

ACCOUNT OPENING SUMMARY TABLE

Interest Rates and Interest Charges	
	MASTERCARD GOLD MASTERCARD
Annual Percentage Rate (APR) for Purchases	8.50%
APR for Balance Transfers	8.50%
APR for Cash Advances	8.50%
Paying Interest	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. We will begin charging interest on cash advances and balance transfers on the transaction date.
For Credit Card Tips from the Federal Reserve Board	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.federalreserve.gov/creditcard .

Fees	
Annual Fee	None
Transaction Fees	
■ Foreign Transaction	Up to 1% of each transaction in U.S. dollars.
Penalty Fees	
■ Late Payment	5% of the minimum payment due, after 15 days, not to exceed \$25
■ Returned Payment	\$20
■ Over Credit Limit	None

How We Will Calculate Your Balance: We use a method called "average daily balance (including new purchases)." See your Credit Card Agreement for more details.

Billing Rights: Information on your rights to dispute transactions and how to exercise those rights is provided below in the Credit Card Agreement.



CREDIT CARD AGREEMENT

In this Agreement, the words "we," "our," "us," and "Credit Union" mean **Matagorda County Credit Union** or its successors. "You" and "your" mean any person who signs this Agreement or uses the Card. "The Card" means any credit card issued to you or those designated by you under the terms of this Agreement. "Use of the Card" means any procedure used by you, or someone authorized by you, to make a purchase or obtain a cash advance whether or not the purchase or advance is evidenced by a signed written document. "Unauthorized use of the Card" means the use of the Card by someone other than you who does not have actual, implied, or apparent authority for such use, and from which you receive no benefit.

SECURITY. YOU SPECIFICALLY GRANT US A CONSENSUAL SECURITY INTEREST IN ALL INDIVIDUAL AND JOINT ACCOUNTS YOU HAVE WITH US NOW AND IN THE FUTURE TO SECURE REPAYMENT OF CREDIT EXTENSIONS MADE UNDER THIS AGREEMENT. THE GRANTING OF THIS SECURITY INTEREST IS A CONDITION FOR THE ISSUANCE OF ANY CARD, WHICH YOU MAY USE DIRECTLY OR INDIRECTLY, TO OBTAIN EXTENSIONS OF CREDIT UNDER THIS AGREEMENT. Shares and deposits in an Individual Retirement Account or any other account that would lose special tax treatment under state or federal law if given are not subject to the security interest you are giving.

ADDITIONAL SECURITY. If you have other loans with us, now or in the future, collateral securing those loans may also secure your obligations under this Agreement. Please read any security agreement you sign in order to determine if the collateral also secures your obligations under this Agreement and other agreements you have with us.

1) Extensions of Credit. If your Application is approved, the Credit Union may, at its discretion, establish a line of credit in your name and cause one or more Cards to be issued to you or those designated by you. In such event, you authorize the Credit Union to pay for your account, all items reflecting credit purchases, balance transfers, and cash advances obtained through use of the Card. You may not use your Card for any illegal purpose or transaction. The Credit Union may refuse to authorize any transaction that it believes to be illegal or that poses an undue risk or illegality. If we do process any transaction which ultimately is determined to have been for an illegal purpose, you agree that you will remain liable to us under this Agreement for any such transaction notwithstanding its illegal nature. You agree that any illegal use of the Card will be deemed an act of default under this Agreement. You further agree to waive any right to take legal action against the Credit Union for illegal use of the Card and to indemnify and hold the Credit Union and MasterCard International, Inc. harmless from and against any lawsuits, other legal action or liability that results directly or indirectly from such illegal use.

2) Joint Applicant Liability. If this Agreement is executed by more than one person, each of you shall be jointly and individually liable to us for all charges made to the account, including applicable fees. In addition, you agree that each of you designates the other as agent for the purpose of making purchases extended under this Agreement and each use of your account

shall be an extension of credit to all. Notice to one of you shall constitute notice to all. Any joint cardholder may remove him/herself from responsibility for future purchases at any time by notifying us in writing. However, removal from the account does not release you from any liability already incurred.

3) Others Using Your Account. If you allow anyone else to use your Card, you will be liable for all credit extended to such persons. You promise to pay for all purchases, balance transfers, and cash advances made by anyone whom you authorize to use your Card, whether or not you notify us that he or she will be using it. If someone else is authorized to use your Card and you want to end that person's privilege, you must notify us in writing, and if he or she has a Card, you must return the Card with your written notice for it to be effective.

4) Credit Limits. You promise the payments made for your account resulting from use of the Card will, at no time, cause the outstanding balance in your account to exceed your credit limit as disclosed to you at the time you received your Card or as adjusted from time to time at the discretion of the Credit Union.

5) Promise To Pay. You promise to pay us in U.S. dollars for (a) all purchases, cash advances, and balance transfers made by you or anyone whom you authorize to use the Card or account; (b) **INTEREST CHARGES** and other charges or fees; (c) collection costs and attorney's fees as permitted by applicable law and any costs incurred in the recovery of the Card; and (d) credit in excess of your credit limit that we may extend to you. At the end of each monthly billing cycle, you will be furnished with a periodic statement showing (i) the "previous balance" (the outstanding balance in the account at the beginning of the billing cycle), (ii) the amount of all cash advances, purchases and **INTEREST CHARGES** posted to your account during the billing cycle, (iii) the amount of all payments and credits posted to your account during the billing cycle, and (iv) the "new balance" which is the sum of (i) and (ii) less (iii).

You agree to pay on or before the "payment due date" shown on the periodic statement either the entire "New Balance," or the minimum payment shown on the statement. Generally, the "minimum payment" will equal 3% of the New Balance or \$18, whichever is greater. If the New Balance is \$18 or less, you will pay in full. You may make extra payments in advance of the due date without a penalty, and you may repay any funds advanced, credit extended, or amount outstanding at any time without a penalty for early payment. Regardless of the amount of any extra payment during a given month, a monthly payment will be required the following month if a balance remains in your account. The Credit Union may also, from time to time and at its option, offer you the opportunity to skip a payment. If you decide to skip a payment, an **INTEREST CHARGE** will continue to accrue on the balance in the account at the applicable periodic rate in accordance with this Agreement, and the payment terms applicable to the account prior to the skipped payment will automatically resume in the month immediately following the month in which you have skipped a payment.

6) Cost of Credit. For MasterCard® and Gold MasterCard, you will pay an **INTEREST CHARGE** for all advances made against your account at the periodic rate of .023288% per day, which has a corresponding **ANNUAL PERCENTAGE RATE** of 8.5%. Cash advances (including balance transfers) incur an **INTEREST CHARGE** from the date they are posted to the account. If you have paid your account in full by the due date shown on the previous monthly statement, or there is no previous balance, you have not less than 25 days to repay your account balance before an **INTEREST CHARGE** on new purchases will be imposed. Otherwise, there is no grace period and new purchases will incur an **INTEREST CHARGE** from the date they are posted to the account. The **INTEREST CHARGE** is figured by applying the periodic rate to the "balance subject to **INTEREST CHARGE**" which is the "average daily balance" of your account, including certain current transactions. The "average daily balance" is arrived at by taking the beginning balance of your account each day and adding any new cash advances (including balance transfers), and unless you pay your account in full by the due date shown on your previous monthly statement or there is no previous balance, adding in new purchases, and subtracting any payments or credits and unpaid **INTEREST CHARGES**. This gives us the daily balance. The daily balances for the billing cycle are then added together and divided by the number of days in the billing cycle. The result is the "average daily balance." The **INTEREST CHARGE** is determined by multiplying the "average daily balance" by the number of days in the billing cycle and applying the periodic rate to the product.

7) Other Charges. The following other charges (fees) will be added to your account, as applicable:

■ **ATM Fee.** If you obtain a cash advance by using an automated teller machine, you may be charged any amounts imposed upon the Credit Union by the owner or operator of the machine. Any charge made under this paragraph will be added to the balance of your account and treated as a purchase.

■ **Collection Cost Fee.** You agree to pay all reasonable costs of collection, including court costs and attorney's fees imposed and any costs incurred in the recovery of the Card.

■ **Return Payment Fee.** If a check, share draft or other order used to make a payment on your account is returned unpaid, you may be charged a fee of \$20 for each item returned. In no event will the Returned Payment Fee exceed the minimum payment amount for the applicable statement period.

■ **Late Payment Fee.** If you are 15 or more days late in making a payment, a late charge of 5% of the minimum payment due, up to \$25, may be added to your account.

■ **Card Replacement Fee.** You may be charged \$3 for each replacement Card that is issued to you for any reason.

■ **PIN Replacement Fee.** You may be charged \$3 for each replacement PIN (personal identification number) that is issued to you for any reason.

■ **Document Copy Fee.** You may be charged \$1 per page for each copy of a sales draft or statement that you request (except when the request is made in conjunction with a billing error made by the Credit Union).

8) Credit Insurance. If available, credit insurance is not required for any extension of credit under this Agreement. However, you may purchase any credit insurance available through the Credit Union and have the premium added to the outstanding balance in your account. If you elect to do so, you will be given the necessary disclosures and documents separately.

9) Liability for Unauthorized Use. You may be liable for the unauthorized use of your Card. If you notice the loss or theft of your Card or a possible unauthorized use of your Card, you should call us immediately at: (800) 442-4757

You may also write to us at:

Card Services
P.O. Box 815909
Dallas, Texas 75381-5909

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