us or to another financial institution, and sign

the sales or cash advance draft which will be imprinted with your Card. The other is to complete the transaction by using your Personal Identification Number (PIN) in conjunction with the Card in an Automated Teller Machine (ATM) or other type of electronic terminal that provides access to the Visa system. You may make cash withdrawals that total \$500.00 per day either individually or in aggregate. This service may not be available at all machines. Dollar amounts available may vary between machines.

INACTIVITY

At the time your Card is due to expire, if your Account has been inactive for a period of 23 months, we will not reissue another Card and your Account will be closed. You will then be required to re-apply and be re-qualified to use a Card.

ISSUANCE OF PERSONAL IDENTIFICATION NUMBER

We will issue you a Personal Identification Number (PIN) for use with your Card. This PIN is confidential and should not be disclosed to anyone. In the event a use of your PIN constitutes an electronic funds transfer, the terms and conditions of your Electronic Funds Transfer Disclosure & Agreement apply.

LIABILITY FOR UNAUTHORIZED USE

You may be liable for unauthorized use of your Card.

You will not be liable for unauthorized use that occurs after you notify us of the loss, theft, or other unauthorized use. In any case, your liability will not exceed \$50.00 for unauthorized cash advances at ATMs, and zero liability for unauthorized purchases made with your Card. In order to qualify for the zero liability, you must not have been negligent or fraudulent in the handling of the Account.

In case of loss or theft, call the credit union immediately at 845.463.3011.

MONTHLY PAYMENT

We will mail you a statement every month showing your previous balances of purchases and cash advances, the current transactions on your Account, the remaining credit available under your credit line, the new balances of purchases and cash advances, the total new balance, the finance charge due to date, and the minimum payment required. Every month you must pay at least the minimum payment within 25 days of your statement closing date. You may pay more frequently, pay more than the minimum payment, or pay the total new balance in full, and you will reduce the finance charge by doing so. The minimum payment will be either (a) 2% of your total new balance, or

\$25.00, whichever is greater, or (b) your total new balance, if it less than \$25.00, plus (c) any portion of the minimum payment(s) shown on prior statement(s) which remains unpaid. In addition, at any time your total new balance exceeds your credit line, you must immediately pay the excess upon our demand. Payments made to your Account will be applied in the following order: fees, finance charges, purchases, and cash advances. We may accept checks marked "payment in full" or with words of similar effect without losing any of our rights to collect the full balance of your Account with us.

FINANCE CHARGE

HOW TO AVOID PAYING INTEREST ON PURCHASES:

Your due date is at least 21 days after the close of each billing cycle. We will not charge you any interest on purchases if you pay your entire new balance by the due date each month.

HOW WE WILL CALCULATE YOUR BALANCE:

We use a method called "Average Daily Balance (including new purchases)".

HOW WE CALCULATE YOUR BALANCE AND INTEREST CHARGE ON BALANCES:

We figure the interest charge on your Account by applying the applicable Periodic Rate to the "Balance Subject to Interest Rate" which is the "Average Daily Balance" of your Account for each feature category, including certain current transactions. Feature categories include purchases, balance transfers, cash advances and promotional balances. These calculations may combine different feature categories with the same "Monthly Periodic Rates". The "Average Daily Balance" for each feature category is arrived at by taking the beginning balance of such feature category each day and adding any new transactions to the balance, except we will not include new purchases if you have paid in full the New Balance on your previous statement by the Payment Due Date or if the New Balance on your previous statement was zero. Cash advances incur an interest charge from the date they are posted to your Account. We then subtract any payments or credits and unpaid interest or other "Finance Charges" allocated to the feature category balance for the day. This gives us the daily balance for such feature category. The daily balances for such feature category are then added together and divided by the number of days in the billing cycle. The result is the "Average Daily Balance" for such feature category. The interest charge is determined by multiplying the "Average Daily Balance" by the monthly periodic rate. If your periodic rate is computed using an index, your periodic rate(s) may vary. The Payment Due Date will be no less than 21 days after we have sent you

your current monthly statement. For your Account to be considered current and to avoid a late payment fee, you must pay at least the Minimum Payment Due this period and any Past Due Amount by the due date shown on your statement.

For all Cards, the current Monthly Periodic Rate and the corresponding interest rate will be disclosed to you in a separate letter enclosed with this Agreement/Disclosure.

VARIABLE RATE

Your Account is subject to a Variable Rate. Your ANNUAL PERCENTAGE RATE (APR) may increase (or decrease) if our index, the Wall Street Journal Prime Rate in effect on the fifth to last business day of the month increases (or decreases). When a range of rates is published in the Wall Street Journal on that day, the index will be the highest rate. Each month, the new index rate is added to the margin (disclosed separately in the letter enclosed) to calculate the ANNUAL PERCENTAGE RATE. The ANNUAL PERCENTAGE RATE, when changed, affects your entire balance and is effective the first full statement cycle following the change in the Prime Rate. The ANNUAL PERCENTAGE RATE will never be more than the rate ceiling allowed by New York State Law. We will not accumulate unused index rate increases and decreases. Changes in the ANNUAL PERCENTAGE RATE will result in more (or fewer) payments. We may change the index with proper notice to you.

In accordance with federal regulation, for Card balance transfers conducted in certain situations such as, changing from one product to another within this credit union, the amount of the transferred balance will remain at the variable ANNUAL PERCENTAGE RATE in effect for the product from which the balance was transferred. For example, if you wish to change from a Visa Platinum Rewards card to a Visa Platinum Card and this change results in transferring the balance remaining on the Visa Platinum Rewards Card to the Visa Platinum Card, the variable ANNUAL PERCENTAGE RATE of the Visa Platinum Rewards Card must remain in effect on the amount transferred until such time that portion of the balance is paid in full and all future transactions will be charged the variable ANNUAL PERCENTAGE RATE in effect for the Visa Platinum Card. This does not apply in situations when your Card requires replacement, for example if your Card is compromised, lost, stolen, etc.

CHANGE IN TERMS

We have the right to change any of the terms of this Agreement, including but not limited to rates and fees, at any time. You will be given notice of a change as required by applicable law. Any change in terms governs your Account

as of the effective date, and will, as permitted by law and at our option, apply both to transactions made on or after such date and to any outstanding Account balance. We may amend the Annual Percentage Rate on your Account, based on the results of our obtaining and evaluating your credit information. Use of your Account may constitute agreement to any change in terms.

RETURNS AND ADJUSTMENTS

Merchants and others who honor the Card may give credit for returns or adjustments, and they will do so by sending us a credit, which we will post to your Account. If your credits and payments exceed what you owe us, we will hold and apply this credit balance against future purchases and cash advances, or if it is one dollar or more, refund it on your written request or automatically after 6 months.

CASH ADVANCE FEE

For each cash advance, we will assess a cash advance transaction fee equal to 3% of the amount of the advance.

FOREIGN TRANSACTIONS

Purchases, cash withdrawals, cash advances, and credits made or initiated in foreign countries or foreign currencies will be billed to you in U.S. dollars regardless of your physical location. A transaction's location for purposes of invoking the foreign transaction fee is determined by internationally-based or overseas merchants, or the physical location of the merchant who consummates the transaction rather than where the consumer member is physically located. The conversion into dollars will be made in accordance with the operating rules for international transactions established by Visa, USA, Inc. and may occur on a date other than the date of the transaction; therefore, the currency conversion rate may be different than the rate in effect at the time of the transaction.

We do not determine the currency conversion rate that is used nor do we receive any portion of the currency conversion rate. You agree to pay the converted amount.

The exchange rate to dollars will be a rate that is in effect for the applicable central processing date and is selected either from the range of rates available in wholesale currency markets; or the government mandated rate. A FOREIGN TRANSACTION FEE of 1% of the transaction amount will be assessed on Visa Platinum and Visa Platinum Rewards and will be shown independently of the transaction on your billing statement.

STATUTORY LIEN AND SECURITY INTEREST

If you are in default on any financial obligation, Federal law permits us to enforce a statutory lien and security interest on all accounts in which you have an ownership interest by transferring funds from these accounts to satisfy your obligations. We may also restrict access to these accounts. This security interest does not apply to the extent it otherwise violates federal law, to any Individual Retirement Account, or to any other account that would lose special tax treatment under state or federal law if given as security.

CROSS COLLATERAL

To secure your Account, you grant us a purchase money security interest under the Uniform Commercial Code (UCC) in any goods you purchase through the Account, except property used for personal, family or household purposes. Any collateral securing other loans with us (other than your principal dwelling) will also secure advances made under this Agreement. If you default, we will have the right to recover any of these goods, which have not been paid for through our application of your payments in the manner described under the paragraph Monthly Payments, as provided in this Agreement.

MERCHANT DISPUTES

We are not responsible for the refusal of any merchant, financial institution, or automated equipment to honor or accept your Card.

We are subject to claims and defenses (other than tort claims) as described under YOUR BILLING RIGHTS.

DEFAULT

You will be in default if:

1. you fail to make any minimum payment within 25 days of your statement date;
2. you fail to live up to the terms and conditions of this Agreement and Truth in Lending Disclosure;
3. your creditworthiness is impaired;
4. you die, become insolvent, or are the subject of bankruptcy or receivership proceedings;
5. you have made a misrepresentation in connection with the Card application and/ or this Agreement, or;
6. you are in default on any other loan with us.

If you are in default, we have the right to terminate this Agreement and demand immediate payment of your full Account balance, subject to our giving you any notice required by law. To the extent permitted by law, you will also be required to pay our collection expenses, including court costs and reasonable attorney fees.

CREDIT INFORMATION

You authorize us to disclose information regarding your Account to credit bureaus and other creditors who inquire of us about your credit standing. You also authorize us to request and use a report(s) from outside credit reporting agencies in considering your original request for credit or in connection with renewal or continuation of the credit for which you have applied. If you request it, we will tell you whether or not we asked for such a report, and if we have, give you the name and address of the agency or agencies.

EFFECT OF AGREEMENT

This agreement will be effective when you or an authorized user uses the Card or the Account, or if you fail to cut your Card in half and return it to us within 30 days after it is issued to you. This agreement applies to all transactions on your Account even though the sales, cash advance, credit, or other slips you sign or receive may contain different terms.

FEES

If you fail to make any minimum payment within 35 days of the statement date, a late fee will be imposed as set forth in the Fee Schedule.

Your Card is also subject to other applicable fees as set forth in the Fee Schedule.

The Fee Schedule accompanies this Agreement and Disclosure and is incorporated by this reference. We will charge such fees against your Account.

NO WAIVER

We can delay enforcing any of our rights any number of times without losing them.

STATEMENTS

Statements and notices will be mailed to you at the most recent address given to us. Notice sent to any one of you will be considered notice to all. The monthly statement will identify the merchant, electronic terminal or financial institution at which transactions were made, but sales, cash advance, credit, or other slips cannot be returned with the statement. You should retain the copy of such slips furnished at the time of the transaction in order to verify the monthly statement.

ACCOUNT BALANCE RESTRICTIONS

In order to be approved for and maintain a Secured Visa Account, you agree to give us a specific pledge of shares which will equal your credit limit. You may cancel your Secured Visa Account at any time without penalty and redeem your pledged shares by paying any amounts borrowed through the use of your Card. In order to be certain that your entire balance and all advances on your Account are paid, any shares pledged may not be available for 30 days after you have cancelled your Account and any outstanding balance is paid in full.

AUTOMATIC PAYMENT SERVICE

If you requested to have your Card payment made automatically, your payment will be made on the due date printed on your statement. If the payment date falls on a weekend or holiday, the payment will be made the next processing day. Payments will be based on the ending balance from the previous month's statement.

If you wish to cancel this service, you may notify us either by calling or writing, at any time, up to 3 business days before the scheduled date of the transfer. You must follow up any oral notification, in writing, within 14 days of the oral notification.

ILLEGAL USE OF FINANCIAL SERVICES

Any financial service provided by the credit union may be used for any transaction permitted by law. You agree that illegal use of any financial service will be deemed an action of default and/or breach of contract and such service and/or other related services may be terminated at our discretion. Illegal use includes, but is not in any way limited to, unlawful Internet gambling. You further agree, should illegal use occur, to waive the right to sue us for such illegal activity directly or indirectly related to it. You also agree to indemnify and hold the credit union harmless from any suits or other legal action or liability, directly or indirectly, including credit union expenses associated with defense of such law suits or other legal action, including attorney fees, resulting from such illegal use.

BLOCKING CARDS AND/OR REFUSAL TO AUTHORIZE TRANSACTIONS

We may block this Card due to the appearance of unusual spending behaviors or block transactions originating in certain domestic or international regions where there is a high volume of fraud.

CONVENIENCE CHECKS

You can access your revolving line of credit to purchase goods and services or to obtain cash up to the amount of

your credit limit through the use of convenience checks. Use of your convenience checks is a cash advance on your Account and is subject to a \$10,000 daily limit. We are not required to honor a convenience checks that will cause you to exceed your credit limit. We will not pay a convenience check if at the time the check is presented, you are in default or we have suspended, terminated or cancelled your Account. Each convenience check must be in the form we have issued to you. Convenience checks may be used only by the person whose name is printed on the check. You are responsible for all authorized use of your convenience check. You may not use a convenience check to pay any amount which you owe us under your Account. Your monthly statement will show you an itemization of the convenience checks posted to your Account during the billing cycle. Convenience checks paid by us will not be returned to you with your monthly statement. You may order a stop payment on a convenience check by notifying us orally or in writing. Oral notices must be confirmed in writing within fourteen (14) days. Written stop payment orders will remain in effect for six (6) months, but may be renewed for an additional six (6) month period by written notice during the time the stop payment order was effective. We will charge a fee when we place a stop payment on your check(s). Convenience checks are the property of the credit union. We reserve the right to revoke them at any time. You agree to return them at our request.

INTEGRATED DOCUMENTS

Any separate sheet of paper, which is delivered to you with this Agreement, is an integrated part of this Agreement and Disclosure.

HOLDER IN DUE COURSE NOTICE (If applicable)

NOTICE: ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

YOUR BILLING RIGHTS - KEEP THIS DOCUMENT 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, write to us at:

Hudson Valley Credit Union
P.O. Box 1071
Poughkeepsie, NY 12602-1071

You may also contact us on the web at hvcu.org and click on "Contact Us."

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 or electronically. 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 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 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 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:

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 goods or services.)

2. You must have used your Card for the purchase. Purchases made with cash advances from an ATM or with a check that accesses your Card Account do not qualify.

3. 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:

Hudson Valley Credit Union
P.O. Box 1071
Poughkeepsie, NY 12602-1071

or electronically at hvcu.org and click on "Contact Us". 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.

Credit Line Changes

You agree that without giving you advance notice, or upon your written request, we may increase your Line Of Credit at our discretion. By updating, reviewing, or extending your Line of Credit, we may request a new credit report and employment verification without telling you.

MAPR Statement

Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: The costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specified credit transactions or accounts); and any participation fee charged (other than certain participation fees for a credit card account). You may obtain this disclosure orally toll-free at 844.348.1617.

Arbitration Clause:

This clause contains important information regarding your rights in the event of any dispute with HVCU. You are agreeing to resolve any disputes by binding arbitration, which replaces your right to go to court, including the rights to a jury trial and to participate in a class action.

Definitions

As used in this Arbitration Agreement, “you” and “your” shall mean each individual having applied for an account, product or service with HVCU, or having an account or agreement with HVCU, and includes anyone who has access to the account(s). “We,” “us,” and “HVCU” means Hudson Valley Credit Union and its “Related Parties,” as that term is defined below. “Party” and “Parties” mean you and us, including any person or entity who may be bound by this arbitration provision.

Agreement to Arbitrate Disputes

In the event of any Dispute (defined below) between you and HVCU, either you or HVCU may elect, without the other’s consent, to require that the Dispute be submitted to and resolved by binding arbitration, except for the disputes specifically excluded below. If a Party initiates a proceeding in court regarding a claim or dispute which is included under this arbitration clause, the other Party may elect to proceed in arbitration pursuant to this clause.

Arbitration is a private hearing administered and decided by a neutral third party. It is less formal and is usually faster than a court case. Pre-hearing fact-finding (called “discovery”) and appeals of the final award are limited. Courts will only overturn arbitration awards in rare circumstances.

Rights You Are Giving Up

For disputes subject to this clause, you and we give up our rights to each of the following:

1. **Have juries decide Disputes.**
2. **Have courts, other than small-claims courts, decide Disputes.**
3. **Serve as a private attorney general or in a representative capacity.**
4. **Join or consolidate a Dispute with disputes by other parties.**
5. **Bring or be a class member in a class action claim or lawsuit, including as a representative or member, or class arbitration.**

Application to Parties and Disputes

This arbitration clause governs you and us. It also applies to and covers certain “Related Parties,” including our parent companies, subsidiaries, and affiliates, our employees, directors, officers, shareholders, members, representatives, and service providers, and any person or company that is involved in a Dispute that you pursue relating to this Arbitration Agreement or your relationship with HVCU. Related Parties also include anyone connected with you or raising a Dispute through you, such as a joint account holder, account beneficiary, employee, representative, agent, predecessor, successor, heir, assignee, or trustee in bankruptcy.

This arbitration clause covers “Disputes” between you and us (or any Related Party). In this clause, “Disputes” has the broadest reasonable meaning, and includes all past, present, and future claims, directly or indirectly arising from or related to your relationship with HVCU, this Arbitration Agreement, any account, loan, or other product you have HVCU, and any related communications. It includes claims based on any legal theory, including contract, tort, intentional tort, fraud, negligence, agency, equity, statute or regulation, or any other sources of law, claims seeking damages or injunctive or declaratory relief and initial claims, counterclaims, cross-claims, and third-party claims. It includes claims related to privacy and customer information. It includes claims related to the validity in general of this Arbitration Agreement.

Disputes Excluded from This Arbitration Clause

Disputes filed by you or us individually within the jurisdiction of a small claims court are not subject to arbitration, provided that those claims remain in small claims court. We may demand arbitration of any small claims action that is transferred, removed, or appealed to a different court or if any small claims action is brought on a class basis.

Class Action Waiver

For Disputes subject to this clause, you and we give up our rights to bring or be a class member in a class action claim, arbitration, or lawsuit, including as a representative or member.

Commencing an Arbitration

As a condition precedent to the initiation of any lawsuit or arbitration, the Party raising a Dispute must give the other Party written notice of the Dispute, which must explain in reasonable detail the nature of the Dispute and any supporting facts. If you are the party raising the Dispute,

you must send the notice in writing to the following address: Hudson Valley Credit Union, PO Box 1071, Poughkeepsie, NY 12602-1071. You or your attorney must sign the notice and must provide the applicable account or agreement number and a phone number where you or your attorney can be reached. Once a notice of Dispute is sent, the Party raising the Dispute must give the other Party a reasonable opportunity over the next 30 days to resolve the Dispute on an individual basis.

If the Parties do not reach an agreement, arbitrations conducted under this clause will be governed by this Arbitration Agreement and the rules of the arbitration company in effect at the time the arbitration is commenced. An arbitration must be filed with either of the following companies, in accordance with its rules:

- The American Arbitration Association (“AAA”); 1633 Broadway, 10th Floor, New York, New York 10019; 1.800.778.7879 (toll-free); www.adr.org; or
- JAMS; 620 Eighth Avenue, 34th Floor, New York, New York 10018; 1.800.352.5267 (toll-free); www.jamsadr.org.

If you initiate the arbitration, you must notify us in writing at: Hudson Valley Credit Union, PO Box 1071, Poughkeepsie, NY 12602-1071.

You may obtain a copy of the arbitration rules for these forums, as well as additional information about initiating an arbitration by contacting AAA and JAMS.

To the extent that the arbitrator decides that any in-person hearings are necessary, they must be held at a place reasonably convenient to you.

If one Party begins or threatens a lawsuit, or files a counterclaim to an existing lawsuit, that is covered by this arbitration provision, the other Party may demand arbitration, including through court papers such as a motion to compel arbitration. Once an arbitration demand is made, no lawsuit can be brought and any existing lawsuit must stop.

Administration of Arbitration

The arbitration shall be decided by a single, neutral arbitrator. The arbitrator will be selected, and the arbitration will be administered, in accordance with the applicable rules of the arbitration forum. You understand and agree that the applicable rules in arbitration may limit the discovery available to you or us. The arbitrator shall decide the dispute

in accordance with the applicable substantive law consistent with the Federal Arbitration Act (“FAA”). You or we may choose to be represented by counsel in the arbitration. If the arbitrator does not issue a written award, either Party may request an explanation from the arbitrator within 14 days of the date of the ruling. Upon such request, the arbitrator will explain the ruling in writing.

The arbitrator is not allowed to handle any Dispute on a class or representative basis. All Disputes subject to this arbitration clause must be decided in an individual arbitration or an individual small-claims action.

If AAA or JAMS is unable or unwilling to handle the claim for any reason, then the matter shall be arbitrated by a neutral arbitrator selected by agreement of the Parties (or, if the Parties cannot agree, selected by a court in accordance with the FAA). The neutral arbitrator selected by the Parties or the court shall apply the Federal Rules of Evidence and the Federal Rules of Procedure concerning discovery, except that the above class action waiver is specifically enforceable notwithstanding any Federal Rule of Procedure to the contrary.

Appeal Rights

Appeal rights under the FAA are very limited. If the Dispute involves less than \$50,000, the arbitrator’s award will be final and binding. For Disputes involving more than \$50,000, any Party may appeal the award to a panel of three arbitrators appointed by the arbitration company, which will reconsider anything in the initial award that is appealed. The panel’s decision will be final and binding, except for any FAA appeal right. Any court with jurisdiction may enter judgment upon the arbitrator’s award.

Right to Resort to Provisional Remedies Preserved

Nothing in this arbitration clause shall be deemed to limit or constrain our right to resort to self-help remedies, such as the right of set-off, to restrain funds in an account, to interplead funds in the event of a dispute, to exercise any security interest or lien we may hold in property, to comply with legal process, or to obtain provisional remedies such as injunctive relief, attachment, or garnishment by a court of competent jurisdiction. You or we may elect to arbitrate any dispute related to the above provisional remedies.

Governing Law

You and we agree that our relationship and this Arbitration Agreement involve interstate commerce and that this arbitration provision is governed by, and enforceable under,

the FAA. The arbitrator must apply applicable substantive law consistent with the FAA, including honoring statutes of limitations and privilege rights. To the extent state law is applicable, the laws of the State of New York shall apply.

Costs

The Party initiating the arbitration shall pay the initial filing fee. We will pay our share of the filing, administrative, hearing, and arbitrator fees. At your request, and if you act in good faith and cannot get a waiver, we will advance your share of these fees. We will always pay these fees if required under applicable law or the arbitration company's rules, or if payment is required to enforce this arbitration clause.

If you file the arbitration and an award is rendered in your favor, will we reimburse your filing fee. Each Party shall bear the expense of their respective attorneys, experts, witnesses, or other expenses, regardless of who prevails, but the arbitrator may award certain costs or expenses pursuant to applicable law. The arbitrator can require you to pay our fees if permitted under applicable law or if the arbitrator finds that you have acted in bad faith, as measured by the standards set forth in Federal Rule of Civil Procedure 11.

Survival and Severability

This arbitration provision shall survive: (a) termination or changes to your account(s) or any related services with HVCU; (b) the bankruptcy of any Party; and (c) the transfer or assignment of your accounts or any related services. If any portion of this arbitration provision is deemed invalid or unenforceable, the remainder of this arbitration provision shall remain in force and effect. No portion of this arbitration provision may be amended, severed, waived, or terminated without written agreement between you and us.



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