

Welcome to Central Macomb Community Credit Union. We are pleased to open your credit card account. This Agreement contains information about your account. Please read it and keep it for your records. This is your credit card agreement. You agree to its terms and conditions and any amendments thereto, by requesting and receiving, signing, using, or permitting others to use the Visa card(s) issued to you by Central Macomb Community Credit Union. Please notify us at once if any parts are unclear.

1. CREDIT CARD AGREEMENT AND DISCLOSURE STATEMENT

In this Agreement, the reference to "we", "us", "our", and "Credit Union" means Central Macomb Community Credit Union. The words "you" and "your" mean each person who accepts this agreement or uses the Classic Visa or Platinum Visa credit card account established for you. The words "Credit Card" or "Card" mean any Classic Visa or Platinum Visa and any duplicates and renewals. Convenience Checks mean the special account access devices that we may provide for your use from time to time. If this is a joint account, read singular pronouns in the plural.

You understand the following terms constitute the agreement:

2. PROMISE TO PAY. Your account may be accessible through a variety of means, which could include advance request forms, vouchers, checks, charge slips, credit cards, Convenience Checks and the like. Regardless of the access means, you promise to pay us all amounts charged to your account by you or by any user who has access to your account, including finance charges and other fees or charges described herein.

3. JOINT ACCOUNTS. Each Cardholder will be responsible, jointly and severally, for the repayment of amounts owed. You understand that any Card, which is requested and approved, will be mailed only to the primary Cardholder at the address indicated on the application for your account. We may refuse to follow any instructions, which run counter to this provision.

4. USE OF YOUR CARD. You may use your card to buy goods and services in any place that it is honored and to get cash advances from us or another financial institution. If you are issued a cash advance draft, it will be imprinted with your card and you will receive a copy of the draft. You agree that we are not responsible if anyone refuses to honor your account. You agree not to use your card for illegal transactions including, but not limited to, advances made for the purpose of Internet or illegal gambling and/or wagering where such practices are in violation of applicable state and/or federal law. Your card and account may only be used for valid and lawful purposes. If you use, or allow someone else to use, the card or account for any impermissible purpose you will be responsible for such use and may be required to reimburse us and VISA USA, Inc, as applicable, for all amounts or expenses we or they pay as a result of such impermissible use.

5. ISSUANCE OF PERSONAL IDENTIFICATION NUMBER. We will issue you a personal identification number (PIN) for use with your card. This pin is confidential and should not be disclosed to anyone. You may use your PIN and your card to access your account and all sums advanced will be added to your account balance. In the event a use of your PIN constitutes an Electronic Funds Transfer, the terms and conditions of your electronic funds transfer agreement may affect your rights.

6. LINE OF CREDIT LIMIT. If your application for a card is approved, you will be notified of your specific credit limit for transactions made under your account. Unless you are in default, your credit limit will be self-replenishing as you make payments on your account. You will keep your unpaid balance within your credit limit and you will pay any amount over your credit limit on our demand whether or not we authorize the advance, which caused you to exceed your credit limit. Even if your unpaid balance is less than your credit limit, you will have no credit available during any time that any aspect of your account is in default.

7. FINANCE CHARGES. In the case of any transactions on your account, the balances subject to the periodic Finance Charge are the average daily transactions balances outstanding during the month (new and previous). Separate average daily balances are calculated for purchases and cash advances. To get each average daily balance, each daily balance for each day of the billing cycle for purchases and for cash advances are added and the totals are divided by the number of days in the billing cycle. To get the daily balance for cash advances, new cash advances are added to the day's beginning balance and payments and credits are subtracted. To get the daily balance for purchases, new purchases are added to the day's beginning balance and payments and credits are subtracted. We then multiply the average daily balances for purchases and cash advances by the monthly periodic rate times the number of days in the billing cycle. You can avoid finance charges on purchases by paying the full amount of the entire balance owed each month within 25 days of your statement closing date. Otherwise, the new balance of purchases, and subsequent purchases from the date they are posted to your account, will be subject to a Finance Charge. Cash advances are always subject to a finance charge from the date they are posted to your account.

For our Visa Classic Card, the monthly periodic rate for purchases is 1.075%, which is an **ANNUAL PERCENTAGE RATE of 12.9%**. The monthly periodic rate for cash advances is 1.075%, which is an **ANNUAL PERCENTAGE RATE of 12.9%**. For our Visa Platinum Card, the monthly periodic rate for purchases is 0.7917% which is an **ANNUAL PERCENTAGE RATE of 9.5%**. Our monthly periodic rate for cash

advances is 0.7917% which is an **ANNUAL PERCENTAGE RATE OF 9.5%**.

8. MINIMUM MONTHLY PAYMENT. Though you need only pay the minimum monthly payments, you understand that you have the right to repay your account or make larger payments at any time without penalty. You will only be charged periodic Finance Charges to the date you repay your entire account balance. Any partial payment or prepayment of your account will not delay you next scheduled payment. All payments to us must be in lawful money of the United States. Any unpaid portion of any Finance Charges and Late Charges will be paid by subsequent payments and will be added to the principal. 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. Your minimum periodic payment will be an amount equal to \$2.00 per \$100, or fraction thereof, of your unpaid account balance at the end of each billing cycle, subject to the lesser of \$25 or your account balance, plus any portion of the minimum payments shown on prior statement(s) which remains unpaid, plus any amount that exceeds your approved Credit Limit.

9. SKIP PAYMENT OPTION. We may at our option, allow you to skip payments from time to time. You will be notified in advance of when this option is available to you on either (a) a separate notice that we send your or (b) on your periodic statement when a \$0.00 minimum monthly payment due is shown. You may continue to make regular payments as determined in this agreement and/or additional payments if you wish and you will reduce the amount of Finance Charges that you will have to pay if you do so. If you do exercise the skip payment option when it is made available to you, you will not be charged a late charge for those payments skipped. However, Finance Charges will continue to accrue as set forth in this Agreement. The Periodic Statement sent to you immediately following the Skip Payment period will indicate the minimum monthly payment due. At that time, your minimum monthly payments will returned to their regularly scheduled amounts and due dates as specified in this agreement.

10. CONSENTUAL LIEN. As permitted by law, you grant and consent to a lien on your shares or other deposit accounts with us (other than those deposits established under a governmental-approved tax deferral plan such as an IRA or KEOGH account) and any dividends due or to become due to you from us to the extent you owe on any unpaid Credit Card balances.

11. OTHER SECURITY. Personal property given as Security for any loan you may have with us will secure all amounts you owe us now and in the future, except that a dwelling will never be considered as security for this account notwithstanding anything to the contrary in any other agreement.

12. PERIODIC STATEMENT. On a regular basis, you will receive a statement showing all transactions on your account including amounts paid and borrowed since your last statement. We will mail you a statement each billing cycle in which there is a debit or credit balance or when a Finance Charge is imposed. We need not send you a statement if we feel your account is uncollectible or if we have started collection proceedings against you because you defaulted. Each statement is deemed to be a correct statement of account unless you establish a billing error pursuant to the Federal Truth-In-Lending Act.

13. OUR RESPONSIBILITIES TO HONOR CONVENIENCE CHECKS. We are under no obligation to honor your convenience checks if: (1) by paying a convenience check, you would exceed your credit limit; (2) your cards or convenience checks have been reported lost or stolen; (3) your account has been cancelled or has expired; and (4) a convenience check is used for payment on this or any other loan account with us. If a postdated convenience check is paid and, as a result, any other convenience check is returned unpaid, we are not responsible for any resulting loss or liability.

14. TRANSACTION SLIPS. Your periodic statement will identify the merchant, electronic terminal or financial institution at which transactions were made, but sales, cash advances, credit or other slips will not be returned with the statement. You will retain the copy of such slips furnished at the time of the transaction in order to verify your monthly statement.

15. CREDITS. If a merchant who honors your card gives you credit for returns of adjustments, the merchant will do so by sending us a slip, which will be posted to your account. If your credits and payments exceed what you owe us, we will hold and apply this credit against future purchases and cash advances, or it is \$1.00 or more, refund it on your written request or automatically deposit it to your share account after 6 months.

16. LATE CHARGE. If your payment is more than 5 days late, you will be charged \$20.00.

17. LATE PAYMENTS AND INCREASE TO APR: If you fail to pay the total "minimum payment due" more than 30 days after the due date, your payment will be considered late and you may be considered in default. If your payment is considered late three times within any 6 month period, you understand the **ANNUAL PERCENTAGE RATE of 14.9%** will be used in calculating the Default Finance Charge, which is a monthly periodic rate of 1.242%. The adjusted default rate will be effective as of the first day in the

billing cycle immediately following your third late payment and will remain in effect for no less than 6 full months. If during this period you maintain a positive payment history, you may apply to have the APR reevaluated at the end of the period.

18. OVERLIMIT CHARGES: You shall immediately pay the amount by which your total New Balance exceeds the maximum authorized credit limit. An overlimit charge (**FINANCE CHARGE**) of \$20.00 shall be imposed.

19. OTHER FEES AND CHARGES. You agree to pay the following fees and charges as applicable: (a) a transaction copy fee of \$2.00 unless your request for copies is related to a valid billing error dispute; and (b) \$20.00 if you make a VISA payment by check (or other negotiable instrument used for payment on your account) that is returned unpaid. These fees will be charged to your account as purchases.

20. DEFAULT. You will be in default if:

- (1) You do not make any payment or perform any obligation under this agreement, or any other agreement that you may have with us; or
- (2) You should die, become involved in any insolvency, receivership or custodial proceeding brought by or against you;
- (3) You have made a false or misleading statement in your credit application and/or in your representations to us while you owe money on your account; or
- (4) A judgment or tax lien should be filed against you or any attachment or garnishment should be issued against any of your property or rights, specifically including anyone starting an action or proceeding to seize any of your funds on deposit with us; and/or
- (5) We should, in good faith, believe your ability to repay your indebtedness is or soon will be impaired, or believe the collateral is endangered, time being of the very essence.

If you are in default, we may, to the extent permitted by law, cancel your rights under this agreement, declare the entire unpaid balance of every Future Category of your account immediately due and payable and require the return of all access devices. If immediate payment is demanded, you will continue to pay interest at the applicable interest rates in effect under your account until what you owe has been repaid. In connection herewith, you waive presentment for payment, demand, protest and notice of protest and dishonor. In addition, any co-makers or guarantors waive notice of advances and consent to any and all extensions of time and renewals that may be granted and the release of any security and agree that additional co-makers and guarantors may become parties hereto without notice and without affecting their liability hereunder.

21. COLLECTION COSTS. To the extent permitted by law, you will reimburse us for all of our costs and expenses, including reasonable attorney fees incurred in the course of collection any amounts owed under this agreement or for the recovery of any collateral.

22. CREDIT INSURANCE. Credit insurance is not required for any extension of credit under this agreement. However, you may purchase any credit insurance available through us and have the premiums added to the outstanding balance of your account. If you elect to do so, you will be given the necessary disclosures and documents separately. Any credit insurance premiums will be charged to your account as a purchase.

23. ENFORCEMENT. We do not lose our rights under this or any related agreement if we delay enforcing them. We can accept late payments, partial payments, or any other payments, even if they are marked "paid in full" without losing any of our rights under this Agreement. If any provision of this or any related agreement is determined to be unenforceable or invalid, all other provisions remain in full force and effect.

24. UNAUTHORIZED USE. You agree to notify us immediately, orally or in writing at P O Box 2800, Mt. Clemens, MI 48046 or telephone us at 800-354-0666 Monday through Friday, 8:00AM to 5:00PM or call 800-299-9842 after business hours regarding the loss, theft or unauthorized use of your Credit Card. You may be liable for the unauthorized use of your Credit Card. You will not be liable for unauthorized use after you notify us of the loss, theft, or unauthorized use. You will have no liability for unauthorized purchases made with your Credit Card, unless you are grossly negligent in the handling of your card. In any case, your liability will never exceed \$50.

NOTIFICATION OF ADDRESS CHANGE. You will notify us promptly if you move or otherwise have a change of address.

25. CHANGE IN TERMS. We may change the terms of this Agreement by mailing or delivering to you written notice of the changes as prescribed by the Federal Truth-In-Lending Act. To the extent permitted by law, the right to change the terms of this Agreement includes, but is not limited to, the right to change the periodic rate applicable to Your unpaid balance and/or future advances.

26. REFUSAL TO HONOR CARDS OR CONVENIENCE CHECKS. We are not liable for the refusal or inability of merchants, financial institutions, and others to accept the Cards or Convenience Checks, or (a) electronic terminals to honor the Cards or complete a Card withdrawal, or for their retention of the Cards or Convenience Checks.

27. FOREIGN TRANSACTIONS. 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, plus 1%. 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.

28. EFFECT OF AGREEMENT. Even though the sales, cash advance, credit or other slips you may sign or receive when using the Card contain terms, this Agreement is the contract, which solely applies to all transactions involving Your Account.

29. UPDATING AND DISCLOSING FINANCIAL INFORMATION. You will provide facts to up-date personal information or other financial information related to you, at our request. You also agree that we may, from time to time, as we deem necessary, make inquiries pertaining to your employment, credit standing and financial responsibility in accordance with applicable laws and regulations. You further authorize us to disclose information regarding this account to others who inquire about your credit standing to the extent authorized by law.

30. TERMINATION. Subject to applicable law, either you or we may cancel your account at any time whether or not you are in default. You will, in any case, remain liable to pay any unpaid balances according to the terms of this Agreement.

31. GOVERNING LAW. This agreement is controlled and governed by the laws of the State of Michigan except to the extent that such laws are inconsistent with controlling Federal Law.

**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
STATEMENT**

If you think your statement is wrong, or if you need more information about a transaction on your statement, write us on a separate sheet, at the address shown on your periodic statement. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first statement 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

-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 Share 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 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 statement that are not in question.

If we find that we made a mistake on your statement, 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 us, 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 reported you to that you have a question about your statement and we must tell you the name of anyone we reported you to. We must tell anyone we reported you to that the matter has been settled between us when it finally is. 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 of services that you purchased with a credit card, and you have tried in good faith to correct the problem with the merchant, you have the right not to pay the remaining amount due on the property or services. There are two limitations on this right: 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 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.