USAA CREDIT CARD AGREEMENT

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H. BILLING RIGHTS NOTICE

A. AGREEMENT

This USAA Credit Card Agreement ("Agreement") is your contract with us and governs the use of your credit card account ("Account") issued by USAA Federal Savings Bank. This Agreement includes the "Pricing Schedule" that applies to your Account and any amendments to this Agreement. Please read all parts of this Agreement and keep it for your records. You accept this Agreement if you or an Authorized User use the Account, such as using the Account number on a credit card issued for the Account ("Card"), or any other device that we issue or otherwise provide for purposes of making transactions with the Account. You also accept this Agreement if you do not cancel your Account within 30 days after it is opened. In this Agreement, "FSB," "we," "us," and "our" refer to USAA Federal Savings Bank; "you," "your," and "Cardmember" refer to the person who opened the Account and any person financially liable for the repayment of the Account.

This Agreement includes an Arbitration and Waiver of Class Action section. The Arbitration and Waiver of Class Action section contains important information about how a dispute will be resolved between you and FSB if one occurs. Unless you are covered by the Military Lending Act, the Arbitration and Waiver of Class Action section may limit your rights to go to court, have a jury trial, or initiate or participate in a class action. Please read that section carefully.

B. USE OF THE ACCOUNT

1. **Permitted Use of the Account.** You may only use the Account for personal, family, or household purposes. You may not use the Account for business, commercial, or illegal purposes, or in any manner not permitted by this Agreement. If you use the Account for a purpose that is not permitted, including illegal purposes, you are still liable for such use and you may be liable to us and/or the Card Networks for additional damages and expenses resulting from such use.

2. **Liability of the Cardmember.** You promise to pay us all amounts due on the Account. You may pay your Account balance in full at any time. If you or an Authorized User allows someone else to use the Account, you are liable for repaying any amount resulting from the transactions made by that person and anyone else that person allows to use the Account. If there is more than one Cardmember on the Account, each of you is jointly and severally liable for all amounts due on the Account. This means we may, in our sole discretion, hold either of you liable for all amounts due on the Account or we may hold each of you liable for any portion of the amount due on the Account. We may release a Cardmember or any person who uses the Account from liability at any time for any reason or for no reason at all. We are not bound by the terms of a legal judgement or similar disposition to which we are not a party, including divorce decrees that allocate liability for the Account between former spouses.

3. **Authorized Users.** "Authorized User" refers to any person who uses the Account with actual, implied, or apparent authority. An Authorized User can be someone who we issue a Card to at your request or someone you or another Authorized User allow to use the Account. You are liable for all transactions made by an Authorized User. If you allow someone to use your Account, even if they use your Account in a manner that you did not intend or agree to, or if they allow someone else to use your Account, you will still be responsible for that use. You may request that a Card be issued in an Authorized User's name. If we accept such a request, that Authorized User will have the same authority as the Cardmember to access Account information. At our discretion, we may permit you to restrict an Authorized User's access to Account information. By requesting a Card for an Authorized User, you certify that: (i) the Authorized User gave you permission to provide us information about them; and (ii) you have informed the Authorized User that we may report information about the Account, including credit limit, credit usage and late payments, to consumer reporting agencies in the Authorized User's name and that such information may appear on their credit report and impact their credit score.

   To remove an Authorized User who has been issued a Card from your Account, you must contact us at the customer service phone number provided on your billing statement and ask us to cancel the Card issued to that Authorized User and remove them from your Account. You must also destroy all Cards in their possession and cancel any recurring transactions they have set up using your Account. You are responsible for any transaction made by an Authorized User even if the transaction posts to your Account after the date you request their removal. If the Authorized User is using your Card or the information associated with your Card, you must contact us at the customer service phone number and ask us to reissue your Card with a new credit card number to prevent the Authorized User from using the Account. Authorized Users may remove themselves from your Account upon request. We reserve the right to remove an Authorized User from your Account for any reason or for no reason at all.

4. **Types of Transactions.**
   a. **Purchases** – You may use the Account to pay for goods or services wherever the Card is honored. This type of transaction is a "Purchase."
   b. **Balance Transfers** – At our discretion, we may permit you to transfer a credit card balance from another creditor to the Account. This type of transaction is a "Balance Transfer." You may not transfer a balance from another credit card account with us. A Balance Transfer subject to an introductory or promotional offer will be displayed as a promotional Balance Transfer on your billing statement until the end of the period, at which time any resulting balance will be subject to the terms of that specific introductory or promotional offer.
   c. **Cash Advance** – At our discretion, we may permit you to use the Account to get cash (including foreign currency) from an automated teller machine ("ATM") and bank tellers, to transfer money (for example to fund another account) or to get what we consider a cash equivalent. Examples include, but are not limited to, using your Card for wire transfers, money orders, traveler's checks, person-to-person money transfers, cryptocurrency, bail bonds, lottery tickets, gaming chips and other methods used for gambling, wagers and other betting transactions. These types of transactions to get cash or to get what we consider cash equivalents are "Cash Advances."

5. **Convenience Checks** – At our discretion, we may issue you a "Convenience Check" to obtain credit on the Account. When a Convenience Check is issued to you, we will tell you whether the Convenience Check will be treated as a Purchase, Balance Transfer or Cash Advance.

   You may not use a Convenience Check to pay any amount you owe us. We may reject and return unpaid any Convenience Check if: (1) your Account is past due, charged off, bankrupt, lost/stolen, in default, or closed; (2) we suspect fraud; (3) your Account is over the credit limit; or (4) the check has expired, is damaged or cannot otherwise be processed. Unless there has been Unauthorized Use in connection with the Convenience Check, you must pay us for any Convenience Check we pay, even if we were permitted to reject and return the Convenience Check.

   You may request us to stop payment on an unpaid Convenience Check. To do so, contact us at the customer service phone number provided on your billing statement. We will charge a stop payment fee of $20. We will have a reasonable amount of time after your stop payment request to research and complete the stop payment. We will not be responsible if we cannot complete the stop payment. Reasons may include but are not limited to: (1) the Convenience Check was already paid; (2) you do not give us the information we asked for; or (3) the information you gave us was incorrect. Once received, your stop payment request will remain valid for six (6) months unless you or another Cardmember ask us to remove it. If we re-credit your Account after a valid stop payment order, you give us all of your rights against the payee or other holder of the paid Convenience Check. You also agree to help us in any legal action we may later take against the payee or other holder of the Convenience Check.

   You may not issue a postdated Convenience Check on your Account. If you do postdate a Convenience Check, we may elect to honor it upon presentment or return it unpaid to the person that presented it to us for payment, without in either case waiting for the date shown on the Convenience Check. We are not liable to you for any loss or expense arising out of the action we elect to take.

6. **Credit Limit, Authorization of Transactions and Transaction Limits.** We assign a credit limit to your Account. Part of this credit limit may be available for Cash Advances, and there may be a limit on the amount of Cash Advances you can take in a given period. You agree to manage your Account so that your Account balance (including interest and fees) is not more than your credit limit. We may honor transactions above your credit limit but doing so will not increase your credit limit and you will still be liable for any amounts, including interest and fees, incurred by any transaction in excess of your credit limit. If we ask you to promptly pay the amount of your Account balance above your credit limit, you agree to do so. We are not obligated to honor every transaction and may deny a transaction for any reason, unless prohibited by applicable law. We may deny a transaction even if the transaction would not cause the Account to exceed your credit limit. We are not liable for any losses resulting from a denied transaction. Except as otherwise provided in this Agreement, you are not permitted to stop the payment of any transaction once it is made; however, you have the right to dispute transactions as described in the Billing Rights Notice section of this Agreement. We are not responsible for any losses resulting from the refusal of any person to honor your Card, Convenience Check, or Account, or the failure of an ATM or other machine to accept your Card, disperse cash, or otherwise perform a transaction. We are also not liable for any losses resulting from when our services are unavailable due to reasons beyond our control.

   We may place limits on the Account that may impact your ability to use the Account, such as limits on the types, amount of, or number of transactions you may make with the Account. You may not exceed the limits that we place on the Account. We may tell you about some of these limits, such as your credit limit; however, for security and other reasons, we may not tell you about all of the limits we may place on the Account. To the extent permitted by applicable law, we may increase, reduce, cancel, or suspend any of the limits or add new limits for any reason and at any time without notice.

7. **Recurring Transactions.** If you authorize a merchant to charge the Account for repeat or recurring transactions, you must notify the merchant if: (a) you want to discontinue the recurring transactions on the Account; (b) the Account is closed; or (c) the credit card number or Card expiration date changes. You authorize us to transfer recurring charges to any replacement Account; however, we are not responsible for discontinuing, transferring, or reinstating any repeat or recurring transactions and are not liable for any losses resulting from a repeat or recurring transaction not being discontinued, transferred, or reinstated.

8. **Foreign Transactions.** When you make a transaction in a foreign currency, including returns and exchanges, the transaction will be converted into U.S. Dollars by either: (i) a Card Network, or (ii) the merchant or its agent. The "Card Network" (which is an organization such as Visa, American Express and MasterCard that facilitates the payment process between you, a merchant and us) will convert the transaction in accordance with their operating regulations or conversion procedures in effect at the time the transaction is processed. The currency conversion rate in effect on the processing date may differ from the rate in effect on the transaction date or posting date. We do not convert your transactions into U.S. Dollars, and we are not responsible for the conversion rates or processes used, including when the transaction is converted.

9. **How We Calculate Interest.** We calculate interest on your balances each billing cycle. Interest is calculated separately for Purchases, Balance Transfers, Cash Advances, and each balance subject to different promotional terms. We round all APRs to the second decimal place and all monthly interest rates to the third decimal place. The method we use is called the average daily balance (including new transactions). This method results in compounding interest. Under this method, interest is calculated on each balance on your Account as follows:

    a. First, at the end of each day, we calculate your daily balances. Each daily balance equals:
        (i) The balance at the start of the day;
        (ii) Plus any new transactions, interest, fees and other charges (except for new Purchases when the grace period applies);
        (iii) Less any payments or credits.

    b. Next, we add all the daily balances together and divide the sum by the number of days in the billing cycle. The result is an average daily balance (which is identified on your billing statements as the "Balance Subject to Interest Rate").

    c. Then, we multiply the average daily balance by the monthly interest rate. The monthly interest rate is the Annual Percentage Rate that applies to the balance divided by twelve (12). The result is the monthly interest charged on that balance.

    d. Finally, we add all the monthly interest charged on each balance together. The result is the total interest charged for the billing cycle (which is identified on your billing statements as the "Total Interest For This Period").

10. **Annual Percentage Rate.** The Annual Percentage Rate(s) (often referred to as "APR(s)") that apply to the Account may be variable or non-variable and are identified in your Pricing Schedule. Depending on the Account, there may be different APRs for different types of transactions. For example, a Purchase may be subject to a different APR than a Cash Advance. If your APR is variable, it will vary with the market based on the Prime Rate. If the Prime Rate changes, a variable APR may increase or decrease. If a variable APR increases, you will pay more interest on your transactions and may have a higher Minimum Payment Due.

    Each billing period, we determine any variable APRs for the Account by adding a number of percentage points called the margin (that is shown on your Pricing Schedule) to the Prime Rate published in the *Money Rates* section of *The Wall Street Journal* (the "Prime Rate"). This sum is the APR that will apply to the applicable balances for the entire billing cycle covered by that billing statement. The Prime Rate we use for each billing cycle is determined as of the Index Date. The "Index Date" is the 15th day of the calendar month immediately prior to the statement closing date of your current billing statement. For example, if your statement closing date is within the month of October, the Prime Rate used for your October billing cycle would be what is published in *The Wall Street Journal* on the 15th day of September. If the Prime Rate is not published on the 15th day (for example, it is a weekend or holiday), the Index Date will be the next day on which the Prime Rate is published. If the Prime Rate ceases to be published, we will choose a substitute index and margin in accordance with applicable law.

    The Regular APR(s) that apply to the Account are identified in your Pricing Schedule. A "Regular APR" applies to a balance that is not subject to a Promotional APR. In our sole discretion, when the Account is initially opened or from time to time after your Account is opened, we may offer you a "Promotional APR" that is different than the Regular APR that otherwise applies to the Account. The terms of any Promotional APR that we offer to you will either be described in your Pricing Schedule or provided to you by other means, such as in a separate document.

11. **Grace Period.**
a. **Purchases** - You have a grace period in which you can avoid paying interest on the new Purchases that are itemized on your billing statement. If the "Previous Balance" shown on your current billing statement was paid in full by its associated "Payment Due Date" (or if the Previous Balance was zero or a credit balance), we do not charge monthly interest on the Purchases shown on your current billing statement when the New Balance is paid in full by the Payment Due Date identified on your current billing statement. **The grace period does not apply in any billing period in which any portion of the Previous Balance identified on your billing statement (which may include Cash Advance, Balance Transfer and/or Promotional APR balances) remains unpaid as of its associated Payment Due Date.**
b. **Balance Transfers** – Balance Transfers do not have a grace period.
c. **Cash Advances** – Cash Advances do not have a grace period.

12. **Reporting Lost or Stolen Items and Unauthorized Use.** You must notify us as soon as reasonably possible if your Card or any Convenience Checks have been lost or stolen, or if you believe there has been Unauthorized Use of the Account. "Unauthorized Use" means the use of the Account by someone other than a Cardmember or an Authorized User and from which the Cardmember receives no benefit. You may notify us online at usaa.com or by phone at the customer service phone number provided on your billing statement. We will not hold you liable for any transactions that we determine to constitute Unauthorized Use of the Account.

C. MAKING PAYMENTS

1. **Minimum Payment Due.** When we send you a billing statement, it will show your "Minimum Payment Due" and "New Balance." We must receive payment of at least the Minimum Payment Due by the Payment Due Date disclosed on your billing statement. The amount of your Minimum Payment Due will be the greater of: (1) the sum (rounded to the nearest dollar) of 1% of your New Balance plus the interest and fees we charged as shown on the billing statement and any past due amounts; or (2) $15. However, if your New Balance exceeds your Credit Limit, then at our option, we may require you to pay any amount up to the entire overlimit amount instead of the Minimum Payment Due. In no event will your Minimum Payment Due exceed the amount of your New Balance. We may adjust your Minimum Payment Due in accordance with our Pay-Ahead Program.

2. **Payment Conditions.** You must follow the "Payment Conditions" that we provide to you on your billing statement. If your payment is made in accordance with the Payment Conditions, we will credit the payment as of the date of receipt. We may, but are not required to, accept a payment that does not meet the Payment Conditions. If, in our sole discretion, we accept a payment that does not meet the Payment Conditions, we will credit the payment within five (5) calendar days of receipt. We reserve the right to withhold credit availability until we confirm receipt of good funds and process any payment posted to the Account.

   When you pay by check, you authorize us to use information from your check to make a one-time electronic funds transfer from your checking account. Funds may be withdrawn from the payment account as early as the day we receive payment, and you will not receive your check back. If you postdate your payment, you authorize us to process it on the date we receive it, even if it is before the date on the payment item.

   We may accept late payments, partial payments and payments marked "paid in full" or containing other restrictive words, conditions, or limitations without waiving or losing any of our rights to receive full payment under the Agreement. Any settlement of the Account for less than what is owed requires our written agreement. We may refuse to accept a payment that creates or increases a credit balance on the Account. The availability of any credit balance on an Account is subject to appliable law and the processing of any payments posted to the Account, as well as the processing of any additional transactions, including those that have not yet been reflected on your billing statement.

3. **How We Apply Payments and Credits.** We apply payments and other credits up to the Minimum Payment Due in any order we deem appropriate. Amounts in excess of the Minimum Payment Due are applied to the balance with the highest APR as of the end of the previous billing cycle.

4. **Penalty Fees.** In certain instances, we may charge you a penalty fee up to the amounts shown on your Pricing Schedule. If we do not receive at least the Minimum Payment Due by the Payment Due Date disclosed on your billing statement, we may charge a late payment fee. This fee will never exceed the Minimum Payment Due that was due immediately prior to the date on which the fee was assessed. Each time a payment made to the Account is not honored by your financial institution or cannot be processed, we may charge you a returned payment fee even if the payment is honored after we resubmit it. This fee will never exceed the Minimum Payment Due that was due immediately prior to the date on which the payment was returned to us. We reserve the right to add or modify the penalty fees to which your Account is subject in accordance with applicable law.

5. **Pay-Ahead Program.** The Minimum Payment Due, as calculated in Section C.1, is your "Regular Minimum Payment." If your Account is eligible for our "Pay-Ahead Program," whenever you pay more than the Regular Minimum Payment, we may, at our option, permit you to skip some or all of your next two Regular Minimum Payments. When this occurs, we continue to calculate your Regular Minimum Payment, however the amount of the Minimum Payment Due displayed on the first page of your billing statement, on usaa.com, and on our phone systems is reduced by the amount you may skip. The full Regular Minimum Payment amount is always shown in the "Important Account Information" section of your billing statement. Remember interest charges will continue to accrue in accordance with the terms of the Agreement. You may opt out of the Pay-Ahead Program at any time by calling us at 1-800-531-USAA (8722).

D. DEFAULT AND CLOSING THE ACCOUNT

1. **Default.** The Account is in default under any of the following circumstances:
    a. You do not make at least the Minimum Payment Due by the Payment Due Date disclosed on your billing statement.
    b. A payment you made is returned unpaid, rejected, or otherwise cannot be processed.
    c. You fail to comply with any of the terms of the Agreement or any other agreement with us or our affiliates.
    d. When requested, you fail to provide us information about you or the Account.
    e. We believe that you are unable or unwilling to pay your debts, including if you become insolvent or file for bankruptcy.
    f. A Cardmember dies or is declared mentally incompetent or incapacitated.
    g. You do not or no longer meet USAA membership requirements.
    h. We believe that you made or attempted to make a false, misleading, or incomplete statement to, or otherwise engaged in fraudulent activity with, us or any of our affiliates.

    If the Account is in default, to the extent permitted by applicable law, we may suspend or close the Account without notice and/or require immediate payment of the entire amount you owe to us.

2. **Closing or Suspending the Account.** To the extent permitted by applicable law, we may suspend or close the Account at any time and without prior notice. We may suspend or close the Account for any reason or for no reason at all. Any Cardmember may close the Account by contacting us at the customer service phone number provided on your billing statement. An Authorized User may not close the Account. Once the Account is suspended or closed, you may not make any new transactions. If the Account is closed, you must: (i) destroy all Cards and Convenience Checks; and (ii) repay any amounts owed to us pursuant to the terms of the Agreement, including any amounts resulting from transactions made, posted, or processed after the date the Account is closed.

    If your Account is secured by a security interest in certain funds, the terms of the security agreement that you entered into with us in connection with the Account will govern how we may apply the funds subject to the security interest when your Account is suspended or closed. Any of our rights pursuant to a security agreement you enter into with us in connection with the Account are in addition to our rights under this Agreement. You remain responsible for complying with this Agreement even if the Account is secured by a security interest. For example, each billing period you still must make at least the Minimum Payment Due by the Payment Due Date disclosed on your billing statement. Any funds secured by a security interest that are applied to the Account will not constitute any part of the Minimum Payment Due. If there are insufficient funds subject to the security interest to cover the outstanding balance of the Account, including fees and finance charges, you will remain liable for any remaining balance.

E. COMMUNICATIONS

1. **Duty to Provide Information.** You must notify us of any changes to your name, address, email address, phone number(s), employment, or income within thirty (30) days of such change. You must also confirm or provide us with updated personal or financial information upon our request.

2. **Contacting You.** By providing your phone number or contacting us from a phone number, you authorize us (including our affiliates, agents, independent contractors, servicers, collection agents, and our successors and assigns) to contact you at the phone number using text messages, telephone calls, automated telephone dialing system, artificial or prerecorded voice, or other communication methods to service any and all of your accounts with us and our affiliates or to contact you about USAA products or membership. Message and data rates may apply. You agree to notify us if you change or discontinue using any phone number you provide or from which you contacted us. By providing your email address you authorize us to contact you by email.

3. **Monitoring Communications.** You agree that we may monitor and record any communication with you about the Account. Any third party acting on our behalf (including our affiliates) may also monitor or record any communication with you about the Account.

4. **Notices and Account Materials.** We may send the Agreement, Cards, Convenience Checks, billing statements, notices and any other Account materials to any Cardmember at the last billing address provided to us or at other locations or by other means as permitted by applicable law or as agreed to by a Cardmember, such as if a Cardmember has agreed to electronic delivery. Delivery and/or notice to any Cardmember will be considered delivery and/or notice to all of you.

5. **Contacting Us.** You may contact us at the customer service phone number or address provided on your billing statement.

F. CREDIT REPORTING

1. **Obtaining and Providing Credit Information.** You agree that we may obtain and review information about you from consumer reporting agencies, investigate your ability to pay, and obtain information about you from other sources including information to verify and re-verify your employment and income. You agree that we may use such information for any purposes (for example, marketing to you or evaluating you for a new account), subject to applicable law. You agree that we may also report information about the Account to consumer reporting agencies. We may report information about the Account in the name of any Cardmember or Authorized User. Information we report may appear on the credit report and may impact the credit score of any Cardmember or Authorized User.

   You have the right to dispute the accuracy of information we have reported to a consumer reporting agency. If you wish to do so, please write to us at: USAA/Consumer Report Dispute, Attn: Form Code #CLCBD, P.O. Box 33009, San Antonio, TX 78265-3009. Please use the consumer report dispute form available on usaa.com or call 1-800-531-USAA (8722) to request a copy of the form to submit a consumer report dispute. If you choose to submit your dispute without the consumer report dispute form, please include your name, address, Account number, phone number, Social Security number, a brief description of the disputed information, and a copy of the consumer report in question (if available) in your letter.

G. GENERAL INFORMATION

1. **Important Information About Procedures for Opening a New Account.** To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an Account. What this means for you: When you open an Account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

2. **Changes to the Agreement.** We may change the Agreement or the Account at any time, whether by adding new terms and conditions or deleting or amending existing ones. If required by applicable law, we will send you advance notice of

the change. In some instances, you may have the right to reject a change to the Agreement; however, we may require the Account to be closed or limit its use if the change is rejected.

3. **Governing Law.** The Agreement and the Account is governed by the laws of Arizona and the United States without regard to principles of conflicts of laws.

4. **Severability.** If any provision of the Agreement is held by a court of competent jurisdiction or other applicable governing authority to be invalid or unenforceable in part or in whole, the remainder of the provision and the Agreement will remain in full force and effect.

5. **Waiver.** We do not lose or waive our rights under this Agreement if we delay or choose to not exercise our rights. In the event we do delay or choose not to exercise our rights, we do not lose or waive our right to exercise such rights in the future. We are not required to notify you before or after we delay or choose not to exercise our rights under this Agreement.

6. **Assignment.** We may sell, assign, or transfer: (i) the Account, (ii) certain parts of or rights to the Account, (iii) the Agreement, or (iv) any or all of our rights and obligations under the Agreement, at any time for any reason and without obtaining your consent. You may not sell, assign, or transfer the Account, any part of the Account, the Agreement, or any of your rights or obligations under the Agreement.

7. **Entire Agreement.** The Agreement, as may be amended, constitutes the entire agreement between you and us governing the use of the Account and supersedes all prior agreements and understandings regarding the Account. All headings and titles in the Agreement are included only as a matter of convenience and do not limit or increase the scope of a particular provision or the Agreement.

8. **Rewards, Benefits, Services and Other Features.** Unless otherwise provided in this Agreement, any rewards, benefits, services and other features that may be associated with your Account are subject to their respective agreement(s) and/or terms and conditions.

9. **Attorney Fees.** If we refer the Account to an attorney for collection, we may charge you for our attorney fees (including costs for attorneys employed by us or our affiliates), court costs and other expenses incurred by us. Certain states may limit or prohibit the collection of attorney fees. We will only charge you for our attorney fees to the extent permitted by applicable law.

10. **Expedited Delivery.** If you ask us to send you anything related to the Account by expedited delivery and we honor your request, we may charge the Account for the expedited delivery charges in effect at that time. We will advise you of the amount of the fee whenever you request expedited delivery.

11. **Military Lending Act Notice.** 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(s) 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). To receive this information and a description of your payment obligation verbally, please call 877-425-1377.

    The Arbitration and Waiver of Class Action section of this Agreement does not apply to you if you are covered by the Military Lending Act nor do any provisions of the Agreement that waive any right to legal recourse under any state or federal law to the extent required by the Military Lending Act.

12. **Arbitration and Waiver of Class Action. Please read this Arbitration and Waiver of Class Action section carefully.**

    If you and FSB are unable to resolve a dispute, you and FSB agree that upon election by either you or FSB, any Covered Claim shall be resolved by arbitration on an individual basis according to the terms of this Arbitration and Waiver of Class Action section. Accordingly, you agree to waive your right to a trial by a judge or jury or to participate in a collective or class action against us in connection with any Covered Claim. This Arbitration and Waiver of Class Action section shall be governed by the Federal Arbitration Act, and to the extent that local law applies, by the laws of the State

of Arizona. If, according to our records, you opted-out of arbitration for your Account prior to January 1, 2015, this Arbitration and Waiver of Class Action section does not apply to your Account.

What is arbitration?

Arbitration is a method of resolving disputes without filing a lawsuit in court. In arbitration, parties present their dispute to a neutral third person – called an arbitrator – instead of a judge or jury. Generally, arbitration is faster, less expensive and simpler than a lawsuit in court. Arbitrators apply the same laws and can award the same remedies as a court, and parties have the right to be represented by attorneys in arbitration.

Which claims or disputes are subject to arbitration?

Covered Claims must be arbitrated if either you or FSB elect arbitration. A Covered Claim is any pre-existing, present, or future claim, dispute or controversy between you and FSB concerning an Account covered by this Agreement (a "Covered Claim"). The term "Covered Claim" is intended to be broadly interpreted, and includes, but is not limited to, claims:

- arising out of or relating to any aspect of the relationship between you and FSB, whether based on contract, tort, fraud, misrepresentation, or any other statutory or common-law legal theory, regardless of the remedy sought or whether the claim pertains to this Agreement or a prior or future version of it;
- relating to advertising or disclosures for any of our products or services;
- relating to your past, present, or future Accounts, including the establishment, operation, servicing, collections, or termination of your Accounts, transactions involving or relating to your Accounts, or any products, services, rewards, benefits, or other features offered in connection with your Accounts;
- relating to the retention, protection, use, or transfer of information about you or any of your Accounts for any of our products or services;
- relating to communications with you concerning your Accounts or any of our products or services, including emails and automatically dialed calls and text messages;
- claims that may arise after the termination of this Agreement; and
- relating to the interpretation of "Covered Claim," or the enforceability, scope or interpretation of this Arbitration and Waiver of Class Action section.

Is there an alternative to arbitration?

Instead of proceeding to arbitration, either you or FSB have the option to pursue a Covered Claim on an individual basis in a Small Claims Court (or the equivalent) as long as the action remains in that court, does not seek relief on behalf of or affecting the accounts of other customers, and is not removed or appealed to a court of general jurisdiction, in which case either party may elect arbitration.

Who administers the arbitration?

All arbitrations will be conducted by the American Arbitration Association ("Administrator") in accordance with the Administrator's Consumer Arbitration Rules ("Administrator's Rules"), as modified by this Arbitration agreement. You may contact the Administrator to obtain arbitration information, the Administrator's Rules, and any claim forms and fee schedules:

American Arbitration Association ("AAA")
335 Madison Avenue, Floor 10
New York, NY 10017-4605
www.adr.org
1-800-778-7879

If the Administrator is unable to administer the arbitration, it shall be administered by such other administrator as you and FSB agree or that is selected by a court of competent jurisdiction.

How does arbitration start?

If you choose to begin arbitration, you must contact the Administrator, follow the procedures set forth in the Administrator's Rules and notify FSB at:

USAA Federal Savings Bank General Counsel
10750 McDermott Freeway
San Antonio, TX 78288

If FSB chooses to begin arbitration, FSB will notify you either at your last physical address contained in its records or if you are represented by an attorney, at the attorney's address.

Who pays the Administrator's fees?

FSB will pay any arbitration fees charged by the Administrator associated with arbitration proceedings. Except as provided by applicable law, you are responsible for paying your own attorney's fees, expert and witness fees, and any other expenses associated with the arbitration.

Where will the arbitration take place?

The arbitration shall be conducted in the county where you reside unless you and FSB agree on a different location. The arbitration proceedings shall be conducted by telephone or video conference unless the arbitrator decides that an in-person hearing, or desk arbitration is appropriate.

How does the arbitration work?

An arbitrator will be chosen in accordance with the Administrator's Rules. As to questions arising under federal law, the arbitrator must decide Covered Claims based on the substantive applicable law of the federal judicial district and circuit where the arbitration is pending. As to questions arising under state law, the arbitrator must decide Covered Claims based on the substantive applicable law of the state in which the arbitration is pending, or if required by applicable law, where the controversy arose. In any event, the applicable law will include statutes of limitation and evidentiary privileges. The arbitrator may hear dispositive motions. The arbitrator may award the same individualized remedies (including punitive and statutory damages and statutory attorneys' fees and costs) that a court could award under applicable law. The arbitrator may consider rulings in other arbitrations, but an arbitrator's ruling will not be binding in proceedings involving different customers. The arbitrator will issue a reasoned written decision sufficient to explain the findings and conclusions on which the award is based. The decision and judgment by the arbitrator shall be final, binding and enforceable in any court having jurisdiction, subject to judicial review under the Federal Arbitration Act, 9 U.S.C. §§ 10-11.

Can a decision by the arbitrator be appealed?

If the damages awarded to either you or FSB in an arbitration exceeds $100,000 (not counting amounts sought for attorneys' fees or costs), then the following additional procedures apply. Either you or FSB may appeal the final award to a three-arbitrator panel pursuant to the AAA's Optional Appellate Rules by providing written notice within thirty (30) days of the award. The person appealing the decision (the appellant) shall pay all fees and costs for the appeal unless the panel determines that the appellant is the prevailing party, in which case the panel shall have the discretion in its final award to reallocate the fees and costs as justice or otherwise applicable law requires. If there is a cross-appeal, the costs shall be borne equally by both sides, subject to reallocation by the panel in its final award as justice or otherwise applicable law requires.

What is the waiver of class action?

You cannot pursue any type of collective action or class action against FSB in court or in arbitration, including as follows:

- The arbitrator shall not have the authority to conduct any class-wide, representative, or private attorney general arbitration proceedings or to consolidate or join together any Covered Claims you and FSB have against each other with any claims or disputes you or FSB may have with other persons, unless you and FSB both consent in writing or the claims are brought by the co- or joint account owners of that account.
- You will not have the right to act as a class representative or participate as a member of a class action with respect to any Covered Claim as to which arbitration has been elected.
- The arbitrator may award relief (including, declaratory relief, and injunctive relief) only in favor of the individual party seeking such relief.

If, after exhaustion of all appeals, any of these prohibitions on non-individualized relief; class, representative, and private attorney general claims; or consolidation is found to be unenforceable with respect to a particular claim or a particular remedy (such as a request for injunctive relief), then that claim or that remedy—and only that claim or that remedy—shall be decided by a court after all other claims or requests for remedies are arbitrated.

Military Lending Act
This Arbitration and Waiver of Class Action section does not apply to you if you are covered by the Military Lending Act nor do any provisions of the Agreement that waive any right to legal recourse under any state or federal law to the extent required by the Military Lending Act.

Right to Resort to Provisional Remedies Preserved
To the extent permitted by applicable law, nothing herein will be deemed to limit or constrain our right to resort to self-help remedies, to interplead funds in the event of a dispute, to exercise any security interest or lien we may hold in property, or to comply with legal process, or to obtain provisional remedies such as injunctive relief, attachment, or garnishment by a court having appropriate jurisdiction; provided, however, that you or FSB may elect to arbitrate any dispute related to such provisional remedies.

Severability and Survival of Terms
If any provision in this Arbitration and Waiver of Class Action section is found to be invalid, unenforceable, or inapplicable by the arbitrator or a court of competent jurisdiction, the remaining provisions of this Arbitration and Waiver of Class Action section will remain in full force and effect notwithstanding the invalid, unenforceable, or inapplicable provision. The provisions of this section shall survive the termination of the Agreement, your Accounts with FSB, or your relationship with FSB.

H. BILLING RIGHTS NOTICE

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 Billing Statement
If you think there is an error on your billing statement, write to us at:

USAA Credit Card Services
P.O. Box 65020
San Antonio, TX 78265-5020

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 billing statement, 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 billing statement.
- At least 3 business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

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

What Will Happen After We Receive Your Letter
When we receive your letter, we must do two things:
1. Within 30 days of receiving your letter, we must tell you that we received your letter. We will also tell you if we have already corrected the error.
2. Within 90 days of receiving your letter, we must either correct the error or explain to you why we believe the billing statement 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 billing 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 billing 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 billing statement 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 billing statement. 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 billing statement is correct.

Your Rights If You Are Dissatisfied With Your Credit Card Purchases

If you are dissatisfied with the goods or services that you have purchased with your credit card, and you have 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 credit card for the purchase. Purchases made with cash advances from an ATM or with a check that accesses your credit card account do not qualify.
3. 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:

USAA Credit Card Services
P.O. Box 65020
San Antonio, TX 78265-5020

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.

USAA CREDIT CARD AGREEMENT PRICING ADDENDUM

Interest Rates and Interest Charges	
Regular Annual Percentage Rate (APR) for: Purchases Balance Transfers Cash Advances	Regular APR ranges from 10.65% to 27.65% (0.888 to 2.304 monthly periodic rate) based on creditworthiness and other factors. The APRs vary with the market based on the Prime Rate plus a margin ranging from 3.65% to 20.65%. Secured credit cards, Regular APR is 27.65% (2.304 monthly periodic rate). This APR will vary with the market based on the Prime Rate plus a margin of 20.65%.
Penalty APR	None
How to Avoid Paying Interest on Purchases	Your due date is at least 25 days after the close of each billing cycle. We will not charge you interest on purchases if you pay your entire balance by the due date each month.[1]
Minimum Interest Charge	None
Fees	
Annual Fee	None or $95
Transaction Fees	
Balance Transfer	5% of the amount of each Balance Transfer.
Cash Advance	5% of the amount of each Cash Advance. Fee waived when transferring funds electronically to your USAA Federal Savings Bank deposit account.
Foreign Transaction	None

Penalty Fees	
Late Payment	Up to **$35**
Returned Payment	Up to **$35**
Over-the-Credit-Limit	**None**

How We Will Calculate Your Balance: We will use a method called "average daily balance (including new transactions)." See the "How We Calculate Interest" section of the Credit Card Agreement for more details.

1 We charge interest (unless the grace period applies) from the date of the transaction until the date you pay us back. There is no grace period for Cash Advances or Balance Transfers.

USAA CREDIT CARD AGREEMENT VARIABLE TERMS ADDENDUM

For credit card accounts subject to a security interest:

If you open a USAA Secured Credit Card, we require you to provide us a security interest in a certificate of deposit with us through the following security agreement:

USAA Federal Savings Bank
P.O. Box 20140
Phoenix, AZ 85036-0140

USAA SECURED CREDIT CARD CD SECURITY AGREEMENT SAMPLE

Security Agreement, Pledge and Assignment of Collateral

I understand that in connection with opening a USAA Secured Credit Card account (the "Secured Credit Card") with USAA Federal Savings Bank in Arizona ("FSB"), I am opening a new certificate of deposit with FSB (the "Secured CD") that is subject to this USAA Secured Credit Card CD Security Agreement (the "Security Agreement"). I understand and agree that by entering into this Security Agreement, I:

- Will receive a credit limit for the Secured Credit Card equal to the amount of my Secured CD balance as shown below.
- Assign, transfer, pledge, grant a security interest in, and set over to FSB all rights, title, and interest in my Secured CD as well as any renewals, additions, and proceeds therein, to secure all my obligations to FSB in connection with the Secured Credit Card and pursuant to the credit card agreement (the "Credit Card Agreement") governing the Secured Credit Card.
- Agree that as long as this security interest remains in effect, FSB has the exclusive right and power to redeem, collect, and withdraw any part or the full amount of the Secured CD upon any default under the Credit Card Agreement or in the event the Secured Credit Card is terminated or closed for any reason, and that FSB may apply such funds to the Secured Credit Card account balance.
- Acknowledge and agree that this security interest, pledge, and assignment means that FSB has exclusive control over the Secured CD and that I may not make any withdrawals from or cancel the Secured CD while it secures the Secured Credit Card. This security interest, pledge, and assignment is given as security for any and all amounts owed on the Secured Credit Card, including but not limited to any interest, fees, and charges that may accrue.
- Understand that if my Secured CD is applied to my Secured Credit Card, the account will be closed, and any remaining funds will be returned to me in a manner determined by FSB or as otherwise required by applicable law. If there are insufficient funds in the Secured CD to cover the Secured Credit Card account balance, including fees and finance charges, I remain responsible for that balance in accordance with the terms of the Credit Card Agreement.
- Understand that periodically FSB will review my credit history and other factors to see if I am eligible to have my Secured Credit Card upgraded or converted to an unsecured credit card. If deemed eligible, FSB will convert my Secured Credit Card to an unsecured credit card and will release its security interest in the Secured CD.

Assignment, Waiver and Severability

FSB may sell, assign, or transfer any or all its rights and obligations under this Security Agreement to a third party at any time for any reason and without obtaining my consent. FSB does not lose or waive its rights under this Security Agreement if FSB delays or chooses not to exercise such rights. If any provision of this Security

Agreement is held by a court of competent jurisdiction or other governing body with applicable authority to be invalid or unenforceable in part or in whole, the remainder of the provision and the Security Agreement will remain in full force and effect.

Secured Credit Card Application and Secured CD Details

- Secured CD Account Number: XXXX
- Initial Secured CD Amount: $XXXX
- Secured Credit Card Application Date: XX/XX/XXXX
- Secured Credit Card Application Identification Number: XXXX

Electronic Signature

I am signing this Security Agreement electronically just as if I had physically signed, executed and delivered a paper document and provided it to FSB. I acknowledge and agree to the method of authentication selected by FSB and execute this Security Agreement intending to adopt and accept such method as the means of signifying my acceptance of and agreement to the terms of this Security Agreement as if I had affixed my physical signature to this Security Agreement.

I understand that if I am located in a state which requires a physically executed Security Agreement for purposes of perfecting a security interest, any true and complete physical reproduction of the electronically or digitally executed contract, such as a printed copy, shall be deemed as the same or legal equivalent of the duplicate of the original electronic agreement. A certified copy of the electronic contract will be provided to any applicable recording authority upon request.

XXXX

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Signature