

# CREDIT CARD AGREEMENT AND DISCLOSURES

In this Agreement the words "you" and "your" mean each and all of those who agree to be bound by this Agreement; "Card" means a VISA credit card any duplicates, renewals, or substitutions the Credit Union issues to you; "Account" means your VISA credit card line of credit account with the Credit Union, and "Credit Union" means the Credit Union whose name appears on this Agreement or anyone to whom the Credit Union transfers this Agreement.

**1. Using Your Account.** If you are approved for an account, the Credit Union will establish a line of credit for you and notify you of your credit limit. You agree that your credit limit is the maximum amount (purchases, cash advances, finance charges, plus "other charges") that you will have outstanding on your Account at any time. Each payment you make to your Account will restore your credit limit by the amount of the payment, unless you are over your credit limit. If you are over your credit limit and you have consented to the Credit Union's over-the-limit coverage, you must pay the amount you are over before payments will begin to restore your credit limit. You may request an increase in your credit limit only by a method acceptable to the Credit Union. The Credit Union has the right to reduce your credit limit, refuse to make an advance and/or terminate your Account at any time for any reason not prohibited by law.

**2. Using the Visa Card.** You may use your Card to make purchases from merchants and others who accept Cards. In addition, you may obtain cash advances from the Credit Union and from other financial institutions that accept Cards, and from some automated teller machines (ATMs), such as the Visa ATM Network, that accept Cards. (Not all ATMs accept Cards.) To obtain cash advances from an ATM, you must use the Personal Identification Number (PIN) that is issued to you for use with your card. You agree not to give any unauthorized signers on your card your PIN number. You agree not to make or permit to be made any illegal transactions on your Account through the use of a Card, a Check or in any other manner. We may deny authorization for any Internet gambling transactions. If you wish to pay for goods or services over the Internet, you may be required to provide Card number security information before you will be permitted to complete the transaction.

**3. Responsibility.** You agree to pay all charges (purchases and cash advances) to your Account that are made by you, or anyone whom you authorize to use your Account. You agree not to authorize anyone to use your Account without the prior written consent of the Credit Union. You also agree to pay all finance charges and other charges added to your Account under the terms of the Agreement or another agreement you made with the Credit Union. If this is a joint Account, Section 17 also applies to your Account.

**4. Default.** You will be in default if you fail to make any minimum payment or other required payment by the date that it is due. You will be in default if you break any promise you make under this Agreement. You will be in default if you die, file for bankruptcy, or become insolvent, (that is unable to pay your obligations when they become due). You will be in default if you make any false or misleading statements in any credit application or credit update. You will also be in default if the Credit Union, in good faith, reasonably believes that the prospect of payment or performance of your obligation under this Agreement is impaired. When you are in default, the Credit Union has the right to demand immediate payment of your full Account balance without giving you notice. If immediate payment is demanded, you agree to continue paying finance charge, at the periodic rate charged before default, until what you owe has been paid, and any shares that were given as security for your Account may be applied towards what you owe.

**5. Liability for Unauthorized Use-Lost/Stolen Card Notification.** You may be liable for the unauthorized use of your Card. You will not be liable for unauthorized use that occurs after you notify the Credit Union, orally or in writing, of the loss, theft, or possible unauthorized use. In any case, your liability will not exceed \$50. You can notify Card Services by calling (800) 828-3901, or writing to TLC Community Credit Union, P.O. Box 31535, Tampa, FL 33631-3535.

**6. Security Agreement.** To secure payment of this loan and all expenditures incurred by the Credit Union in connection with this loan, I grant to the Credit Union a security interest in property pledged by me to you for unpaid non-real estate secured obligations owned by me to the Credit Union. The security interest includes all increases, substitutions, and additions to the secured property, proceeds from any insurance on the secured property and all earnings received from the secured property. **PLEDGE OF SHARES AND DEPOSITS.** As security for any advances to me or on my behalf of the terms of the Agreement, I pledge all shares and deposit accounts which are now or may be deposited by me with you, except shares or deposits held in an IRA, SEP, KEOGH, or any other accounts which, if pledged, would result in the loss of special tax treatment under the Internal Revenue Code. The Credit Union is authorized to apply such shares and deposit accounts to the payment of all sums I owe the Credit Union including principal, FINANCE CHARGE, and any cost or attorney's fees. Collateral securing other loans with the Credit Union may also secure payments for my Account under this Agreement.

**7. Finance Charges.** A Finance Charge will be imposed on Credit Purchases only if you elect not to pay the entire New Balance shown on your monthly statement for the previous billing cycle within 25 days from the closing date of that statement. If you elect not to pay the entire New Balance shown on your previous monthly statement within that 25-day period, a Finance Charge will be imposed on the unpaid average daily balance of such Credit Purchases from the previous statement closing date and on new Credit Purchases from the date of posting to your account during the current billing cycle, and will continue to accrue until the closing date of the billing cycle preceding the date on which the entire New Balance is paid in full or until the date of payment if more than 25 days from the closing date. The Finance Charge for a billing cycle is computed by applying the monthly Periodic Rate of .02178%, .02726%, .03808%, .04373% or .04932%, which is an ANNUAL PERCENTAGE RATE of 7.95%, 9.95%, 13.90%, 15.96%, or 18.00%, to the average daily balance of Credit Purchases. The APR is determined by dividing the sum of the daily balances during the billing cycle by the number of days in the cycle. Each daily balance of Credit Purchases is determined by adding to the outstanding unpaid balance of Credit Purchases at the beginning of the billing cycle any new Credit Purchases posted to your account, and subtracting any payments as received and credits as posted to your account, but excluding any unpaid Finance Charges. TLC uses a managed credit program and your rate will be determined based on your creditworthiness. TLC uses a managed credit program and your rate will be determined based on your creditworthiness. A Finance Charge will be imposed on Cash Advances from the date of the Cash Advance or from the first day of the billing cycle in which the Cash Advance is posted to your account, whichever is later, and will otherwise be calculated in the same manner as explained above for Credit Purchases.

**8. Payments.** Each month you must pay at least the minimum payment shown on your statement by the date specified on the statement or no later than 25 days from the statement closing date, whichever is later. You may pay more frequently, pay more than the minimum payment or pay the Total New Balance in full. If you make extra payments or larger payments, you are still required to make at least the minimum payment each month your Account has a balance (other than a credit balance). The minimum payment is 3% of your Total New Balance, but not less than \$25.00, plus the amount of any prior minimum payments that you have not made, and any amount you are over your credit limit. We may reject payments not drawn in U.S. dollars or those drawn on a financial institution located outside of the U.S.

**9. Payment Allocation.** Subject to applicable law, any payments over the required minimum payment amounts and any credits to balances on your Account will be credited to balances with the highest applicable APR first. We will then credit payments to lower rate balances in descending order of APRs. The manner in which we apply any payment to your Account balances may affect the amount of any payment applied to introductory or promotional financing balances. Payments should be mailed to TLC Community Credit Union at P.O. Box 4519, Carol Stream, IL 60197-4519.

**10. Other Charges.** The following other charges (fees) are for your Platinum card and will be added to your Account, as applicable. **Over the Credit Limit Fee:** If you have opted-in to the Credit Union's over-the-limit coverage, you may be charged a fee up to \$30.00 on a statement date if your New Balance on that date, less any fees imposed during the cycle, is over your credit limit until your New Balance is BELOW your credit limit. **Late Payment Fee:** A late fee up to \$30.00 will be added to your account if you are late making a payment. **Non-Sufficient Funds Check Fee:** If a check or share draft used to make a payment on your account is returned unpaid, you will be charged a fee of \$25.00. **Card Replacement Fee:** you will be charged \$5.00 for each replacement Card that you request. **Document Copy Fee:** You will be charged \$10.00 for each copy of a sales draft or statement that you request (except when the request is made in connection with a billing error made by the Credit Union). **Collection Costs:** You promise to pay all costs of collecting the amount you owe, including all attorney fees and expenses under the Agreement to the extent permitted by law. **International Transaction Fee:** A fee up to 1% will be assessed on all transactions where the merchant country differs from the country of the card issuer.

**11. Changing or Terminating Your Account. THE CREDIT UNION MAY CHANGE THE TERMS OF THIS AGREEMENT FROM TIME TO TIME.** Notice of any change will be given in accordance with applicable law. Use of your Card after receiving notice of a change will indicate your agreement to the change. If permitted by law and specified in the notice to you, the change will apply to your existing Account balance as well as to future

transactions. When required by law to advise you that you have a legal right to reject any charges we make, we will provide you with an explanation about how to do that. Either you or the Credit Union may terminate this Agreement at any time, but termination by you or the Credit Union will not affect your obligation to pay the Account balance plus any finance and other charges you owe under this Agreement. You are also responsible for any transaction that you initiated and we authorized prior to termination, even though the transaction is not posted until after termination. The Card or Cards you receive remain the property of the Credit Union and you must recover and surrender to the Credit Union all Cards upon request or upon termination of this Agreement whether by you or the Credit Union. The Credit Union has the right to require you to pay your full Account balance at any time after your Account is terminated, whether it is terminated by you or the Credit Union. If this is a joint Account, Section 17 of this Agreement also applies to termination of the Account.

**12. Credit Information.** You authorize the Credit Union to investigate your credit standing when opening or reviewing your Account. You authorize the Credit Union to disclose information regarding your Account to credit bureaus and creditors who inquire about your credit standing.

**13. Returns and Adjustments.** Merchants and others who honor your Card may give credit for returns or adjustments, and they will do so by sending the Credit Union a credit slip which will be posted to your Account. If your credits and payments exceed what you owe the Credit Union, the amount will be applied against future purchases and cash advances. If the credit balance amount is \$1 or more, it will be refunded upon your written request or automatically after six (6) months.

**14. Additional Benefits/Card Enhancements.** The Credit Union may from time to time offer additional services to your Account, such as travel accident insurance, at no additional cost to you. You understand that the Credit Union is not obligated to offer such services and may withdraw or change them at any time.

**15. Foreign Transactions.** Purchases and cash advances made in foreign countries and foreign currencies will be billed to you in U.S. dollars. The exchange rate for transactions in a foreign currency will be a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or the government mandated rate in effect for the applicable central processing date. The currency exchange rate used on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date.

**16. Merchant Disputes.** The Credit Union is not responsible for the refusal of any merchant or financial institution to honor your Card. The Credit Union is subject to claims and defenses (other than tort claims) arising out of goods or services you purchase with the Card if you have made a good faith attempt but have been unable to obtain satisfaction from the merchant or service provider (unless a local law states that you do not have to make such an attempt), and (a) your purchase was made in response to an advertisement the Credit Union sent or participated in sending to you; or (b) your purchase cost more than \$50 and was made in your state or within 100 miles of your home.

**17. Joint Accounts.** If this is a joint Account, each person on the Account must sign the Application for the Account. Each of you will be individually and jointly, responsible for paying all amounts owed under this Agreement. This means that the Credit Union can require any one of you individually to repay the entire amount owed under this agreement. Each of you authorizes the other(s) to make purchases or cash advances individually. Any one of you may terminate the Account and the termination will be effective as to all of you. Consent to, and revocation of the Credit Union's over-the-limit coverage by one of you will be considered consent and revocation for all of you.

**18. Effect of Agreement.** This Agreement is the contract which applies to all transactions on your Account even though the sales, cash advances, credit or other slips you sign or receive may contain different terms.

**19. No Waiver.** The Credit Union can delay enforcing any of its rights any number of times without losing them.

**20. Statements and Notices.** Statements and notices will be mailed to you at the most recent address you have given the Credit Union. Notice sent to any one of you will be considered notice to all.

**21. Copy Received.** You acknowledge that you have received a copy of this Agreement.

**22. Signatures.** By signing in the Signature area of the application form that was attached to this agreement when you received it, you agree to the terms of this Agreement. You should detach this Agreement from the application and retain it for your records.

**23. Final Expression.** This agreement is the Final expression of the terms and conditions of this card Agreement between you and the Credit Union. This written Agreement may not be contradicted by evidence of any alleged oral agreement.

**24. Retention.** All records related to the loan transaction, including signature cards, disclosures, and other loan documentation, may be retained in electronic format in accordance with Michigan law including the Uniform Electronic Transfers Act.

## YOUR BILLING RIGHTS - KEEP THIS NOTICE FOR FUTURE USE

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

### Notify Us in Case of Errors or Questions About Your Bill

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet at the address listed on your bill. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights. In your letter, give us the following information:

- Your name and account number

- The dollar amount of the suspected error

- Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about. If you have authorized us to pay your credit card bill automatically from your savings or checking account, you can stop the payment on any amount you think is wrong. To stop the payment your letter must reach us three business days before the automatic payment is scheduled to occur.

### Your Rights and Our Responsibilities After We Receive Your Written Notice

We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill was correct. After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question. If we find that we made a mistake on your bill, you will not have to pay any finance charges related to any questioned amount. If we didn't make a mistake, you may have to pay finance charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date it is due. If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten days telling us that you still refuse to pay we must tell anyone we report you to that you have a question about your bill. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is. If we don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your bill was correct.

### Special Rule for Credit Card Purchases

If you have a problem with the quality of property or services that you purchased with a 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 property or services. There are two limitations on this right: (a) You must have made the purchase in your home state, or if not within your home state within 100 miles of your current mailing address; and (b) The purchase price must have been more than \$50. These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.

