

## MASTERCARD AND VISA LINE OF CREDIT AGREEMENT

The purpose of this agreement is to establish the terms and conditions of your credit card agreement with McCoy Federal 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 a MasterCard and VISA credit card and any duplicates and renewals the Credit Union issues. "Account" means your MasterCard and VISA credit card line of credit account with the Credit Union. "Credit Union," "we," "us," and "our" mean McCoy Federal Credit Union. You must be a member of the Credit Union to apply for a credit card.

Except to the extent that Federal Law is applicable, the validity, construction and enforcement of this agreement and all matters arising out of the issuance and use of the Card shall be governed by the laws of the State of Florida.

**USING THE ACCOUNT/CREDIT LIMIT:** Upon your approval for an account, the Credit Union will establish a line of credit for you. Notification of your limit will be made when the card is sent to you. You agree not to let your account balance exceed your approved credit limit. Any transaction that would result in exceeding your credit limit will be declined.

**RESPONSIBILITY:** You promise to pay any and all charges incurred by you or any person whom you authorize to use the Credit Card issued to you, and any fees or charges incurred 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 MasterCard and/or VISA International, Inc., and in accordance with the policies established by the Credit Union.

Your obligation to pay the amount owed on your account continues until paid in full even though an agreement, divorce decree or other court judgement to which the Credit Union is not a party may direct someone else to pay the account balance.

**JOINT ACCOUNT:** If more than one person applies for the card each is individually responsible for all amounts owed on the account and are jointly and severally responsible for all amounts owed. This means the Credit Union can enforce this 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 in person, and by mail or telephone from merchants and others who accept MasterCard and/or VISA cards. You may also obtain cash advances from the Credit Union, from other financial institutions participating in the MasterCard and/or VISA program and from automated teller machines (ATM's), that provide access to the MasterCard and/or VISA system. Your MasterCard/VISA Personal Identification Number (PIN) is needed to obtain a cash advance from an ATM.

**INTEREST CHARGES:** The monthly periodic rate assessed on your account is based on an Annual Percentage Rate corresponding to the type of card account and your Beacon credit score. Your Annual Percentage Rate is variable and will increase or decrease if the Prime Rate as published in the Wall Street Journal ("Index") increases or decreases. We figure the Interest Charge by applying a periodic rate, which corresponds to the Annual Percentage Rate, to the Average Daily Balance. The Average Daily Balance is determined as follows: *For Purchases:* The "Average Daily Balance" for Purchases is determined by adding all the outstanding advance balances and billed but unpaid interest charges for each calendar day of the billing period, and then subtracting all payments, credits and cash advances for the billing period in which they were made, and then dividing the total by the number of days in that billing period. *For Cash Advances:* Each daily balance of Cash Advances is determined by adding to the outstanding unpaid balance of Cash Advances at the beginning of the billing cycle any new Cash Advances posted to your account, and subtracting any payments as received or credits as posted to your account, but excluding any unpaid Interest Charges. The periodic rate and corresponding Annual Percentage Rate for each type of card account is shown on your Truth-in-Lending Statement.

**Grace Periods:** VISA: You can avoid interest charges on purchases and balance transfers by paying the full amount of the New Balance of Purchases or New Balance of Balance Transfers each month within 25 days of your statement closing date ("Grace Period"). There is no time period within which to pay to avoid an interest charge on cash advances and interest will accrue from the date they are posted to your account. MasterCard: There is no time period within which to pay to avoid an interest charge, and the Interest Charge will be applied to the New Balance of Purchases, Cash Advances and Balance Transfers, and subsequent purchases, cash advances and balance transfers, from the date they are posted to your account.

**How to Calculate the Interest Charge:** The Interest Charge is calculated at the Annual Percentage Rate disclosed on your Truth-in-Lending Statement (or as amended from time to time) on the average daily balance of purchase and cash advances you make, and any debit adjustments the credit union makes, during the billing cycle. The daily balances are totaled, and divided by the number of days in the billing cycle to produce separate average daily balances for purchases, cash advances, and balance transfers to which the periodic rate is then applied. If your card has a grace period for purchases or balance transfers and you pay the full amount of the New Balance of Purchases or New Balance of Balance Transfers within that grace period, the amount for the applicable type of balance will not be added to the average daily balance. For Purchases, Cash Advances, or Balance Transfers with no grace period, interest charges will continue to accrue until the date of payment. For Purchases or Balance Transfers with a grace period, interest charges will continue to accrue until the date of the billing cycle preceding the date on which the entire New Balance is paid in full, if paid within the grace period; otherwise, interest charges will continue to accrue until the date of payment.

**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 under this agreement.

**FEES AND CHARGES:** You agree to pay any and all fees that you incur in connection with your Card,

in accordance with applicable law, in the amounts set forth on your Truth-in-Lending Statement, which fees and amounts may be amended from time to time.

**MONTHLY PAYMENTS:** Each payment you make on the account will restore your credit limit by the amount of the payment which is applied to the principal amount of purchases 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;** therefore, you must pay at least the minimum payment 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:

McCoy Federal Credit Union		McCoy Federal Credit Union	(credit card remittance
P.O. Box 593806	OR	P.O. Box 96099	statement required)
Orlando, FL 32859-3806		Charlotte, NC 28296-0099	

The minimum periodic payment required is disclosed on your Truth-in-Lending Statement.

**CREDIT BALANCES:** If there is a credit balance due, you may request it.

**PLEDGE OF SHARES: YOU PLEDGE AND GRANT TO THE CREDIT UNION A SECURITY INTEREST IN ALL INDIVIDUAL AND JOINT ACCOUNTS YOU HAVE WITH US NOW AND IN THE FUTURE TO SECURE YOUR CREDIT CARD ACCOUNT(S) TO THE EXTENT OF THAT PORTION OF THE ACCOUNT BALANCE WHICH MAY BE IN DEFAULT OR EXCEEDS YOUR CREDIT LIMIT. INCLUDING COSTS OF COLLECTION AND REASONABLE ATTORNEY'S FEES. YOU AUTHORIZE US TO APPLY THE BALANCE IN THESE ACCOUNT(S) TO PAY ANY AMOUNTS DUE UNDER THIS AGREEMENT IF YOU SHOULD BE IN DEFAULT. THIS PLEDGE IS A CONDITION FOR THE ISSUANCE OF CREDIT UNDER THIS AGREEMENT.**

**DEFAULT:** You will be in default under this agreement if you fail to make any minimum payment or other required payment by the date that it is due. You will be in default if you break any promise you make under this agreement. You will be in default if you die, file for bankruptcy or become insolvent, that is, unable to pay your obligations when they become due. You will be in default if any attachment or garnishment proceedings are initiated against you or your property. You will be in default if you default on any other indebtedness to the Credit Union. You will be in default if you make any false or misleading statement in any credit application or credit update. You will also be in default if something happens which 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 Interest 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. You agree to pay reasonable collection expenses, including card recovery fees, attorney fees, court costs, and/or collection agency fees and costs. If you are head of household, in the event of default, you grant us permission to garnish head of family earnings in accordance with Florida law if collection proceedings are brought against you.

No failure or delay by the Credit Union in exercising any rights, powers, and remedies under this agreement of provided by law shall be deemed a waiver thereof.

**RESTRICTION ON CASH ADVANCES:** Your outstanding cash advance balance may not exceed 50% of your Credit Limit. We may refuse a cash advance if it would cause the cash advance balance to exceed this amount.

**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.

**IF YOUR CARD IS LOST OR STOLEN OR IF ANY UNAUTHORIZED USE OCCURS:** You agree to notify us immediately if your card is ever lost or stolen or if an unauthorized use may have occurred. The telephone number to call is 1-800-449-7728, and you agree to follow up the call with notice in writing to us at: McCoy Federal Credit Union, P.O. Box 31552, Tampa, FL 33631-3552. You also agree to assist the Credit Union in determining the facts, circumstances and other pertinent information relating to any loss, theft or possible unauthorized use of your card and comply with such procedures as we may require in connection with our investigation, including filing a police report and otherwise assisting in the prosecution of any unauthorized user. You will be liable for any unauthorized use over the VISA Network only if the Credit Union can prove that you were grossly negligent in your use or handling of your card, or if we can prove that you used the card fraudulently. Your liability for unauthorized use on networks other than the VISA Network will not exceed \$50.00. In any case, you will not be liable for any unauthorized use that occurs after you notify the Credit Union of the loss, theft, or unauthorized use.

**PLAN MERCHANT DISPUTES:** We are not responsible for the refusal of any plan merchant or financial institution to honor your card. Also, we are not responsible for goods or services you purchase with the card unless (a) your purchase was made in response to an advertisement we sent or participated in sending you; (b) your purchase cost \$50.00 or more and was made from a plan merchant in your state or within 100 miles of your home; and you have made a good faith attempt, but have been unable to obtain satisfaction from the plan merchant. You must resolve all other disputes directly with the plan merchant.

**CHANGING OR TERMINATING YOUR ACCOUNT:** You agree that the Credit Union may change the terms of this agreement from time to time as permitted by applicable law after giving you any advance notice required by law at your last known address. Your use of the card after receiving notice of a change will also indicate your agreement to the change, unless applicable law requires otherwise. You may 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 shall 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 the renewal date, subject to applicable law.

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.

**RETURNS AND ADJUSTMENTS:** Merchants who honor your card will give you credit for returns or adjustments by sending us a credit slip which we shall post to your Plan. If your credits and payments exceed what you owe us, we will hold this credit balance against future purchases or refund it to your share account upon your written request (if it is \$1.00 or more).

**FOREIGN TRANSACTIONS:** The exchange rate for international transactions will be a rate selected by VISA from the range of rates available in wholesale currency markets, which may vary from the rate VISA itself receives, or the government-mandated rate in effect for the applicable central processing date, plus an amount determined by us and disclosed on your Truth-in-Lending Statement.

If you make a transaction with your MasterCard in a currency other than U.S. Dollars, MasterCard International Incorporated will convert the charge into a U.S. dollar amount. MasterCard International will use its currency conversion procedure, which is disclosed to institutions that issued MasterCard's. Currently the currency conversion rate used by MasterCard International to determine the transaction amount in U.S. dollars for such transactions generally either a government mandated rate or a wholesale rate determined by MasterCard International for the processing cycle in which the transaction is processed, increased by an adjustment factor established from time to time by MasterCard International. The currency conversion rate used by MasterCard International on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement 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.

**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. You may use your McCoy Federal Credit Union VISA Card to conduct any transaction or obtain any credit union service permitted by law. You agree that the use of the VISA Card to obtain a service or effect a transaction that is illegal under the law of any jurisdiction where originated, effected or accomplished will be a default and breach of this agreement. McCoy Federal Credit Union may terminate the access to the service or withdraw the right to use the VISA Card and/or demand the return of all VISA Cards or other access devices issued to you. If illegal use of your VISA Card occurs, you waive the right to sue McCoy Federal Credit Union, and agree to indemnify and hold McCoy Federal Credit Union harmless from any suits or other legal action or liability which may be asserted, directly or indirectly, again McCoy Federal Credit Union arising out of or resulting from your illegal use of the VISA Card.

**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 to us at the address(es) listed on your statement. In your letter, give us the following information:

1. Your name and account number.
2. The dollar amount of the suspected error.
3. 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 to you why we believe the bill is correct.

**While we investigate whether or not there has been an 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 miles 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. Purchases 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 the address(es) listed on your statement.

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.

