



CREDIT CARD AGREEMENT

In this Agreement the words *you* and *your* mean each and all of those who apply for the card or who signs the application. *Card* means a Visa® Credit Card and any duplicates and renewals we issue. *Account* means your Visa Credit Card Line of Credit account with us. *We, us* and *ours* means this Credit Union.

1. Responsibility. If we issue you a card, you agree to pay all debts and the FINANCE CHARGE arising from the use of the card and the card account. 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. You cannot disclaim responsibility by notifying us, but we will close the account for new transactions if you so request and return all cards. Your obligation to pay the account balance continues even though an agreement, divorce decree or other court judgement to which we are not a party may direct you or one of the other persons responsible to pay the account. If more than one person has applied for a card or signed the application, paragraph 15 below also applies to your account. You agree that you will not use or allow anyone else to use your card for any transaction that is illegal under applicable federal, state or local law.

2. Lost Card Notification. If you believe your credit card has been lost or stolen, you will immediately call the Credit Union at: **(207) 284-2444** or after hours **800-991-4961**.

3. Consumer Liability for Unauthorized Transactions. Your liability to the Credit Union will not exceed \$50.00 for unauthorized use of your card that occurs prior to the time when you give notice of possible unauthorized use to the Credit Union at PeoplesChoice Credit Union, P.O. Box 876, Biddeford, ME 04005, and (207) 284-2444.

4. Credit Line. If we approve your application, we will establish a self-replenishing Line of Credit for you and notify you of its amount when we issue the card. You agree not to let the account balance *exceed* this approved Credit Line. Each payment you make on the account will restore your Credit Line by the amount of the payment which is applied to principal. You may call us to request an increase in your Credit Line, which must be approved by our loan department. By giving you written notice our loan department may reduce your Credit Line from time to time, or with good cause, revoke your card and terminate this Agreement. Good cause includes your failure to comply with this Agreement, or our adverse reevaluation of your credit-worthiness. You may also terminate this Agreement at any time, but termination by either of us does not affect your obligation to pay the account balance. The cards remain our property and you must recover and surrender to us all cards upon our request and upon termination of this Agreement.

5. 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 your account to credit bureaus and other creditors who inquire of us about your credit standing.

6. Details About Your Monthly Payment.

- (a) **Monthly Statement.** We will mail you a statement every month showing your Previous Balance of purchases and cash advances, the current transactions on your account, the remaining credit available under your Credit Line, the New Balance of purchases and cash advances, the Total New Balance, the FINANCE CHARGE due to date, and the Minimum Payment Required.
- (b) **Minimum Payment.** Every month you must pay at least the Minimum Payment within 25 days of your statement closing date. By separate agreement you may authorize us to charge the minimum payment automatically to your share or share draft account with us. You may, of course, pay more frequently, pay more than the minimum payment, or pay the Total New Balance in full, and you will reduce the FINANCE CHARGE by doing so. The Minimum Payment will be any portion of the Minimum Payments shown on prior statements which remain unpaid plus either (a) 2% of your Total New Balance or \$20.00, whichever is greater, or (b) your Total New Balance if it is less than \$20.00. In addition, at any time your Total New Balance exceeds your Credit Line, you must immediately pay the excess upon our demand.
- (c) **How Payments Are Applied:** The Payment is applied in the following order: First, fees; second, finance charge; third, non-accruing balance (i.e. insurance premiums); fourth, old purchases; fifth, old cash advances; sixth, current cash advances (cycle to date); seventh, current purchases (cycle to date).

7. Finance Charges.

- (a) **When Finance Charge Begins.** A finance charge will be imposed on cash advances from the date made 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. A finance charge will be imposed on purchases only if you elect not to pay the entire new balance of purchases shown on your monthly statement within 25 days from the closing date of that statement. If you elect not to pay the entire new balance of purchases shown on your monthly statement within that 25 day period, a finance charge will be imposed on the unpaid average daily balance of those purchases from the statement closing date and will continue to accrue until the closing date of the billing cycle preceding the date on which the entire new balance of purchases is paid in full or until the date of payment if more than 25 days from the closing date.

- (b) **Figuring the Finance Charge.** The FINANCE CHARGE (interest) is calculated at the periodic rate of:
 - .825% per month, which is an ANNUAL PERCENTAGE RATE of 9.9% for Visa Platinum Preferred
 - 1.15833 per month, which is an ANNUAL PERCENTAGE RATE of 13.9% for Visa Classic. Depending on which rate you qualify for.
- (i) **Cash Advances.** The finance charge on cash advances for a billing cycle is computed by applying the monthly periodic rate to the average daily balance, 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 is determined by adding to the previous balance for cash advances (the outstanding cash advance balance of 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.
- (ii) **Purchases.** We figure the Finance Charge on your account by applying the periodic rate to the "average daily balance" of your account (including current transactions). To get the "average daily balance," we take the beginning balance of your account each day and subtract any payments or credits and any unpaid finance charges. This gives us the daily balance. Then, we add all the daily balances for the billing cycle together and divide the total by the number of days in the billing cycle. This gives us the "average daily balance."

8. Default. You will be in default if you fail to make any Minimum Payment within 25 days after your monthly statement closing date. You will also be in default if your ability to repay is materially reduced by a change in your employment, an increase in your obligations, bankruptcy or insolvency proceedings involving you, your death or your failure to abide by this Agreement. We have the right to demand immediate payment of your full account balance if you default, subject to our giving you any notice required by law.

9. Using the Card. To make a purchase or cash advance, there are two alternative procedures to be followed. One is for you to present the card to a participating Visa plan merchant, to us or to another financial institution, and sign the sales or cash advance draft which is imprinted with your card. The other is to complete the transaction by using your Personal Identification Number (PIN) in conjunction with the card in an Automated Teller Machine or other type of electronic terminal that provides access to the Visa system. The monthly statement will identify the merchant, electronic terminal or financial institution at which transactions were made, but sales, cash advance, credit or other slips cannot be returned with the statement. You will retain the copy of such slips furnished at the time of the transaction in order to verify the monthly statement. The Credit Union may make a reasonable charge for photocopies of slips you request.

10. 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 which 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 or more, refund it on your written request or automatically after 6 months.

11. Foreign Transactions. Purchases and cash advances made in foreign countries and foreign currencies will be billed to you in U.S. dollars. The conversion rate to dollars will be at wholesale market rate or the government mandated rate, whichever is applicable, in effect one day prior to the processing date. A one-percent (1%) International Transaction Fee will be assessed and billed separately. This fee will be charged on all international purchases, credit vouchers and cash advances.

Effective April 1, 2008, Visa will charge 0.8% for international transactions that do not involve currency conversions.

Visa assessed surcharge/access fee for ATM cash disbursement transactions initiated outside of the U.S. region:* – Visa assesses a cash disbursement fee of U.S. \$0.50 or \$1.25 on international ATM transactions where a surcharge fee has been assessed.
* Except in Visa Europe Region.

12. Plan Merchant Disputes. We are not responsible for the refusal of any plan merchant or financial institution to honor your card. We are subject to claims and defenses (other than tort claims) arising out of goods or services you purchase with the card only if you have made a good faith attempt but have been unable to obtain satisfaction from the plan merchant, and (a) your purchase was made in response to an advertisement we sent or participated in sending to you; or (b) your purchase cost more than \$50 and was made from a plan merchant in your state or within 100 miles of your home. Any other disputes you must resolve directly with the plan merchant.

13. Security Interest. You may be giving a security interest in a specific amount of your share or share draft account(s) with the Credit Union by signing a separate pledge of shares agreement. If you give a security interest to the Credit Union, you must maintain the amount of the security given in your account(s) at all times during which you have the right to use your card(s). Other than this security interest, we will not assert any statutory right we may have if you are in default to prevent withdrawal of your Credit Union shares in other accounts or in the secured account(s), above the amount of the security you give. The Credit Union also waives any other security interest it may have for advances or purchases made under this agreement.

14. Effect of Agreement. 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. We may amend this Agreement from time to time by sending you the advance written notice required by law. Your use of the card thereafter will indicate your agreement to the amendments. To the extent the law permits, and we indicate in our notice, amendments will apply to your existing account balance as well as to future transactions.

15. Joint Liability. Each person who has signed the application or applied for a card will be individually and jointly responsible for paying all amounts owed under this agreement. This means that the Credit Union can require any one of you individually to repay the entire amount owed under this agreement. Each of you authorizes the other(s) to make purchases or cash advances individually. Any one of you may terminate the account and the termination will be effective as to all of you.

16. Other Charges. The following other charges will be added to your account, as applicable: a draft copy fee of \$5.00, a card replacement fee of \$4.00, a copy of statement fee of \$1.00.

- **No Annual Fee!**
- **No Late Fees!**
- **No Cash Advance Fees!**
- **No Overlimit Fees!**

17. Copy Received. You acknowledge receipt of a copy of this Agreement.

Applicant

Co-Applicant

- Visa Platinum Preferred 9.9%
- Visa Classic 13.9%



PeoplesChoiceCreditUnion.com

35 Bradbury Street • P.O. Box 876 • Biddeford, Maine, 04005
(207) 284-2444 • FAX (207) 282-1735

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 in 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 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 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 an 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 \$50.00.

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