



ALLIANCE CATHOLIC CREDIT UNION

Card Services: P.O. Box 4519, Carol Stream, IL 60197-4519 1.800.828.3901

■ VISA Credit Card and Truth-in-Lending Disclosure. By signing an application for the VISA Card or by using the VISA card, you agree to everything in this Agreement and Disclosure.

In this Agreement, the words "you" and "your" mean or refer to each and all persons who have applied for the Card or Cards by signing this Agreement. Every person accepting the use of a VISA Card(s) represents that he or she is a member of this credit union. "Card" means the VISA Credit Card or Cards and any duplicates and renewals thereof or substitutions thereof we may issue. "Account" means your VISA Credit Card line of credit loan account with us. "We," "us," and "ours" means or refers to this credit union. This Agreement is a Truth-in-Lending Disclosure Statement as well as a contract.

1. Responsibility – If we approve the loan and issue you a Card, you promise to repay all debts and the FINANCE CHARGE thereon arising from any authorized use of the Card. You agree not to let someone else use the Card. If you do, you are agreeing with us that you authorize all such use of the Card. 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. Of course, once you notify us, we will take prompt steps to try to prevent any further Card use by that person. If this account is joint; that is, each of you, separately and jointly with each other, are liable for all debts on the Account and FINANCE CHARGE thereon. Your obligation to pay all such debts and FINANCE CHARGE thereon continue even though an agreement, divorce decree or other court judgment to which we are not a party, may direct that only one of you, or some person other than you (or both of you) may pay such debts and FINANCE CHARGE.

Any one of you may close this account at any time but no such action shall relieve you of any liability for amounts then owing or for Finance Charges and other fees and charges that may accrue due to amounts then owing.

2. Credit Line – If we approve your loan application, we will establish a self replenishing line of credit for you and will notify you of the amount thereof ("credit limit") in the mailer in which we will send you your Card. That mailer is hereby incorporated herein as part of this Agreement. You agree not to let your account balance exceed such amount. In the event that you do exceed your credit limit, you will be in default and you must pay the excess or you will be in default. Each payment you make on the Account will replenish your credit limit by the part of that payment which is applied to principal. You may request an increase in the credit limit only by a written application, which must be approved by us. We may reduce your credit limit from time to time or may, with good cause, revoke your Card and terminate this Agreement; in either event, we will give you written notice of such action. "Good cause" includes your failure to satisfy the terms of this Agreement or our adverse reevaluation of your creditworthiness. However, you may terminate this Agreement, at any time and for any reason, by giving us written notice. Nevertheless, termination by you or by us does not affect your obligation to pay all debts and FINANCE CHARGE thereon arising from authorized use of your Card. The Cards remain our property and you must recover and surrender to us all cards upon your request or upon termination of this Agreement.

3. Using the Card – We will send you a Card or Cards embossed as you have directed. As soon as received, each Card must be signed (in the space provided on the back) by the person whose name is embossed thereon. That signature must be in the same form as embossed on the front of the Card. To make a Purchase or Cash Advance, present the Card to a participating VISA plan merchant or financial institution, or to us, and sign the sales draft or cash advance draft which will be imprinted with your Card or generated after your Card's number has been magnetically read or otherwise provided. Please note that we are not responsible if a particular VISA plan merchant or financial institution refuses to honor your Card. You will receive a copy of the draft which you should retain to verify your monthly statement. We will, upon request, furnish you with a copy of a draft at a charge of \$5.00 per copy. You agree not to make or permit to be made any illegal transactions on your Account through use of a Card, a check or in any other manner. We may deny authorization for any Internet gambling transaction.

4. Monthly Payment – A statement will be mailed every month showing your "Previous Balance" of "Purchases" and Cash Advances, the transactions posted to your Account since the last statement, the "New Balance" of "Purchases" and "Cash Advances" the FINANCE CHARGE due to the date of the statement, the "Minimum Payment" required, and the remaining part of the credit limit still available. You must pay at least the Minimum Payment shown on your statement on or before the due date shown on your statement; the due date will be no earlier than 28 days after the closing date of the statement. Of course, you may pay any amount greater than the Minimum Payment, including the entire New Balance on the statement, without any penalty for prepayment. And you can make payments on the Account as often as you wish. For the VISA credit card, the Minimum Payment will be either (a) 2.0% of your New Balance or \$25.00, whichever is greater, or (b) your full New Balances, if they total less than \$25.00; provided, however, the Minimum Payment shown on your statement will also include any unpaid portions of Minimum Payment(s) shown on earlier statement(s). In addition, if at any time your total New Balances exceed the credit limit, you must pay us that excess immediately. We may select and change the method by which payments and credits are allocated to your account at our sole discretion; however, payments will be allocated to billed amounts before they are

allocated to unbilled amounts (transactions incurred since your last statement) and payments amounts in excess of the required minimum monthly payment will be applied to higher rate balances before they are applied to lower rate balances. Payment for more than the minimum amount due will be accepted as a single payment for the month; the amount over the minimum is not applied toward future payments due.

5. Finance Charge – 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 on or before the payment due date shown on your statement. If you elect not to pay the entire New Balance shown on your previous monthly statement on or before the payment due date shown on that statement, 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 payment occurs after the payment due date shown on the billing statement for that billing cycle. However, if during the previous billing cycle you paid all amounts owing in full by the Payment Due Date, then in the current billing cycle you will have a free interest period on the amount of the New Balance of Purchases remaining from the previous billing cycle that is paid by the Payment Due Date based on our payment allocation method.

The Finance charge for a billing cycle is computed by applying the monthly Periodic Rate to the average daily balance of credit purchases, which 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 (excluding amounts described in the last sentence of the preceding paragraph) 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.

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 continue to accrue until the date of payment.

The average daily balance 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 is determined by adding to the Previous Balance for cash advances (the outstanding cash advance balance on your account at the beginning of the billing cycle), any new cash advances received and subtracting any payments as received or credits as posted to your account, but excluding any unpaid finance charges.

FINANCE CHARGE (INTEREST) for your Account is calculated at the Periodic Rate and corresponding Annual Percentage Rate disclosed to you in a separate letter mailed to you with this Agreement.

Payments

Payments made to your account will be applied in the following order: Fees and Finance Charges; Previously Billed Purchases; Cash Advances; New Purchases. Any communications concerning a disputed balance, including an instrument tendered as full satisfaction of amounts owing under this agreement, must be mailed to the following address: Alliance Catholic Credit Union, ATTENTION: DISPUTED CREDIT CARD PAYOFF DEPARTMENT, 9300 Cooper St, Taylor, MI 48180.

6. Credit – If merchants who honor your card give you a credit for returns or adjustments, they will do so by processing a credit which we will post to your Account. You should keep your copy of the credit slips to verify your monthly statement. If your credits and payments exceed what you owe us on Account, we will credit such excess to the Account, and if the amount is \$1.00 or more, we will refund it after 6 months or upon your written request.

7. 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. In addition, as provided in Section 19, we will separately bill you an up to 1% International Transaction Fee, up to 1% of the total transaction amount.

8. Loss or Theft of Card – You agree to notify us immediately upon discovering that your Card has been lost or stolen. If you have your card stolen or it gets lost after normal credit union office hours, immediately call 1-800-828-3901 and make a report; then during normal business hours at the credit union, notify us in writing so that your account can be closed and a new card issued.

NOTICE: See reverse side for important information regarding your rights to dispute billing errors.

9. Default – You will be in default if you fail to make at least the “Minimum Payment” shown on a monthly statement by the due date shown on the statement. You will also be in default if (a) you breach any other conditions of the Agreement, (b) if we in good faith determine that your creditworthiness (which includes your ability to repay us) has become unsatisfactory due to change in employment, increase in your other obligations, or because of any other reasons, or (c) in the event of your death. In the event of any default, at the credit union’s option the entire balance on the Account will be immediately due in payable in full. In addition, we may temporarily suspend your ability to obtain further credit until the condition of default is cured. You also agree that, in case of default, you will pay, to the extent permitted by law, all usual and customary costs of collection, including court costs and reasonable attorneys’ fees to the extent permitted by the court involved. Late payments, missed payments, or other defaults on your account may be reflected on your credit report.

10. Credit Information – You authorize us to investigate your credit standing when opening, renewing or reviewing your Account, and you authorize us to disclose information regarding our experience with you under this Agreement to credit bureaus and other creditors.

11. Effect of Agreement – This Agreement contains our complete contract relating to the Account and applies to every transaction relating to the Account even though a sales or cash advance draft you sign or a credit slip may contain different terms.

12. Amendment of Agreement – From time to time, we may amend this Agreement by giving you written notice of the amendment at least 45 days before it goes into effect, unless a shorter notice period is permitted by law. The notice will be sent to your last known address appearing in our records when it is sent and will state the date upon which the amendment will become effective. The notice will also advise of the extent, if any, the amendment will apply to your then existing obligations to us under this Agreement.

13. Cash Advance by Machine – If automated teller machine or other electronic devices are available while this Agreement remains in effect which make it possible for you to obtain a cash advance by use of your Card in such a machine, we may furnish you with a secret personal identification number. Your use of that number, together with your Card, in getting a cash advance from such a machine is agreed to constitute your signature for purposes of such cash advance.

14. Severability Aspects – It is understood and agreed hereto that if any part, term, or provision of this agreement is by the courts held to be illegal or in conflict with the law of the state where made, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular part, term, or provision held to be invalid. Except as federal law applies, Michigan law governs this Agreement.

15. Record Keeping – You hereby agree that we may keep the original of your application and all documents that bear your signature so that we can comply with federal and/or state law relating to loan documents we are required to keep in our file.

16. Limits – Credit limits are established by the loan officer or credit committee. Generally, you must apply for an increase in your credit limit, for which approval will be based on your past payment record and overall credit history. From time to time, we may provide an increase in your credit limit based on your good standing. When this happens, we will send you notice of your new limit. If you do not wish to be considered for automatic credit limit increases, you must notify us of that fact in writing.

17. Security Agreement – As a condition of us granting you credit under this agreement you hereby grant us a security agreement in all present and future shares and deposits with us, except Individual Retirement Accounts and other accounts which provide tax benefits under federal or state laws, to secure this VISA account. Upon default under this agreement, you agree that we may apply all of your shares and deposits subject to this security interest to pay amounts due on the account under this agreement. You also grant us a security interest in collateral (other than real estate that is your principal residence) securing other loans with us to secure credit under this agreement.

18. Statements and Notices – You will receive a statement each month showing transactions on your account. Statements and notices will be mailed to you at the most recent address you have given to the credit union. Notice sent to any one of you will be considered notice to all.

19. Other Charges – The following other charges (fees) will be added to your Account, as applicable:

- A. Late Fee: A late charge of \$25.00 will be added to your account (VISA) if you are 10 or more days late in making a payment.
- B. Card Replacement Fee: You will be charged \$5.00 for each replacement card that is issued to you for any reason other than expiration of a current card.
- C. Document Copy Fee: You will be charged \$5.00 for each copy of a sales draft or statement that you request unless such a request is made in connection with a billing error.
- D. International Transaction Fee: Your account may be charged, and you agree to pay, an up to 1% International Transaction Fee on all transactions where the merchant country differs from the county of the card issues (that is, for any transaction outside of the United States). The converted transaction amount will be shown separately from the international Transaction Fee on your billing statement. This fee will be assessed on all international purchases, credit vouchers, and cash disbursements.

20. Liability for Unauthorized Use – You may be liable for the unauthorized use of your credit card. You will not be liable for unauthorized use that occurs after you notify us at the address or telephone number set forth below. You must notify us orally or in writing of the loss, theft, or possible unauthorized use. In any case, your liability will not exceed \$50.00. Notify us at: Alliance Catholic Credit Union, P. O. Box 4519, Carol Stream, IL 60197-4519 1.800.828.3901.

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 draft 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 that 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 \$50.00 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.

RETAIN FOR YOUR RECORDS