CARDMEMBER AGREEMENT AND DISCLOSURE STATEMENT

Part 1 of 2: Agreement

ABOUT THIS AGREEMENT

Part 1 and 2 together make your Cardmember Agreement and Disclosure Statement (“Agreement”) and govern your Credit Card Account with us (your “Account”).

Part 1 contains Terms and Conditions.

Part 2 contains Annual Percentage Rate (“APR”) and fee information. Please read and keep both parts of this Agreement.

Thank you.

KEY TERMS

“You” and “your” means each person who:

- applied for this Account; and/or
- agrees to pay for the Account.

“We,” “us,” and “our” means HSBC Bank USA, N.A.

“Agreement” means Parts 1 and 2 of this document and any supplements or amendments.

“Card” means any card, card number or other device we issue to access your Account.

“Network” means Visa International, MasterCard International Incorporated or other governing credit card network, as applicable.

GETTING STARTED

The Card must be signed to be used.

When you receive this Agreement, use the Account, or sign or keep the Card, you agree to:

- the terms of this Agreement; plus
- any amendments or supplements to the Agreement.

If your Account has an Annual Fee or Periodic Membership Fee, we will refund this fee if:

- you have not used your Account; and
- you close your Account within 90 days of when it was opened.

You may close your Account at any time.

TYPES OF USES

You can use your Account for:

- Purchases;
- Balance Transfers; and
- Cash Advances.

We may limit the amount and/or frequency of any type of use at any time.

Balance transfers include credit card checks, unless otherwise disclosed.

Cash advances include cash you get:

- over the counter (e.g., at a bank);
- overdrafts;
- at an ATM; and
- from other purchases we define as “cash-like” (e.g., money orders, traveler’s checks, casino chips, or lottery tickets).

ALLOWED USE

You agree to:

- use your Account only for lawful purposes

• use your Account for only personal, family, household, or charitable purposes; and

• repay us for all costs related to uses not allowed under this Agreement.

You are not allowed to use your Account:

• to make payments to this credit Card or any other loan payments to us or our affiliates; or

• for internet gambling.

If you have given someone permission to use the Card, this is not unauthorized use and you will be liable for all use by that person.

CREDIT LIMIT

When we first send your Card, we will tell you:

• the total credit limit on your Account.

If a cash advance limit is not shown on your billing statement, it means your total credit limit is available for cash advances.

We may change these limits from time to time. Whenever this occurs, we will notify you:

• on your billing statement; and/or

• by sending a notice.

You agree to:

• keep your Account balance (which includes interest and other charges) within your credit limit; and

• immediately pay any over limit amount that might occur.

Your available Credit may not reflect your payment for up to 14 days.
If a transaction exceeds your available credit, we may decline it.

USING THE ACCOUNT

At times we may:

• decline a transaction if there is not enough available credit and for any other reason; and/or

• require our Authorization before allowing a transaction.

A merchant may check your ID.

We are not liable if:

• a merchant refuses your Card; and/or

• we do not complete your transaction for any reason.

RECURRING BILLS

If you authorize any company to bill charges on a recurring basis to your Account, we may provide the company with information about your:

a) Account number;

b) Account status; and

c) Account expiration date.

You must notify the company when and if you no longer want to allow them to charge your Account.

If you default with us or if we change your Account or Account number for any reason:

• we may refuse or suspend future recurring charges; and

• you must set up the recurring charges again and/or make other payment

arrangements with the company.

PROMISE TO PAY

You promise to pay for all:

• credit we extend; plus

• Interest charges and other fees or charges; plus

• collection costs and attorney fees as allowed by law.

If your Account is a joint Account, each of you is jointly and individually responsible for amounts due. This remains true in the event of death, divorce or other events that affect liability between you and the other person.

If any joint Accountholder requests to not be liable for future transactions, we may close the Account.

WHEN AND HOW TO PAY

You agree to:

• pay at least the Minimum Payment Due as described in Part 2, and as shown on your billing statement; and

• make this payment in time to be credited by no later than the Payment Due Date.

If you wish, you may pay more than the Minimum Payment Due or the entire balance at any time.

Instructions for making timely payments are shown on your billing statement.

Payments must be:

• made in U.S. dollars; and

• paid from a U.S. bank or other U.S. financial institution; and

• sent in a form that is acceptable to us.

Acceptable forms of payment include:

• a check or money order; or

• an electronic funds transfer

If you want to write any special conditions on your payment, such as “paid in full”, “without recourse”, or similar language, you must mark this clearly on your payment. Send this payment to the special address on your statement. This address is called the “Billing Inquiry” address.

Unless you follow the above directions, we may accept a payment marked with special conditions and not agree to those conditions, and will not lose any of our rights.

By sending us a check for payment on your Account, you authorize us either to:

• use information from your check to initiate an electronic fund transfer from your payment account according to the terms of the check; or

• to process this transaction as a check.

When we use your check to make an electronic fund transfer:

• funds may be withdrawn from your payment account the same day we receive your payment; and

• you will not receive your check back from your bank.

When you use our optional payment by phone service, you agree that:

• we may make an electronic funds transfer from the bank account you choose; or

• we may process the payment the same way we would process a check.

You authorize the amount and timing of each payment. Please retain this

authorization for your records.

If you have a returned payment:

• the amount you paid will be added back to your Account and may be applied to a different category than originally posted. (e.g. cash advance, purchases, etc.); and

• Interest Charges may be restored back to the payment date at the APR for that transaction.

INTEREST RATES

ABOUT YOUR APRS

Your APRs are shown in Part 2.

A Daily Periodic Rate is used to determine your Interest Charges in any billing cycle. To determine this rate, we divide your APR by 365; then round this number up to the next hundred thousandth of a percentage point.

PROMOTIONAL OR INTRODUCTORY APR

We may offer you special Promotional or Introductory APRs from time to time.

If we do, we will tell you:

• the eligible transaction types;

• how long this APR will last; and

• any other special terms of the offer.

HOW A VARIABLE RATE MAY CHANGE

Your variable APRs can change with each monthly billing cycle.

We will apply each APR to the applicable balance for each type of

transaction. Each variable APR will be equal to:

a) the amount shown in Part 2 (“Spread”); plus

b) the U.S. “Prime Rate” as defined below.

The Prime Rate will be as shown in the Money Rates table of *The Wall Street Journal* that is in effect on the last day of the month.

Any changes in the Prime Rate will take effect on the first day of your billing cycle beginning in the next month.

An increase in the U.S. Prime Rate will increase your Daily Periodic Rates. It may also increase your:

• Interest Due; and/or

• Minimum Payment Due.

ABOUT THE PENALTY APR

If you do not make your Minimum Payment Due by the Payment Due Date, we may increase your APRs to the Penalty APR.

If this occurs:

• we will provide advance notice before the Penalty APR goes into effect.

• once the Penalty APR goes into effect, if you make your Minimum Payment Due by the Payment Due Date for the next six consecutive billing cycles, your rates will return to the non-Penalty APRs that apply to your Account.

• if you do not make the next six consecutive minimum payments by the Payment Due Date, we may keep the Penalty APR on your Account indefinitely.

INTEREST CHARGES

HOW INTEREST CHARGES ARE CALCULATED

To determine your periodic Interest Charges on each billing statement, we:

• determine the Average Daily Balance for each type of transaction; (for example, purchases, balance transfers, and cash advances); then

• multiply this number by the applicable Daily Periodic Rate; then

• multiply this number by the total number of days in the billing cycle.

We use the applicable Daily Periodic Rate in effect on the billing statement closing date.

HOW DAILY BALANCE IS DETERMINED

To determine your Daily Balance, we:

• take the beginning balance for each type of transaction that day; then

• add the following that were incurred on that day:

a) any new transactions;

b) any previous day's periodic Interest Charges;

c) any Finance Charges; and

d) any fees and charges, including any credit insurance premiums or debt cancelation fees, if these apply;

then

• subtract any payments and/or credits.

We also make any needed adjustments. For example:

• If a transaction posts after, but occurs before the start of a billing cycle, we may adjust the amount above to include this transaction. It will be included as of the first day of the billing cycle in which it posts.

• If your Account is subject to a grace period during the billing cycle, your payments will be subtracted from all Daily Balances in the current billing cycle.

• If a transaction for a returned payment or a dispute resolved in our favor posts after the beginning of the billing cycle, we will make this adjustment:

- the applicable Daily Balance(s) and any related Interest Charge calculations will be adjusted to include the transaction amount as of the date of the original payment or transaction.

To calculate your Average Daily Balance, we:

• add the Daily Balances for each day of the billing cycle; then

• divide this total by the number of days in the billing cycle.

PAYING INTEREST

Your Account has a grace period on purchases. Periodic Interest Charges begin accruing on purchases, balance transfers, cash advances, and credit card checks on the date of the transaction and continue to accrue until your balance is paid in full. However, no Interest will be charged on new purchases for any billing cycle when:

• you paid your entire New Balance in the previous month on time; and

• you pay your entire current month's balance on time as well.

TREATMENT OF FEES AND INTEREST

Any fees or Interest will be added to your purchase balance unless otherwise stated in this Agreement.

MINIMUM INTEREST CHARGE

If you are charged Interest, the charge will be no less than the Minimum Interest Charge listed in Part 2. The Minimum Interest Charge will be allocated to each balance category subject to an Interest Charge.

BALANCE TRANSFER FEE

This fee is shown in Part 2. This fee:

• applies to balance transfers and credit card checks; and

• is charged as of the date the transfer or check posts to your Account; and

• is added to the same balance as the balance transfer; and

• is a Finance Charge.

CASH ADVANCE FEE

This fee is shown in Part 2. It applies to:

• cash you get over the counter (e.g., at a bank);

• cash you get at an ATM; and

• other “cash-like” transactions (such as money orders, traveler’s checks,

casino chips, or lottery tickets)

This fee is:

• charged as of the date the transaction posts to your Account; and

• added to the cash advance balance; and

• a Finance Charge

OVERDRAFT TRANSACTION FEE

This fee is shown in Part 2.

This fee:

• is only applicable to HSBC credit card Accounts providing overdraft protection to designated HSBC Bank deposit accounts;

• applies if your Account is utilized to cover any overdraft on your designated deposit account; and

• is computed on the amount of each overdraft transaction; and

• is a Finance Charge.

If you requested overdraft privileges:

• we will lend you from your available cash advance credit limit the amount needed to cover any overdraft due to

insufficient funds on the HSBC Bank deposit account;

• we will transfer to the deposit account the amount of the overdraft, rounded to the next full dollar;

• we may not make a transfer if you do not have sufficient unused credit available or are delinquent, in this case:

- the overdraft will be subject to the usual deposit account rules and

fees.

• we have the right to cancel this Account or your overdraft loan privileges at any time.

FEES AND LIMITS

The fees that apply to your Account are shown in the purchase balance unless otherwise stated in this Agreement.

If charging any fee shown in Part 2 would exceed first-year fee limits set by law, we may charge an amount allowed by law. If we do this, it does not affect our ability to charge the full fee amount later.

ANNUAL OR PERIODIC MEMBERSHIP FEE

If your Account has an Annual or Periodic Membership Fee, this amount is shown in Part 2. You agree that this fee will be charged to your Account while your Account is open.

If you have not used your Account and you close it within 90 days of when it was opened, the Annual or Periodic Membership Fee(s) will be refunded (if paid) or reversed.

This Fee compensates HSBC Bank USA, N.A. in part, for Cardmember services provided or made available to you throughout the membership year.

LATE PAYMENT FEE

This fee is shown in Part 2. It is charged in any billing cycle that you do not pay at least the Minimum Payment Due by the Payment Due Date.

OVER THE CREDIT LIMIT FEE

This fee is shown in Part 2 and will be charged if:

• your Account balance exceeds your credit limit at any time during a billing cycle.

RETURNED PAYMENT FEE

This fee is shown in Part 2. It is charged each time a check or other form of payment to us is returned or not honored.

COPY REQUEST FEE

A fee may be charged each time a copy of a document is requested. The fee amount will be disclosed at the time of your

request.

STOP PAYMENT FEE

This fee is shown in Part 2. It may apply when you request a stop payment on a credit card check you have written.

Please note, if the check has already cleared, a stop payment cannot be requested.

To request a stop payment you must notify us in writing. Please use the “Billing Inquiries” address on your billing statement.

If you notify us by phone, you must also notify us in writing within 14 days of your call.

Your written, signed request must include these items:

• check number;

• payee name;

• check date; and

• check amount

Your stop payment order will end after 6 months unless you renew it in writing.

TRANSACTIONS MADE IN FOREIGN CURRENCIES

If you make a transaction in a foreign currency, the transaction will be converted by the Network, into a U.S. dollar amount in accordance with its operating regulations or conversion procedures in effect at the time the transaction is processed. The currency conversion rate in effect on the processing date may differ from the rate in effect on the transaction or posting date. The Network may change the procedures, from time to time, at its own discretion.

HOW WE APPLY PAYMENTS

We apply your payment up to and including the Minimum Payment Due as we determine, and usually to lower APR balances before higher ones.

Any payment amount greater than the Minimum Payment Due is applied to higher APR balances before lower ones.

GETTING ADDITIONAL CARDS

You may:

• request additional Cards for others; and/or

• permit others to use your Card or Account Number.

You are responsible for all charges made on additional Account Cards or by permitted users.

To revoke another person’s permission to use your Account, you must:

• notify us; and

• retrieve and destroy any Cards, checks or other Account access devices from that person.

UPDATING YOUR RECORDS

You agree:

a) to give us prompt advance notice of any change in your name, mailing address, phone number, or employer;

b) to promptly give us accurate financial information about you if we ask for it; and

c) the Department of Motor Vehicles may release your home address to us if we ever need it to find you.

CLOSING YOUR ACCOUNT

You can close your Account at any time by:

• calling the number on the back of your Card; or

• mailing your request to the “Billing Inquiries” address on your billing statement.

Once you close the Account:

• you must destroy your Card(s) and any unused credit card checks; and

• you will still be responsible for all amounts owed according to the terms of this Agreement.

LOST OR STOLEN CARD/CHECKS

You agree to notify us immediately if:

• your Card or credit card checks are lost or stolen; or

• your Account is used without your permission.

You may call at any time. The phone number is listed on your billing statement.

ACCOUNT DEFAULT

We may consider your Account to be in Default if you:

a) fail to make the Minimum Payment Due when due;

b) exceed your credit limit;

c) become the subject of bankruptcy proceedings, foreclosure, repossession, lien or judgment. garnishment, or attachment;

d) give us misleading, false, or incomplete information;

e) fail to give us a current physical address when you apply and whenever you move;

f) make payments to us that are returned unpaid by your bank or other financial institution; or

g) write any credit card checks that are returned unpaid by us;

h) default under any other agreement or security agreement you have with us or one of our affiliates; and/or

i) become incompetent or deceased.

Upon default, we have the right to:

• close your Account;

• suspend your credit privileges;

• require you to pay your entire Account balance including any Introductory or Promotional APR balances, all accrued but unpaid Interest Charges, and other charges provided for in this Agreement immediately;

• change the terms of your Account;

• sue you for what you owe.

If we incur costs to collect your balance owed, including any attorney fees, we may charge you for these costs as permitted by applicable law, and we will apply your payments first to these costs.

CREDIT REPORTING

You agree that we may obtain and use credit information about you from others such as:

-merchants or stores;

-other lenders;

-consumer reporting agencies.

If you fail to meet the terms of this Agreement, we may send a negative report to consumer reporting agencies.

If you believe we have reported inaccurate information about your Account to any consumer reporting agency, you should:

- notify us and ask us to correct the inaccurate information by writing to us at HSBC Bank USA, N.A., PO Box 9, Buffalo, NY 14240.

When you write to us, tell us:

- your Account number; and

- the specific information you believe is not correct; and

- why you believe it is not correct.

ACCOUNT CLOSURE

At any time, for any reason, we may take any of these actions subject to applicable law:

a) close your Account;

b) suspend your access to new credit;

c) reduce your credit limit; and/or

d) not renew your Card.

If we close your Account, you agree to destroy your Card(s) and any unused credit card checks.

If your Account is closed for any reason, the terms of this Agreement still apply to Account balances until your Account is paid in full.

MONITORING PRACTICES

You agree that we may listen to and record phone calls between you and our representatives.

CHANGE OF TERMS

We may change this Agreement as allowed by applicable law. This may include changing, adding, or removing terms. We may do this in response to legal, business, competitive environment or other reasons not listed here.

We may increase the Interest rate on existing balances in limited circumstances. Changes to some terms may require at least 45 days advance notice, and we will tell you in the notice if you have the right to reject a change. We cannot change certain terms during the first year of your Account.

ACCOUNT ASSIGNMENT

We may sell, assign or transfer all or any part of your Agreement and Account without notice to you. You may not sell, assign or transfer your Account.

WAIVERS

If we delay or take no action allowed under this Agreement, for any reason, we will not lose or limit any of our rights under this Agreement on any other occasion.

SEVERABILITY

If a term is found to be invalid under any applicable law, rule or regulation, then all other terms of this Agreement will remain valid.

APPLICABLE LAWS

This Agreement is governed by Virginia law and federal law.

We make our credit decisions and extend credit to you under this Agreement from Virginia. This Agreement is:

• entered into in Virginia; and

• maintained in Virginia.

This is true whether or not you use your Card in Virginia.

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:

HSBC Bank USA, N.A.

PO Box 9, Buffalo, NY 14240 or at the address shown on your billing statement.

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 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:

HSBC Bank USA, N.A.

PO Box 9, Buffalo, NY 14240 or at the address shown on your billing statement.

While we investigate, the same rules apply to the disputed amount as decision. 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.

Missouri Residents: Oral agreements or commitments to loan money, extend credit or to forbear from enforcing repayment of a debt including promises to extend or renew such debt are not enforceable. To protect you (borrower(s)) and us (creditor) from misunderstanding or disappointment, any agreements we reach covering such matters are contained in this writing, which is the complete and exclusive statement of the agreement between us, except as we may later agree in writing to modify it.

CARDMEMBER AGREEMENT AND DISCLOSURE STATEMENT
Part 2 of 2: Rates, Fees and Payment Information

I. INTEREST RATES

Annual Percentage Rate ("APR") and Daily Periodic Rate ("DPR")
(as of 08/24/2014) Variable Rate Accounts: Your APRs are equal to the Prime Rate plus the listed Spread.

APR for Purchases
12.99% – 22.99% **APR** (corresponding 0.03559% – 0.06299% DPR)
Spread used
9.74% – 19.74%

APR for Balance Transfers
12.99% – 22.99% **APR** (corresponding 0.03559% – 0.06299% DPR)
Spread used
9.74% – 19.74%

APR for Cash Advances
24.99 % **APR** (corresponding 0.06847% DPR)
Spread used
21.74%

Penalty APR
29.99% **APR** (corresponding 0.08216% DPR)
Spread used
26.74%

II. INTEREST CHARGES AND FEES

Minimum Interest Charge: $1.00

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.

Balance Transfer Fee: Either $10 or 4%, whichever is greater, will apply on each balance transfer and credit card check.

Cash Advance Fee: Either $10 or 4%, whichever is greater, will apply on each cash advance transaction.

Overdraft Transaction Fee: Either $10 or 4%, whichever is greater, will apply on the overdraft amount.

Annual Fee: $0

Late Payment Fee: The amount of the Late Payment Fee is shown below. The Late Payment Fee will not exceed the amount of your Minimum Payment Due.

Late Payment Fee is $25 the first time your payment is late; and, if another payment is late during the next 6 billing cycles the Late Payment Fee is $35.

Over the Credit Limit Fee: $25 if you choose Over the Credit Limit coverage. The Over the Credit Limit Fee will not exceed the amount you are over your credit limit when the fee is charged.

Returned Payment Fee - $25. The Returned Payment Fee will not exceed the amount of your Minimum Payment Due.

Stop Payment Fee: $29

III. WHEN AND HOW TO PAY

Minimum Payment Due
Your Minimum Payment Due ("Payment Due") each billing cycle will be as follows:
1) If your New Balance is $25 or less, your Payment Due is equal to your New Balance.
2) If your New Balance is more than $25, your Payment Due is equal to any amount past due, plus the greater of:
   a) $25; or
   b) 1% of your New Balance; plus
   - billed Late Payment Fees; plus
   - billed Over the Credit Limit Fees; plus
   - billed Interest Charges; plus
   - 1/12th of the Annual Fee, if any.

Unless your Payment Due is equal to your new Account balance, it will be rounded up to the nearest dollar.

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Pricing Addendum

INTEREST RATES

ABOUT YOUR APRS
A Daily Periodic Rate is used to determine your Interest Charges in any billing cycle. To determine this rate, we divide your APR by 365; then round this number up to the next hundred thousandth of a percentage point.

HOW A VARIABLE RATE MAY CHANGE
Your variable APRs can change with each monthly billing cycle. We will apply each APR to the applicable balance for each type of transaction.

Each variable APR will be equal to:
a) the amount shown in Part 2 above ("Spread"); plus
b) the U.S. "Prime Rate" as defined below.

The Prime Rate will be as shown in the Money Rates table of *The Wall Street Journal* that is in effect on the last day of the month. Any changes in the Prime Rate will take effect on the first day of your billing cycle beginning in the next month. An increase in the U.S. Prime Rate will increase your Daily Periodic Rates. It may also increase your:
• Interest Due; and/or
• Minimum Payment Due.

Specific Rates and Fees may be determined based on your creditworthiness.

APR for Purchases
Prime plus 9.74% – 19.74%

APR for Balance Transfers
Prime plus 9.74% – 19.74%, if available

APR for Cash Advances
Prime plus 21.74%

Penalty APR
Prime plus 26.74%

ABOUT THE PENALTY APR

If you do not make your Minimum Payment Due by the Payment Due Date, we may increase your APRs to the Penalty APR.

If this occurs:
• we will provide advance notice before the Penalty APR goes into effect.
• once the Penalty APR goes into effect, if you make your Minimum Payment Due by the Payment Due Date for the next six consecutive billing cycles, your rates will return to the non-Penalty APRs that apply to your Account.
• if you do not make the next six consecutive minimum payments by the Payment Due Date, we may keep the Penalty APR on your Account

indefinitely.

INTEREST CHARGES

How Average Daily Balance is Determined :
To determine your Daily Balance, we:
• take the beginning balance for each type of transaction that day; then
• add the following that were incurred on that day:
a) any new transactions;
b) any previous day's periodic Interest Charges;
c) any Finance Charges; and
d) any fees and charges, including any credit insurance premiums or debt cancelation fees, if these apply; then
• subtract any payments and/or credits.

To calculate your Average Daily Balance, we:
• add the Daily Balances for each day of the billing cycle; then
• divide this total by the number of days in the billing cycle.

Paying Interest: Your Account has a 25 day grace period on purchases. Periodic Interest Charges begin accruing on purchases, balance transfers, cash advances, and credit card checks on the date of the transaction and continue to accrue until your balance is paid in full. However, no Interest will be charged on new purchases for any billing cycle when:
• you paid your entire New Balance in the previous month on time; and
• you pay your entire current month's balance on time as well.

Minimum Interest Charge: If you are charged Interest, the charge will be no less than the Minimum Interest Charge of $1.00. The Minimum Interest Charge will be allocated to each balance category subject to an Interest Charge.

Balance Transfer Fee: Either $10 or 4%, whichever is greater, will apply on each balance transfer and credit card check.

Cash Advance Fee: Either $10 or 4%, whichever is greater, will apply on each cash advance transaction.

Overdraft Transaction Fee: Either $10 or 4%, whichever is greater, will apply on the overdraft amount.

FEES AND LIMITS

Annual or Periodic Membership Fee: $0

Late Payment Fee: The amount of the Late Payment Fee is shown below. The Late Payment Fee will not exceed the amount of your Minimum Payment Due.

Late Payment Fee is $25 the first time your payment is late; and, if another payment is late during the next 6 billing cycles the Late Payment Fee is $35.

Over the Credit Limit Fee: $25. In no event will your Over the Credit Limit Fee exceed the amount you are over your credit limit when the fee is assessed.

Returned Payment Fee: $25. In no event will your Returned Payment Fee exceed the Minimum Payment Due.

Required insurance, debt cancellation or debt suspension coverage: None