

VISA CREDIT CARD AGREEMENT AND TRUTH-IN LENDING DISCLOSURE WITH FEDCHOICE FEDERAL CREDIT UNION

IF YOU ACTIVATE OR USE YOUR VISA CREDIT CARD, YOU ACKNOWLEDGE THAT YOU HAVE
RECEIVED AND READ THIS AGREEMENT AND DISCLOSURE STATEMENT

In this Agreement and Disclosure Statement ("Agreement") the words, "you" and "your," mean each and all of those who apply for or otherwise are responsible for the VISA card account issued by FedChoice Federal Credit Union. "Card" means the VISA card issued by FedChoice Federal Credit Union and any duplicates, additional cards and renewals we issue as well as other access devices, such as convenience checks and Account numbers, that we give you to access your Account. "We", "us" and "our" mean FedChoice Federal Credit Union. This Agreement contains the terms and disclosures that apply to your VISA Credit Card Account ("Account") with FedChoice Federal Credit Union and will be binding on you unless you cancel your Account within 30 days after receiving your Card and you have not used or authorized use of your Account. By applying for or using the Card, you agree that we may provide your personal data to VISA U.S.A., its members or their agents for the purpose of providing emergency cash and emergency credit card replacement services.

Interest Rates and Interest Charges	
Annual Percentage Rate (APR) for Purchases, Balance Transfers and Cash Advances	
Paying Interest	Your due date is at least 27 days after the close of each billing cycle. We will not charge you any interest on purchases if you pay your entire balance by the due date each month. We will begin charging interest on cash advances and balance transfers on the transaction date.
For Credit Card Tips from the Consumer Financial Protection Bureau	To learn more about factors to consider when applying for or using a credit card, visit the website of the Federal Reserve Board at http://www.consumerfinance.gov/learnmore .
Fees	
Transaction Fees • Foreign Transactions	1% of each foreign transaction in U.S. dollars.
Penalty Fees • Late Payment • Returned Payment	Up to \$35 Up to \$33

How We Will Calculate Your Balance: We use a method called "average daily balance (including new transactions)." See below for more details.

Billing Rights: Information on your rights to dispute transactions and how to exercise those rights is provided below.

Interest: We will charge and you agree to pay interest calculated by multiplying the monthly average daily balances for purchases and cash advances for your Account by the monthly periodic rate. Balance transfers are considered cash advances. To determine the monthly periodic rate, we divide the APR by 12. The Prime Rate described below is a pricing index and is not the lowest or best interest rate available.

Platinum Accounts: % monthly periodic rate (% corresponding ANNUAL PERCENTAGE RATE). The APR may increase and decrease 12 times a year and is determined by adding a margin of % to an Index. The new APR will be effective on the first day of the billing cycle following any APR adjustment. An increase in the APR may result in more monthly payments and higher payment amounts. The Index is the highest Prime Rate as published in The Wall Street Journal "money rates" table on the last business day of each calendar month. In no event will the APR be greater than 18.00%.

Gold Accounts: % monthly periodic rate for the first 6 billing cycles (% corresponding ANNUAL PERCENTAGE RATE) and then % monthly periodic rate (% ANNUAL PERCENTAGE RATE).

Share Secured Accounts: % monthly periodic rate (%corresponding ANNUAL PERCENTAGE RATE). The APR may increase and decrease twice a year on the 1st of January and July and is determined by adding a margin of 7% to an Index. The new APR will be effective on the first day of the billing cycle following any APR adjustment. An increase in the APR may result in more

monthly payments and higher payment amounts. The Index is the highest Prime Rate as published in The Wall Street Journal "money rates" table 15 days before the first day of January and the first day of July. In no event will the APR be greater than 18.00%.

How the Average Daily Balance is determined: The average daily balances for purchases and cash advances, including balance transfers, are determined separately. Balance transfers are considered cash advances. To get the average daily balances for purchases and cash advances, we start with the separate balances of purchases and cash advances at the beginning of the billing cycle and then separately add any new purchases (including charges that are treated as purchases) and new cash advances. We then subtract any payments (as of the date received) or credits (as of the date of the transaction unless we have subtracted them as of a later date) applicable to your purchases or cash advance balances. We do the same each day of the billing cycle. We don't add any accrued interest. This gives us the separate daily balances for purchases and cash advances. Then we add up the separate daily balances for purchases and cash advances for each day of the billing cycle and divide each total by the number of days in the billing cycle. This gives us the average daily balances for purchases and cash advances.

Interest Accrual: Interest will begin on each purchase, cash advance and balance transfer on the transaction date. Interest will be charged until you pay off the balance. For convenience checks, the transaction date is the date the check is presented to us for payment. You will pay interest on each cash advance from the date you get the cash advance and on each balance transfer from the date it is posted to your Account. There is no grace period on cash advances or balance transfers.

Grace Period for Purchases: You can avoid interest charges on new purchases when they are first billed on a monthly statement, as described below, but not on cash advances or balance transfers. If a monthly statement includes new purchases, and you make a payment that we receive by the due date for that statement, which is at least 27 days after the close of the billing cycle, we will not charge interest on any portion of the new purchases on that statement to which we allocate such payment, provided that your current statement also shows that we received payment of the New Balance for your prior month's statement by the payment due date on that statement or that the New Balance for your prior month's statement was zero.

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 either case, plus 1% of the amount of the foreign currency purchase or cash advance after its conversion into U.S. dollars. The exchange rate in effect on the central processing date may differ from the rate in effect on either the transaction date or the posting date. The exchange rate is subject to change by VISA. These foreign transaction fees are finance charges. These fees will be added to your Account balance as a purchase.

Late Fees and Other Charges: Your payment is late if we do not receive it within 10 days after the due date on your monthly statement. We will charge and you agree to pay \$25 the first time a payment is late and \$35 for each additional late payment during the next 6 billing cycles, but the late fee will not exceed the full amount of the Minimum Payment that is late. The Returned Payment fee is charged when any item presented for payment is dishonored for any reason. We will charge and you agree to pay up to \$33 the first time an item is dishonored and \$33 for each additional dishonored item during the next 6 billing cycles, but the Returned Payment fee will not exceed the amount of the Minimum Payment due immediately before the date on which the dishonored item is returned to us. The Returned Payment fee is charged only once for each dishonored item. We won't charge more than a single late payment or Returned Payment fee based on the same event. In addition, the following charges will be imposed as applicable: Reissue PIN number - \$1.00 and Card Replacement - \$5.00. These fees will be added to your Account balance as a purchase.

Debt Protection: Debt Protection is not required to obtain credit under this agreement. If you elected to obtain and qualify for debt protection in connection with this agreement, you understand that the fees and other charges for protection will be added to your loan each month, and collected as part of your periodic payment. You understand that these fees are not guaranteed, but you will be notified in advance of any change in fees.

Other Fees: We may charge fees for certain services that you request, for example, if you request a copy of a monthly statement, or for special services. We will not charge fees for copies of documents requested for a billing dispute. Service fees may change from time to time. We will disclose these fees to you when you request the service. Service fees will be charged to your Account as a purchase.

Collection Costs: You agree to pay the reasonable attorney's fees, court costs and/or collection agency fees and costs we incur as a result of your default, to the extent allowed by law. Any collection costs we incur will be added to your Account as a purchase.

Security Interest. This Account is secured by all individual and joint share accounts you have with us now and in the future. Collateral securing other loans you have with us may also secure this Account, except that your home, investment securities and household goods will never secure this Account.

NOTICE TO COSIGNER: You are being asked to guarantee this debt. Think carefully before you do. If the borrower does not pay the debt, you will have to. Be sure you can afford to pay if you have to, and that you want to accept this responsibility. You may have to pay up to the full amount of the debt if the borrower does not pay. You may also have to pay late fees or collection costs, which increase this amount. The Credit Union can collect this debt from you without first trying to collect from the borrower. The Credit Union can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, that fact may become a part of your credit record. This notice is not the contract that makes you liable for the debt.

CREDIT LIMIT: If we approve your application, we will establish a self-replenishing Credit Limit for you and notify you of its amount when we issue the Card. You agree not to let the Account balance exceed the Credit Limit. We may, but are not required to, extend credit in excess of your Credit Limit. If we do extend credit in excess of your Credit Limit, we are not obligated to do so again and you immediately will pay us the excess amount with or without notice or demand. You may request an increase in your Credit Limit only by written application to us, which must be approved by a loan officer.

USING THE CARD: You may use your Account to purchase goods or services or get cash advances, up to the Credit Limit. We may allow you to transfer balances from other credit cards. Your monthly statement will identify the merchant, electronic terminal or financial institution at which transactions were made, but sales, cash advance, credit and other slips will not be returned. You agree to retain a copy of such slips to verify the monthly statement.

We also may issue convenience checks to you from time to time. When you sign a convenience check, you request a cash advance from your Account. We may refuse to pay a convenience check for any reason. At your risk and upon your request, we will accept a stop payment request on a convenience check. You must provide us with any information we may require. A stop payment request becomes effective only after we have had a reasonable opportunity to act upon it. Our receipt of your stop payment request comes too late if: we have indicated in any manner that we will pay or honor the convenience check; the convenience check is already in our processing system; or we do not have a reasonable time to act upon it (and you and we agree that the receipt of your stop payment request on the same day as the convenience check is presented to us does not give us a reasonable time to act on the stop payment request). Stop payment requests may be made orally or in writing. An oral stop payment request is effective for 14 calendar days following our receipt unless confirmed by you in writing before the end of that time period. A written stop payment request is effective for 6 months following our receipt and must be renewed in writing. If you fail to renew a stop payment request before it expires, you will be deemed to have consented to payment of the convenience check.

We can increase or decrease your Credit Limit and can refuse to make a transaction (without prior notice unless required by law) at any time for any reason not prohibited by law. We are not responsible for any losses if a transaction is declined for any reason, either by us or someone else.

PROMISE TO PAY: You promise to pay us for all credit that we extend on your Account arising from the authorized use of your Card and all other amounts owed to us under the terms of this Agreement. You are responsible for charges made by anyone to whom you give the Card or who is authorized to use the Card. Your obligation to pay the Account balance continues even though an agreement, divorce decree or other court judgment to which we are not a party may direct you or one of the other persons responsible to pay the Account. You cannot transfer or assign your Account to any other person.

MONTHLY PAYMENT: We will send you a statement every month showing the Minimum Payment required. Our statement shall be deemed correct and accepted by you unless you notify us within 60 days of the date we sent the statement. Every month you must pay at least the Minimum Payment due by the payment due date on the statement. You may, of course, pay any or all of the amounts you owe at any time. The Minimum Payment will be (a) the greater of 3% of your New Balance on the statement, or \$10.00, plus (b) any amounts past due and any amounts in excess of your Credit Limit. If the New Balance is less than \$10.00, it is payable in full.

Subject to the requirements of applicable law, (a) we may select the method by which payments and credits are allocated to your Account in our sole discretion, and (b) if you pay more than the Minimum Payment required, we will apply the excess amount to the balance with the highest APR and then to other balances in descending order based on APRs.

Payment checks must be drawn on a financial institution or other entity domiciled in the United States. Payments will be credited to your Account as of the date of receipt if you meet the requirements stated on your monthly statement. Payments that do not conform to these requirements may be subject to delay in crediting, but shall be credited within 5 days of receipt. Although we post your payments in the manner described above, we may delay restoring your available Credit Limit in the amount of your payment. All credits for payments to your Account are subject to final payment by the institution on which the item of payment was drawn.

PLEDGE OF SHARE ACCOUNT(S): You pledge and grant a security interest to us in all individual and joint share accounts you have with us now and in the future to secure your Account. You authorize us to apply the balance in these share account(s) to pay any amounts due under this Agreement if you default. You are not giving a security interest in any shares or funds in any IRA, SEP, Keogh, or any other share account which, if pledged, would result in the loss of special tax treatment under the Internal Revenue Code.

If you have a Share Secured VISA Account, you understand and agree that an amount in your pledged share account(s) equal to your Credit Limit plus 10% will be frozen. We may, but do not have to, allow you to withdraw a portion of your shares or other funds without affecting our security interest. Frozen share funds will not be released until at least 45 days after the Account is closed.

CREDIT INFORMATION: You authorize us to investigate your credit standing when opening, renewing or reviewing your Account. You authorize us to make all inquiries we deem necessary for us to offer or maintain this Account, including contacting references, present and former employers, merchants, landlords and creditors.

LIABILITY FOR UNAUTHORIZED USE: You may be liable for the unauthorized use of your Card. You promise to notify us immediately by phone upon discovering that your Card has been lost or stolen or of unauthorized use of your Card. Phone us at 301.699.6151 or 1.800.969.6151 or after hours at 1.800.325.3678. You will not be liable for unauthorized use that occurs after you notify us by writing to FedChoice Federal Credit Union, 10001 Willowdale Road, Lanham, MD 20706, or by phone (to the above numbers) of the loss, theft or unauthorized use of your Card. You agree to tell us what you know about the loss or theft, and you agree to assist us in discovering the circumstances relating to any unauthorized use of the Account. We reserve the right to impose liability on you if we determine that you were negligent in the handling of the Account or Card. In any case, your liability will not exceed \$50.

If you give us notice orally concerning loss or theft, you agree to confirm it in writing. You agree that unauthorized use does not include use by a person to whom you have given authority to use the Account or Card and that you will be liable for all use by such a person. To terminate that authority, you must notify us. If your Card is stolen and you give us written notice, along with a copy of the police report, we will process a replacement Card request. There is no charge for a replacement Card under these conditions. If your Card is lost and you give us written notice, we will process a replacement Card request and charge you the fee stated at the top of this Agreement.

ILLEGAL USE OF CARD: You may use the Card only for transactions permitted by law. If you use the Card for illegal transactions, you waive the right to sue us and agree to indemnify and hold us harmless from any suits or other legal action or liability, directly or indirectly, resulting from such illegal use. Illegal use includes, but is not limited to, gambling in certain states and any withdrawal of funds with the intent to conduct any illegal activity.

NOTICES: Notice sent to any one of you will be considered notice to all. Any notices we give you shall be in writing and deemed given when deposited in the U.S. mail, with postage prepaid and addressed to you at your last known address in our records for your Account or when sent by e-mail (if you use our Internet banking services) to your last known Internet address. Your notices to us must be in writing and sent to the address shown in your most recent billing statement or as otherwise specified in this Agreement. If a specific notice period or type of notice is required by applicable law, the notice will be made and will be binding in accordance with such law.

DEFAULT: You will be in default if you fail to make at least the Minimum Payment by the date it is due. You will also be in default if:

- (a) you breach any other term of this Agreement, or
- (b) a bankruptcy or insolvency proceedings has/have been filed by or against your, or
- (c) we have evidence or a reasonable belief that an unauthorized use of the Account has been made, or
- (d) you die.

In the event of default, at our option, the entire balance of your Account and all Finance Charges shall become due and payable immediately.

RETURNS AND ADJUSTMENTS: Merchants and others who honor the Card may give credit for returns or adjustments, and they will do so by sending us a credit slip that we will post to your Account. If your credits and payments exceed what you owe us, we will hold and apply this credit balance against future purchases and cash advances, or if it is \$1.00 or more, refund it on your written request or automatically after 6 months.

MERCHANT DISPUTES: We are not responsible if any merchant or financial institution refuses to honor the Card.

COMMUNICATIONS CONCERNING DISPUTED DEBTS: IF YOU MAKE A PAYMENT MARKED "PAID IN FULL" OR STATE THAT YOUR CHECK PAYS YOUR OUTSTANDING BALANCE OR IS OTHERWISE IN FULL SATISFACTION OF THIS AGREEMENT YOU MUST SEND THAT PAYMENT TO FEDCHOICE FEDERAL CREDIT UNION, 10001 WILLOWDALE ROAD, LANHAM, MD 20706.

CHANGING OR TERMINATING YOUR ACCOUNT: If The Wall Street Journal stops publishing the Prime Rate, we may select a similar index rate. To the extent permitted by law, we may change the terms of this Agreement, including, but not limited to, the APR and monthly periodic rate, from time to time after giving you notice. We do not have to notify you in advance if certain changes are necessary for security reasons. Your use of the Card after receiving notice of a change will evidence your agreement to the change. Some changes will apply to your existing Account balance as well as to future transactions if indicated in the notice to you. Either we or you may terminate this Agreement at any time by giving the other party notice, but termination will not affect your obligation to pay the Account balance plus any interest and other charges owed. Termination by any one of you terminates the Card for all of you. Termination by you is effective upon our acknowledgement that your notice has been received. The Cards you receive remain our property and you must recover and surrender all Cards to us upon request or upon termination of this Agreement.

TELEPHONE MONITORING: To ensure that you received accurate and courteous customer service, on occasion, your call may be monitored by our employees or agents and you agree to any such monitoring.

EFFECT OF AGREEMENT: This Agreement, together with any application you signed or otherwise submitted in connection with the Account (which is hereby incorporated by reference in this Agreement), constitutes the entire agreement between you and us relating to your Account and supersedes any other prior or contemporaneous agreement between you and us relating to your Account. This Agreement may not be amended except in accordance with the provisions of this Agreement. This Agreement is a contract that applies to all transactions on your Account even though the sales, cash advance, credit or other slips you sign or receive may contain different terms.

CHANGE OF ADDRESS: You will notify us promptly if you change your address or email address. We may send statements and other notices to your address or email address in our records until we have a reasonable opportunity to update our records with any new address for you.

MISCELLANEOUS: This Agreement is governed by the laws of the State of Maryland except to the extent federal laws preempt Maryland law. We elect to extend credit under Subtitle 9 of Title 12 of the Commercial Law Article of the Annotated Code of Maryland, except to the extent it is preempted by federal law. We can delay enforcing any of our rights any number of times without losing them.

Your Billing Rights: Keep this Document for Future Use

This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

What To Do If You Find A Mistake On Your Statement

If you think there is an error on your statement, write us at:

FEDCHOICE FEDERAL CREDIT UNION
10001 Willowdale Road
Lanham, MD 20706

In your letter, give us the following information:

- *Account Information:* Your name and Account number.
- *Dollar Amount:* The dollar amount of the suspected error.
- *Description of problem:* If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us:

- Within 60 days after the error appeared on your statement.
- At least 3 business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

You must notify us of any potential errors *in writing*. 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 why we believe the bill was correct. While we investigate whether or not there has been error:
 - We cannot try to collect the amount in question, or report you as delinquent on that amount.
 - The charge in question may remain on your statement, and we may continue to charge you interest on that amount.
 - While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
 - We can apply any unpaid amount against your credit limit.

After we finish our investigation, one of two things will happen:

- *If we made a mistake:* You will not have to pay the amount in question or any interest or other fees related to that amount.
- *If we do not believe there was a mistake:* You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount you owe and the date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe.

If you receive our explanation but still believe your bill is wrong, you must write to us within *10 days* telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first \$50 of the amount you question even if your bill is correct.

Your Rights if You Are Dissatisfied With Your Credit Card Purchases

If you are dissatisfied with the goods or services that you have purchased with your 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 mile 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. Purchase 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:

FEDCHOICE FEDERAL CREDIT UNION
10001 Willowdale Road
Lanham, MD 20706

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.