

Carolina Cooperative Federal Credit Union
6502 McMahon Dr
Charlotte, NC 28226

CREDIT CARD AGREEMENT
AND DISCLOSURE

MEMBER/BORROWER(S) NAME AND ADDRESS

ACCOUNT/MEMBER NO.

DATE

CREDIT LIMIT

Interest Rates and Interest Charges			☐ VISA Select	☒ VISA Secured	☐ VISA Classic
ANNUAL PERCENTAGE RATE For Purchases	Annual Percentage Rate <u>12.9 %</u>	Corresponding Daily Periodic Rate <u>0.03534 %</u>			
ANNUAL PERCENTAGE RATE For Balance Transfers	Annual Percentage Rate <u>12.9 %</u>	Corresponding Daily Periodic Rate <u>0.03534 %</u>			
ANNUAL PERCENTAGE RATE For Cash Advances	Annual Percentage Rate <u>12.9 %</u>	Corresponding Daily Periodic Rate <u>0.03534 %</u>			
Penalty APR for VISA Select and When It Applies	Your Interest Rate will increase if: You are late in making two (2) or more payments in a six (6) month period, the annual percentage rate on the account will increase to an Annual Percentage Rate of 12.90% corresponding to a monthly periodic rate of 1.075%. The new rate will be applied to the outstanding balance on the periodic statement to derive the new Finance Charge and Minimum payment. How long will the Penalty APR Apply? The penalty rate is permanent and will remain in effect until you close your account.				
Minimum Interest Charge	None				
How to Avoid Paying Interest on Payments	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.				
For Credit Card Tips from the Consumer Financial Protection Bureau	To learn more about the factors to consider when applying for or using a credit card, visit the website of the Consumer Financial Protection Bureau at http://www.consumerfinance.gov/learnmore				
Fees and Charges					
Set-up And Maintenance Fees Annual Fee Document Copy Fee Card Replacement Fee	None \$5.00 for each copy of statement or sales draft \$5.00				
Transaction Fees Cash Advance Balance Transfers Foreign Transactions	None None 1% of the transaction amount				
Penalty Fees Late Payment Returned Payment	\$5.00 or 10% of the payment due (not to exceed \$35) if your payment is not made \$30.00 for each returned payment				
How We Will Calculate Your Balance: We use a method called “Average Daily Balance (including new purchases)”. See your account agreement for more details.					
Billing Rights: Information on your rights to dispute transactions and how to exercise those rights is provided in your Account Agreement					
This Agreement will establish the terms and conditions of your credit card agreement with the Credit Union. In this agreement, the words “you” and “your” mean any person receiving and using the card and that by using the card for the first time “you” agree to all terms and conditions in this agreement. “Card” means the VISA Select, Visa Classic or Visa Secured credit card and any “our” means Carolina Cooperative Federal credit Union. You must be a member of the Credit Union to apply for a credit card.					
MILITARY LENDING ACT DISCLOSURE: Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: The costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specified credit transactions or accounts); and any participation fee charged (other than certain participation fees for a credit card account)					
Please call Us at (800) 726-8901 to receive oral disclosures of the Military Lending Act disclosure above and a description of the payment obligation.					
A "Covered Borrower" for purposes of this loan means a consumer who, at the time the consumer becomes obligated on this loan, is a covered member or a dependent of a covered member as defined by the Military Lending Act. A Covered Borrower does not mean a consumer who (though a Covered Borrower at the time he or she became obligated on this transaction) no longer is a covered member or a dependent of a covered as defined by the Military Lending Act					
USING THE ACCOUNT: Upon your approval for an account, the Credit Union will establish a line of credit for you. Notification of you limit will be made when the card is sent to you. You agree not to let you account balance exceed your approved credit limit. REPOSIBILITY: You promise to pay any and all charges incurred by you or by any person by whom you authorize to use the Credit Card issued to you, and any fees or charges in the recovery of a credit card, retrieval of transaction data, or collection of this account in accordance with the terms and conditions issued by VISA International, Inc., and in accordance with the policies established by the Credit Union. Your obligation to pay the amount the amount owed on your account continues until paid in full even though an agreement, divorce decree, or other court judgment to which the Credit Union is not a party may direct someone else to pay the account balance.					

CREDIT CARD AGREEMENT AND DISCLOSURE (continued)

JOINT ACCOUNT: If more than one person applies for the card each is individually responsible for all amounts owed and is jointly and severally responsible for all amounts owed. This means the Credit Union can enforce the Agreement against any of you individually or all of you together. Each may obtain credit advances without the knowledge of the other and both are obligated to repay all advances made to the account. You agree to notify the Credit Union of any address change.

USING THE CARD: You may use the card issued to you to make purchases from anyone who accepts VISA Credit Cards. You may also obtain cash advances from the Credit Union, from other Financial Institutions participating in the VISA program and from Automated teller machines (ATMs) that provide access to the VISA system. Your VISA Personal Identification number (PIN) is needed to obtain cash advance from an ATM (not all ATMs accept VISA Cards). You agree not to use the card for illegal transactions such as advances for gambling or wagering where these practices are in violation of the law.

PERSONAL IDENTIFICATION NUMBER (PIN): We will furnish you with a Personal Identification Number (PIN). You agree to keep the PIN secret. You also agree you won't write the PIN on the Card or anything you keep with the card. Your use of the Pin and card in getting a cash advance or making a purchase is agreed to constitute your signature for purposes of such transaction.

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 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 Purchase from the date of posting to your account during the current billing cycle, and will continue to accrue until the 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.

Balance Subject to Finance Charge: The balances subject to finance charge are identified on your monthly statement as "Average Daily Balance" (including new purchases, new cash advances and new balance transfers). The "Average Daily Balance" is determined by adding, after subtracting all payments, credits, and cash advances for the billing period in which they were made, all the outstanding advance balances and billed but unpaid finance charges for each calendar day of the billing period and then dividing the total by the number of days in that billing period. Purchases posted to your Account during the billing period are included only if the "New Balance" on your previous assessed bill was not paid in full by the grace period.

The monthly periodic rate for purchases, cash advances and balance transfers for **VISA Select, VISA Classic or VISA Secured** with corresponding **ANNUAL PERCENTAGE RATE** is shown above.

Penalty APR for VISA Select: If you are late in making two (2) or more payments in a six (6) month period, the annual percentage rate on the account will increase to the annual percentage rate of 12.90% corresponding to a monthly periodic rate of 1.075%. The new rate will be applied to the outstanding balance on the periodic statement to derive the new Finance Charge and Minimum Payment. The penalty rate is permanent and will remain in effect until you close your account.

OTHER CHARGES: The following other charges (fees) will be added to your Account, as applicable: a) **Return 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 \$30.00 for each item returned; b) **Card Replacement Fee:** You will be charged \$5.00 for each replacement card that is issued to you for any reason; c) **Document Copy Fee:** You will be charged \$5.00 for each copy of a sales draft or statement that your request (except when the request is made in connection with a billing error made by the credit union); and d) **Collection Costs:** You agree to pay all costs and reasonable attorney's fees.

LATE CHARGE: If your payment is received nine (9) days after your payment due date you will be charged \$5.00 or 10% of the payment due not to exceed \$35.00.

MONTHLY PAYMENTS: Each payment you make on the account will restore your credit limit by the amount of the payment that is applied to the principal amount of purchased and cash advances. At any time your total new balance exceeds your credit limit, you must immediately pay the amount over your credit limit.

A PAYMENT IS REQUIRED EACH MONTH: You must pay at least the minimum shown on your statement by the date specified on your monthly statement. You can repay any outstanding balance prior to maturity in whole or in part at your option without penalty. Your monthly payment must be made directly to the address shown on your statement. If available, you may have your minimum payment automatically deducted from your checking or savings account.

The minimum periodic payment required for your VISA Select, VISA Classic or VISA Secured will be 2.50% of your total new balance, minimum of \$25.00 plus any portion of minimum payments shown on prior statements which remain unpaid and any other applicable charges. You will also be required to pay any amounts over your credit limit or past due amounts.

Subject to applicable law, payments will be applied in the following order or in any manner the credit union chooses. First to any previously billed and unpaid Finance Charges on purchases and cash advances, then to any billed fees, then to the principal balance of purchases in the order they were posted to your account and then to the principal of cash advances. However, in every case, in the event you make a payment in excess of the required minimum periodic payment the Credit Union will allocate the access amount first to the balance with the highest annual percentage rate and any remaining portion to the other balances in descending order based on applicable annual percentage rate. If two or more purchases were posted on the same day, your payment

will be applied to the lowest amount first. You understand that any payment that delays the repayment of your unpaid balance will increase your Finance Charge and any payment that accelerates the reduction of your Unpaid Balance will decrease your Finance Charges.

CREDIT BALANCES: If there is a credit balance due to you, you may request in writing a full refund of the credit balance at our address shown in this agreement.

SECURITY: You grant us a security interest under the Uniform Commercial Code and under any common law rights the Credit Union may have in any good you purchase. If you give the Credit Union a specific pledge of shares by signing a separate pledge of shares, your pledged shares will secure your account. You may not withdraw amounts that have been specifically pledged to secure your account until the Credit Union agrees to release all or part of the pledged amount.

Your Account is secured by all other shares you have in any individual or joint account with the Credit Union, except for shares in an individual Retirement Account or in any other account that would lose special tax treatment under state or federal law if given as security. These other shares may be withdrawn unless you are in default under this agreement. You authorize the Credit Union to apply the balance in your individual or joint share accounts to pay any amounts due on your Account if you should default.

CROSS COLLATERAL: If you have other loans with us, or take out other loans with us in the future, collateral securing those loans will also secure your obligations under this Agreement. However, unless you expressly agree otherwise, no dwelling secures your obligation.

DEFAULT: You will be in default: (1) if you fail to make any minimum payment or other required payment by the date that it is due, (2) if you break any promise you make under this agreement, (3) if you die, file bankruptcy or become insolvent, that is, unable to pay your obligations when they become due, (4) if any attachment or garnishment proceedings are initiated against you or your property, (5) if you default on any other indebtedness to the Credit Union, (6) if you make any false or misleading statement in any credit application or credit update, (7) if something happens that the Credit Union believes may substantially reduce your ability to repay what you owe.

When you are in default, the Credit Union has the right to demand immediate payment of your full account balance without notice. If immediate payment is demanded, you will continue to pay Finance Charges, at the periodic rate charged before default, until what you owe has been paid, and any shares that were given, as security will be applied towards what you owe.

If collection efforts are required by the Credit Union, you agree to pay all costs and expenses incurred in the collection of any sum due, and in addition, if the holder hereof, after default, shall place this Agreement in the hands of an attorney or collection agency, for collection, to pay reasonable attorney's fees, interest and fees due on this Agreement at the time of the employment of such attorney or collection agency.

CREDIT INFORMATION: You understand that the Credit Union will review your accounts periodically, and you hereby give your permission to and authorize the Credit Union to investigate and reassess your creditworthiness. You authorize the Credit Union to obtain information concerning your credit history from all available sources now and in the future. You authorize the Credit Union to disclose information regarding your account to credit bureaus and creditors who inquire about your credit standing.

LIABILITY FOR UNAUTHORIZED USE: You may be liable for the unauthorized use of the card. You will not be liable for unauthorized use that occurs after the issuer is notified, orally or in writing at the address shown in this Agreement. If your card is lost or stolen you must report it to us immediately.

LOSS OR THEFT OF CARD: If your Card, PIN or Account Number are lost or stolen, you agree to notify us immediately, orally or in writing at the address shown in this Agreement or call us at (800) 808-7230 Monday-Friday 7:00AM to 9:00PM or (800) 991-4964 twenty four (24) hours a day, seven (7) days a week, of the loss, theft, or unauthorized use of your Credit Card. You may be liable for the unauthorized use of your Credit Card.

MERCHANT DISPUTES: The Credit Union is not responsible for the refusal of any merchant or financial institution to honor the card. The Credit Union is subject to claims and defenses (other than tort claim) 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, and (a) your purchase was made in response to an advertisement the Credit Union sent or participated in sending to you; or (b) your purchases cost more than \$50.00 and was made in your state or within 100 miles of your home.

CHANGING OR TERMINATING YOUR ACCOUNT: You agree that the Credit Union may change the terms of this Agreement from time to time after giving you any advance notice required by law at your last known address. To the extent the law permits, and indicated in the notice to you, the change will apply to your existing account balance as well as to future transactions. Your use of the card after receiving notice or a change will also indicate your agreement to the change.

You must request an increase in your credit limit either by written application or by phone. The Credit Union has the right to reduce or terminate your credit limit at any time. You understand and acknowledge that such action will not affect your obligation to pay any outstanding balance PLUS any finance and other charges you owe under this Agreement. Accounts that have been inactive for one (1) year may be subject to termination at renewal date. The card(s) 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.

FOREIGN TRANSACTIONS: When you use your VISA {debit card} Card at a merchant that settles in currency other than US dollars; the charge will be converted into the US dollar amount. The Currency conversion rate used to determine the transaction amount in US dollars is either 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, plus 1 percent of the transaction amount. This 1% adjustment is made for all international transactions regardless of whether there is a currency conversion associated with the transaction. The conversion rate in effect on the processing date may differ from the rate in effect on the transaction date or posting date.

EFFECT OF AGREEMENT/WAIVER: 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. The Credit Union can delay enforcing any of its rights any number of times without losing them. Each provision of this agreement must be considered as part of the total agreement and cannot in any way be severed from it. However, you also agree that should any part of this agreement be found invalid, it will in no way affect the remainder of the agreement.

STATEMENT AND NOTICES: You will receive a statement each month showing transactions on your account. You are responsible for your minimum monthly payment even in the event your statement is late or returned to the Credit Union. Statements and notices will be mailed to you at the most recent address you have given the Credit Union. Notice to any one of you will be considered notice to all.

GOVERNING LAW: Except to the extent that Federal Law is applicable, the laws of the state in which this document is written shall govern the validity, construction and enforcement of this Agreement and all matters arising out of the issuance and use of the card.

YOUR BILLING RIGHTS

This notice contains important information about your rights and our responsibility 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 send 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:

1. Your name and Account Number
2. The dollar amount of the suspected error.
3. 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 share draft account you can stop the payment on any amount you think is wrong. To stop the payment your letter must reach us three (3) 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 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 10 days telling us that you still refuse to pay, we must tell anyone we report to that you have a question about your bill. And, we must tell anyone we report you to that the matter has been settled between us when it is finally settled.

If we don't follow these rules, we cannot 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 purchase 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 (2) 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 \$50.00.

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property of services.

SIGNATURES

By signing below you agree to be bound by the Terms and Conditions of this Agreement. You acknowledge receiving a copy and reading this Credit Card Agreement and Disclosure. You understand that this Agreement grants the Credit Union a Security Interest in all individual and joint accounts you have with the Credit Union, now and in the future with the exception of those accounts that would have an adverse tax consequence if pledged as collateral.

VISA Secured pledge of shares \$ _____ in Account # XXXX

X

BORROWER SIGNATURE

DATE

X

CO-BORROWER SIGNATURE

DATE