

Royal Credit Union - Card Regulations

VISA VARIABLE RATE CONSUMER CREDIT CARD DISCLOSURE

Keep This Notice for Future Use

As used in the Regulations, "you" and "your" means natural persons, which means each and all of those who applied for or received or who signed or used a card. "Card" means each of your Visa credit cards issued by RCU or its predecessor. "We," "us," and "our" mean RCU and "account" means your credit card account with us. These regulations apply to cards issued to all natural persons unless otherwise stated.

1. Responsibility

If you applied for and received a Card from us, you and all other persons obligated for the card agree to these Regulations. If more than one person is obligated on a card, their obligation shall be joint and several. Except for unauthorized use of a card, you agree to repay all debts and any finance fees, fees, and insurance premiums arising from use of the Card on your account. For example, if you are a natural person, you agree to pay all amounts owed as a result of use of the card or your account by you, your spouse, and your minor children. You agree to pay all accounts owed as a result of use of the card or your account by anyone else to whom you give the card or you authorize to use your account. If the Wisconsin Consumer Act ("WCA") does not apply to the card or to your account, you agree to pay to us all attorneys' fees incurred in collecting or attempting to collect amounts owed to us as a result of use of the card or your account. Your card may not be used for illegal transactions. The Credit Union will terminate or withdraw any product or service if used in an illegal manner or for an illegal transaction. You agree to hold harmless and indemnify RCU and reimburse RCU for losses incurred as a result of using the card for any illegal transactions.

2. Credit Line

We will establish a credit line for you and advise you of its amount. You agree not to let the account balance exceed the credit line, but you remain responsible for payment even if it does. Any account balance in excess of the credit line is payable immediately. We reserve the right to increase or reduce your credit line from time to time without affecting your obligation to pay the account balance. All Cards remain our property; and if we request, you must recover and surrender to us all cards we have issued on your account.

3. Limitations of the Frequency and Dollar Amounts of Transfers

For security reasons, there are limitations on the number and dollar amount of cash withdrawals you may make per day at an ATM or POS terminal. There also may be limitations on the total number and dollar amount of Visa merchant purchases or Visa cash advances or Visa ATM withdrawals you may make each day.

RCU reserves the right to make periodic risk assessments and to change your maximum daily limits without notice. We will not reduce your daily limits below \$100 without giving you prior notice.

Individual terminals or terminal operators may also have limits on the frequency of cash withdrawals or deposits performed at their terminals.

4. Payment Protection Fees (for consumer use only)

If you are eligible and have elected to participate in one of our group payment protection programs, a premium fee based on the balance shown on your monthly statement will be posted to your account as a miscellaneous fee during your statement period. If you wish to cancel your payment protection coverage, you must notify us in writing. If your payment protection is stopped for one of the reasons listed in your Borrower Security Contract, you must re-enroll if you wish to have payment protection reinstated.

5. Promotional Visa Transfer Checks

As part of a promotion, RCU cardholders may receive cash advance and/or balance transfer checks which may be used to access their Visa credit line. Under no circumstances will RCU be liable for the payment or nonpayment of a post-dated check. If the account is delinquent or over the credit line when a check is presented for payment, the check will be returned non-sufficient funds (NSF). RCU cannot honor any check on an account that has been closed. Checks will only be honored when they are drawn by the Primary or Joint Owner(s) of the account.

6. Finance Fee

The interest will be set on a variable rate. We may increase or decrease the **annual percentage rate** beginning with the first billing cycle of the next calendar quarter and each calendar quarter thereafter. Each date on which the rate may be changed by us is called "change date." The rate applicable to this card is based on an index. The **annual percentage rate** shall equal the highest prime rate published in the Wall Street Journal "Money Rate" tables on the last date of publication in the calendar month preceding each change date plus a margin of 4.5 percentage points not to exceed the allowable usury ceiling. The minimum finance fee that will be imposed is \$0.50. If we, on any change date, fail to increase the rate in accordance with changes in the index, we will not carry over and add any portion of that increase to any adjustment made on subsequent change dates.

In addition, there is a past due penalty rate such that the sum of the underlying interest and this fee shall equal 18% per annum. It is applied in this fashion: should there be a failure to have the account current for two months, then the interest rate, not to exceed 18% shall be imposed two months from that date and shall continue for a period of six months during which there is no past due or payment less than called for in the note or agreement, in which event the penalty rate shall be removed and the underlying rate applied as long as you are current.

6 (a) Cash advance and balance transfer finance fees accrue on the outstanding daily balance from the date of advance or transfer, through the date paid.

The balance of cash advances subject to finance fee is the average daily outstanding unpaid 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 of cash advances is determined by adding any new cash advances as of the transaction date or the first day of the billing cycle in which posted, whichever is later, to the previous balance excluding any unpaid finance fee, and subtracting each payment and credit on the date of receipt.

6 (b) If you paid the previous monthly balance in full by the due date shown on that statement, the interest rate as stated in Section 6 will be imposed on credit purchases you obtain through the use of your card that have not been paid by the due date shown on the current statement on which the transaction is detailed.

The balance of credit purchases subject to finance fee is the average daily outstanding unpaid 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 of credit purchases is determined by adding to the previous balance, new credit purchases posted on that date, and subtracting each payment as of the first day of the billing cycle, each credit on the date of receipt, but excluding any unpaid finance, late, and any other fees.

6 (c) If you did not pay the previous monthly statement balance in full by the due date shown on that statement, the interest rate as stated in Section 6 will be imposed on the unpaid balance of credit purchases from the previous statement closing date and on credit purchases made during the current billing cycle from the transaction date and will continue to accrue until the closing date of the billing cycle preceding the date on which the entire new balance is paid in full.

The balance of credit purchases subject to finance fee is the average daily outstanding unpaid 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 of credit purchases is determined by adding to the previous balance, new credit purchases posted on that date, and subtracting each payment and credit on the date of receipt, but excluding any unpaid finance fees, late, and any other fees.

7. Other Fees (See "Special Service Fees" Disclosure or visitrcu.org)

8. Security Interest

Each purchase and cash advance through your account is a loan by us to you in Wisconsin. You agree that the Wisconsin Consumer Act applies to all of these loans (the rate of finance fee and the penalties for violation of rate limitations will be governed by state law). If you give or have given us or the financial institution named on your card a security interest in personal or business property to secure all of your debts, these loans will also be secured by that property (except clothing, household furnishings, and deposit accounts). These loans will not be secured by any other property.

9. Default: Termination

You will be in default if you fail to make a payment, including a payment under paragraph 2, on time, twice during any 12-month period. You will also be in default if your ability to repay us is materially reduced by bankruptcy or insolvency proceedings involving you, your death, or your failure to abide by these regulations. We have the right to demand immediate payment of your full account balance if you do not cure your default within 15 calendar days after we send you a written notice of default. We have this right, without notice, if the default is your third within 12 months, and we notified you of the prior two and you cured those defaults.

Your privilege of using the card and the account shall expire on the date shown on the card provided, however, if the card is used after the termination date, you shall remain responsible for any fees made after the expiration date. You may terminate your account relationship with us at any time by surrendering to us all of your cards, but you will remain liable to us for full payment of any balance of your account. We may revoke your card at any time without prior notification and without affecting your obligation to pay the account balance.

In the event of past due payments, a past due penalty rate not to exceed 18% annual percentage rate for the underlying and penalty rate shall be applied until the account is brought current for six months.

10. Monthly Payment

Unless we are prevented by law or unless we believe that your account is uncollectible, we will mail you a statement each month in which your account has a balance of \$1 or more provided, however, that if more than one person is obligated for a card, we need only to mail a statement to one of said persons. The fact that we do not send a monthly statement to each person obligated on a card shall not relieve any person to whom a monthly statement is not sent from liability on the account. This statement will show your previous balance, current transactions on your account, amount available under your credit line, fees and finance fees, new balance and minimum payments due. Each month you must pay at least the minimum payment by the due date on the statement. You may, of course, pay more than the minimum payment; and if you pay the new balance in full, you may reduce or avoid additional finance fees unless you have a cash advance. Each minimum payment will be the greater of \$25 or 3% of your new balance. A minimum payment is required for each statement period in which

there is a debit balance in your account; and any additional amount paid, while reducing your balance, will not prepay any future minimum payments. Any past due minimum payment continues to be due immediately.

11. Preauthorized Payments

Upon your authorization, the preauthorized payments are to remain in full force and effect until you cancel an online originated preauthorized payment using eBranch, or provide RCU with a written request to terminate preauthorized payments that were set up in writing. If you request to change your preauthorized payment, the current preauthorization must first be canceled and a new preauthorized payment request must be initiated.

If a preauthorized payment is returned unpaid, the payment to the credit card account will be reversed. Refer to "Special Service Fees" Disclosure.

You further understand and agree that RCU shall not be responsible for any act or failure to act on their part, except in the case of gross negligence or willful misconduct. Furthermore, you agree to hold RCU harmless from any claims, liabilities, attorneys' fees, and other costs and expenses of any and every kind and nature which may be incurred by reason of their performance under the Credit Card Preauthorized Payment request.

12. Foreign Transactions

If your card is used to initiate a cross border transaction, the transaction amount may be converted to US dollars using the exchange rate selected by Visa or Mastercard/Cirrus from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa or Mastercard/Cirrus itself receives, or the government-mandated rate in effect for the applicable central processing date. The date of the conversion may differ from the transaction date and the posting date identified in the monthly statement for your account. All international transactions are charged up to two percent (2%) for the Visa International Service Assessment Fee or Mastercard Cross Border fee.

13. Disputes

We are not responsible for the refusal or failure of any merchant, bank, or automated equipment to honor or accept your card. Except as indicated in the Billing Rights Summary below, we are not responsible for any goods or services you purchase with card credit and you must resolve all disputes directly with the merchant. It is your responsibility to contact the merchant to cancel all preauthorized, recurring, and unauthorized charges. Canceling the card will not stop charges posting to the account.

14. Use

You authorize us to pay from your account all items reflecting purchases or cash advances made with the Card in spite of the absence of your signature on a draft or the lack of presentation of the card.

Notify us at once at 1-866-839-3485 in the U.S. and 727-570-4893 (collect) out of the U.S. of any loss, theft, disappearance or possible unauthorized use of your card. Notification to us is given when steps have been taken as may be reasonably required in the ordinary course of business to provide us with the pertinent information about the loss, theft, or possible unauthorized use of a credit card. Notification may be given, at your option, in person, by telephone at the numbers above, or in writing.

If you furnish your card or Personal Identification Number (PIN) to another person; you shall be deemed to have authorized all transactions that may be accomplished using the card or PIN until you have given actual notice to RCU that further transactions are unauthorized. You shall be obligated to pay RCU the amount of any money, property, or services obtained by the authorized use of the Card or PIN to the extent that RCU is unable to charge such amounts to the account; and you hereby authorize RCU to charge the amount of any such obligation to any other of your accounts at RCU. You shall at all times:

- 1.) Safely keep the card and PIN and not permit anyone else to use them;
- 2.) Not record the PIN on or near the Card or otherwise disclose or make it available to anyone else;
- 3.) Use the card, PIN, and terminals only as instructed and only for purposes authorized by RCU;

Some terminal owners and or networks may impose additional transaction fees, which will be indicated at that terminal.

15. Effect of and Changes in Regulations

These regulations are the contract that applies to all transactions on your account even though the sales, cash advances, or credit slips you sign contain different terms. We may change these regulations from time to time by sending you advance written notice and your use of the card or the account thereafter will indicate your agreement to those changes. To the extent the law permits, and we indicate in our notice, amendments will apply to existing account balances as well as future transactions. Our delay in exercising or our failure to exercise any of our rights is not a waiver of those rights, and no waiver is valid unless it is in writing and signed by us. You authorize us to investigate your credit standing at any time and to disclose to others information relating to your credit standing.

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.

In Case of Errors or Inquiries 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 of paper at:

RCU Cardholder Services Attn: Disputes & Inquiries PO Box 30495 Tampa, FL 33630-3495

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 unsure about.
- Send a copy of the statement the disputed charge shows on.

We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us at 1-866-839-3485 or write.

If you have authorized us to pay your credit card bill automatically from your savings or checking account, you can stop the payment on any amount you think is wrong. To stop the payment your letter must reach us seven business days before the automatic payment is scheduled to occur.

Your Rights and 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 is 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 fees, 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 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 fees related to any questioned amount. If we didn't make a mistake, you may have to pay finance fees, and you will have to make up any missed payments on the questioned amount. In either case, we will send 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 will 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. We must also 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.

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 state, within 100 miles of your current mailing address and
- (b) 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 service.