

## VISA RETAIL INSTALLMENT CREDIT AGREEMENT

### The Summit Federal Credit Union

In this Agreement the word “card” or “card(s)” refers to all VISA cards issued to you, including any substitute or renewal card(s) (which we are authorized to reissue at any time). The words “you,” “your,” and “yours” refer to each VISA applicant and anyone else the applicant permits to use a card. The words “we,” “us,” and “our” refer to **The Summit Federal Credit Union**.

**SIGNATURE AND CREDIT LIMIT.** This Agreement shall not become effective with respect to the purchase or lease of property or services unless and until you or a person authorized by you first signs a sales slip or memorandum evidencing a purchase or lease of property or services by use of the card. Your electronic or telephonic authorization to a merchant to debit your credit card account to pay for the purchase or lease of property or services shall be considered your signature on a sales slip or memorandum evidencing the purchase or lease. The Agreement will be effective with respect to cash advances when you or someone you authorize signs an advance request, a convenience check or gives some other authorization for a cash advance or uses the card or your Personal Identification Number (“PIN”) at an automated teller machine (“ATM”) or otherwise to obtain a cash advance. Prior thereto, you will not be responsible for any purchase or lease of property or services or cash advances by use of the card after its loss or theft. Your initial credit limit is stated on the carrier containing the card(s), and your current credit limit will appear on your billing statement. You may request an increase in your credit limit by a written application or telephone request to us. We have the right to increase or reduce your credit limit or to terminate your borrowing privileges at any time without prior notice to you. You may not allow the outstanding balance of your account to exceed the credit limit which we approve from time to time. We may, at our discretion, make advances from your account in excess of your credit limit, but that will not change the amount of your credit limit. Any such advances are subject to all the provisions of this Agreement. You agree to repay any outstanding amounts which exceed your credit limit immediately on our demand.

**USE AT AUTOMATED TELLER MACHINES.** If your card can be used at ATMs, you have been given a PIN. You promise that you will not give your card or PIN to anyone who is not authorized to use your card. You also agree not to write your PIN on the card itself.

**USE OF THE CARD.** You may use the card to make purchases or leases of goods or services in person, by mail, electronically (through the Internet) or by telephone from merchants and others who accept VISA cards. You may also obtain cash loans (called “cash advances”) from us, from other financial institutions participating in the VISA program, from automated teller machines which are part of the PLUS SYSTEM ATM network, or by using a convenience check which we send you for that purpose.

(Not all ATMs provide such access and you will need to use your PIN at those that do.) Cash advances can be used to make balance transfers. You

will owe us the amount charged by use of the card, your card number or your PIN, plus any other charges provided in this Agreement, all payable in U.S. dollars.

We will not be responsible for the failure of any third party to honor your card. Furthermore, utilization of your card in some cases (for instance, for a transaction in an amount above a certain level) will be subject to our approval. We will make every effort to approve all your transactions in accordance with the terms of this Agreement.

However, there are times when our approval system is not working, and there are other cases (for instance, abnormal frequent use of the card) where our approval will be withheld. Because of security reasons, we cannot divulge the details of our approval system. However, you agree that we will not be responsible for the failure to approve a transaction in such cases.

**NO USE FOR ILLEGAL TRANSACTIONS.** You agree not to use the Card, the Card number or your PIN in connection with any illegal transaction, such as, but not limited to, illegal gambling. The Credit Union may assume, without any further inquiry, that all transactions made by you or someone authorized by you using the Card, the Card number or the PIN are legal, even if the Credit Union has actual or imputed knowledge of information which might reasonably lead it to question whether a particular transaction is legal.

**FOREIGN TRANSACTIONS.** Purchases and cash advances made in foreign countries and foreign currencies will be billed to you in U.S. dollars. The exchange rate to dollars will be determined in accordance with the operating regulations established by Visa International from time to time. As of the date these disclosures were published, those regulations established the conversion rate as either the 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. The currency conversion rate used on the processing date may differ from the rate that would have been used on the purchase date or statement posting date. You will be required to pay any International Service Assessment or other fee that Visa imposes on you or us in connection with the transaction, which is currently 1% of the transaction amount.

**HOW TO STOP PAYMENT OF A CHECK.** You may request stop payment of a convenience check by notifying us by telephone at the following telephone number: (585) 453-7030 or (800) 836-SFCU, extension 7030. Your stop payment request will only be effective for fourteen (14) days from your notice unless the stop payment request is in writing, signed by you, describes with certainty the item on which the payment is to be stopped, and is received by us at 100 Marina Drive, Rochester, New York, 14626, in a timely manner so as to afford us a reasonable opportunity to act upon it. In any event, we may disregard any stop payment request six (6) months after we receive it unless you renew the stop payment request by writing to us within that six month period. If you request a stop payment, a fee of \$25.00 will be charged to your account, even if we are unsuccessful in stopping the payment. We will use commercially reasonable efforts to stop payment on your convenience

check. However, you agree that we will not be responsible in any way if a convenience check is cashed or otherwise presented for payment after you have requested us to stop payment and, using commercially reasonable efforts, we are unable to stop payment.

**MONTHLY STATEMENT.** If you have a balance in your account at the end of your billing period, we will send you a statement. It will show separately your purchase(s), your cash advance(s), the finance charge, the minimum payment due, and the date the payment is due. The statement will be sent to you at least 21 days before the date that your payment is due.

**PAYMENTS.** Payments should be sent to:

VISA  
P.O. Box 41769  
Philadelphia, PA 19101-1769

There could be a delay of up to five (5) days in crediting the payment to your account if you send a payment to us at any other address. All payments must be made in U.S. Dollars and drawn on a financial institution located in the United States.

**MINIMUM PAYMENT.** The minimum payment will be the sum of (a) through (c) below:

- (a) 2.4% of the total New Balance as shown on your monthly billing statement;
- (b) entire portion of the New Balance in excess of your credit limit;
- (c) any amount past due.

**NOTE:** If the sum of (a) through (c) is less than \$25, a minimum payment of \$25 will be due. However, if the New Balance shown on your monthly statement is less than \$25, the entire New Balance will be due. The New Balance includes outstanding indebtedness for purchases and/or cash advances, fees, finance charges, and any other obligation(s) under this Agreement.

If the minimum payment computed as above is not an even dollar amount, the minimum payment due may be rounded to the next higher dollar.

**PAYING MORE THAN THE MINIMUM. You may at any time pay more than the minimum amount due, or even the total new balance shown on your monthly statement.** The sooner you pay your New Balance, the less you have to pay in **FINANCE CHARGES**. Paying more than the minimum in one month, however, does not relieve you of your obligation to pay the minimum monthly payment in every other month.

**FINANCE CHARGES. FINANCE CHARGES** on your account will be determined by applying a Periodic Rate to the “average daily balance” for your purchases and cash advances. **FINANCE CHARGE** accrues on both purchases and cash advances from the date of the transaction or the first day of the billing cycle in which the transaction is posted to your account, whichever is later, to the date that payment for the purchase or cash advance is credited to your account. However, you can avoid paying a finance charge on current billing cycle purchases (those itemized on your statement) if: (i) you pay for the new purchases by the due date appearing on the statement; and (ii) the statement shows no previous

balance for purchases, or you paid the previous balance for purchases in full by the due date shown on the previous statement. The due date will be at least twenty-five (25) days from the closing date of the billing cycle.

We calculate the **FINANCE CHARGE** on your account by (1) multiplying the applicable Periodic Rate described below by (a) the “purchase average daily balance”, and (b) the “cash advance average daily balance” and (2) adding together the results of those calculations.

To get the “purchase average daily balance” we take the beginning daily balance of your account attributable to purchases, add new purchases or debits attributable to purchases, and subtract any payments or credits attributable to purchases. We do not include unpaid finance charges in that calculation. This gives us the “purchase daily balance.” Then we add up all the purchase daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the “purchase average daily balance.”

To get the “cash advance average daily balance” we take the beginning daily balance of your account attributable to cash advances, add new cash advances or debits attributable to cash advances and subtract any payments or credits attributable to cash advances. We do not include unpaid finance charges in this calculation. This gives us the “cash advance daily balance.” Then we add up all the cash advance daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the “cash advance average daily balance” of your account.

All VISA Credit Card Accounts available have variable interest rates. The variable rate is determined at the beginning of each billing cycle by adding the margin assigned to your account (VISA Gold 4.25%, VISA Platinum 5.75%, VISA Classic 7.50%) to the Index (defined below). The Index is the highest prime rate published in the Wall Street Journal in the “Money Rates” section, on the last Tuesday of the calendar month immediately preceding the beginning of the billing cycle. The Index rate is the index from which your ANNUAL PERCENTAGE RATE and corresponding monthly Periodic Rate will be determined. If the Index becomes unavailable, another index will be selected. Your rate may increase or decrease depending upon the Index as of the next billing cycle. All other things being the same, a rate increase will increase the amount of FINANCE CHARGE and may increase the scheduled minimum payment. No matter what the Index is, in no event shall the ANNUAL PERCENTAGE RATE exceed 18% or a corresponding monthly Periodic Rate of 1.5%. Your initial ANNUAL PERCENTAGE RATE will be specified in a document that is part of this Agreement and is provided when your account is open. As of January 1, 2012 the corresponding monthly Periodic Rates are the following: VISA Gold 0.625%, VISA Platinum 0.75%, VISA Classic 0.895%.

**LATE FEE.** If any part of your minimum payment is more than 10 days late, you will be charged a fee of up to \$25.00.

**CASH ADVANCE FEE.** A fee of one percent (1%) of the cash advance amount shall be imposed for any cash advance.

**INSUFFICIENT FUNDS FEE.** If any check or pre-authorized withdrawal submitted to us as a payment on the account is returned to us for insufficient funds, you will be charged a fee of \$25.00. We may assess this charge the first time your payment is not honored, even if it is paid on resubmission.

**CARD/PIN FEE.** A fee of \$5.00 will be imposed for replacement of existing credit cards and PINs.

**DUPLICATE SALES DRAFT FEE.** A fee of \$5.00 will be imposed for copies of sales draft receipts.

**STATEMENT/HISTORY COPY FEE.** If you request documentary evidence of a transaction on your account, we may pass along to you the cost to us of researching this evidence at a rate of \$20.00 per hour, with a minimum charge of \$5.00. No such charge will be imposed for billing statement errors or inquiries.

**CONVENIENCE CHECK COPY FEE.** There is a \$5.00 charge for each copy or \$20.00 per hour charge, whichever is less. Members at The Summit's Pinnacle Level (refer to the current Credit Union fee schedule for Benefit Level information) check copies are free.

**LOST OR STOLEN CARDS.** If a card is lost or stolen, you must immediately inform us, orally or in writing, at any office or branch, of the time, place, and manner of loss or theft and of your name and VISA account number.

**LIABILITY FOR UNAUTHORIZED USE.** Under Visa's Zero Liability Policy, you have liability protection for all of your card transactions that take place on the Visa system unless you are guilty of gross negligence or fraud. Should someone steal your card or your card number or otherwise obtain and use your card or your card number without your permission, you pay nothing for their activity unless you were grossly negligent or acted fraudulently. If you notice unauthorized activity on your account, promptly contact us to report it. It is important to continually monitor your monthly statement to identify any unauthorized transactions. We may impose greater liability on you if we reasonably determine that the unauthorized transaction was caused by your gross negligence or fraudulent action - which may include your delay for an unreasonable time in reporting unauthorized transactions. In any case, you must immediately notify the credit union of loss, theft or unauthorized use of your card or your card number. Notice of unauthorized use may originally be oral, but must be followed by written notice. Notice must be given to:

1-800-449-7728  
PSCU Service Centers, Inc.  
Customer Service  
P.O. Box 31112  
Tampa, Florida 33631-3112

If you tell us within two (2) business days after you learn that your card or card number has been lost/stolen, you will not be liable for any losses on your account. If you do not tell us within two (2) business days after you learn of the loss or theft of your card or card number and you were grossly negligent or acted fraudulently, your liability will not exceed \$50.

**BUSINESS DAYS.** Our business days are Monday through Friday.

Holidays are not included.

**APPLICATION OF PAYMENTS.** We may apply all payments and credits in accordance with our standard operating procedures and with the requirements of applicable law.

**SECURITY INTEREST.** To secure repayment of amounts you owe to The Summit Federal Credit Union under this Agreement, you grant to us a security interest in all funds now and hereafter on deposit with us in all deposit accounts, shares, dividends, sums due and interest (collectively the "Funds") and in any new accounts that you may open with us hereafter, except that the security interest you grant shall not extend to Funds that by applicable law may not be made subject to a security interest.

**DEFAULT AND COLLECTION COSTS.** Nearly all of our accounts are transacted in a perfectly normal way. However, we have the following rights:

(a) Default. You will be in default on this account if: (i) you fail to make a required payment on time; (ii) you fail to perform any other obligation to us, or any representation you make proves to be untrue; (iii) you die or become the subject of a proceeding in bankruptcy; or (iv) any third party attempts by legal process to take any money or other property of yours in our possession; (v) if we reasonably believe you will not be able to repay us for any reason.

(b) Responses to Default. Upon default we may without notice cancel the account and require immediate payment of all or any part of the balance due. We may also exercise any of our other legal rights.

(c) Collection Costs. To the extent permitted by law, you agree to pay our collection expenses, including without limitation court costs and reasonable attorneys' fees.

**CANCELLATION.** We may reduce your credit limit or cancel the account altogether. Unless you are in default, we will give you notice of any such reduction or cancellation. We may also cancel your account by not sending you a renewal card upon expiration of your outstanding card. You may cancel your account only by notifying us to that effect and delivering the card(s) to us (cut in half).

The card(s) at all times remain our property, and must be surrendered immediately upon our request. Upon cancellation you remain obligated to repay all amounts due under this Agreement.

Regardless of whether your account has been cancelled, no card may be used after the expiration date indicated on the card.

**SHARING INFORMATION AMONG CREDIT UNION AFFILIATES.** Information you provide to us or that we obtain from third parties (for example, credit bureaus) will not be shared.

**AMENDMENT.** We may change the terms of this Agreement at any time in accordance with the requirements of applicable law. To the extent permitted by law and at the Credit Union's option, amendments will apply to amounts outstanding both before and after the amendment takes effect.

**SENDING OF NOTICES.** Unless otherwise required by the applicable law, any statement or notice to you under this Agreement will be sufficiently given if sent to your address on file in connection with this account or to

a new address of which you have notified us in writing at least 20 days before the sending of the statement or notice.

**IRREGULAR PAYMENTS.** We may accept late payments, partial payments, or items marked "payment in full" or the like without losing any of our rights under this Agreement.

**DELAY IN ENFORCEMENT.** We may delay enforcing our rights under this Agreement without losing them.

**APPLICABLE LAW.** Except to the extent that federal law shall be controlling, your rights, our rights, and the terms of this Agreement shall be governed by New York law.

**NOTICE TO (YOU) THE BUYER: 1. Do not use the card before you read this agreement or if it contains any blank space. 2. You are entitled to a completely filled in copy of this credit agreement.**

#### **YOUR BILLING RIGHTS KEEP THIS NOTICE 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 Summit Federal Credit Union  
Canal Ponds Business Park  
100 Marina Drive  
Rochester, NY 14626-5104

In your letter, give us the following information: (a) Account information: Your name and account number; (b) Dollar amount: the dollar amount of the suspected error; (c) 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 (a) Within 60 days after the error appeared on your statement, (b) 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: (a) We cannot try to collect the amount in question, or report you as delinquent on that amount; (b) The charge in question may remain on your statement, and we may continue to charge you interest on that amount; (c) While you do not have to pay the amount in question, you are responsible for the remainder of your balance; (d) We can apply any unpaid amount against your credit limit.

After we finish our investigation, one of two things will happen: (a) 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; (b) 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 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: (a) 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); (b) 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; (c) 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 Summit Federal Credit Union  
Canal Ponds Business Park  
100 Marina Drive  
Rochester, NY 14626-5104

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.



## SUMMIT VISA CREDIT CARDS RATES AND TERMS

Interest Rates and Interest Charges	
<b>Annual Percentage Rate (APR) for Purchases, Balance Transfers, and Cash Advances</b>	VISA Classic <b>10.75%</b> VISA Gold <b>7.50%</b> VISA Platinum <b>9.00%</b>  After that, your APR will vary with the market based on the Prime Rate.
<b>Penalty APR and When it Applies</b>	<b>NONE</b>
<b>Paying Interest</b>	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 (including balance transfers from one Summit credit card to a new Summit credit card) on the transaction date.
<b>For Credit Card Tips from the Consumer Financial Protection Bureau</b>	To learn more about factors to consider when applying for or using a credit card, visit the website of the Consumer Financial Protection Bureau at <a href="http://www.consumerfinance.gov/learnmore">http://www.consumerfinance.gov/learnmore</a> .

Fees	
<b>Annual Fee</b>	VISA Classic – <b>NONE</b> VISA Gold - <b>NONE</b> VISA Platinum – <b>NONE</b>
<b>Transaction Fees</b>	
<ul style="list-style-type: none"> <li>Balance Transfer</li> <li>Cash Advance Fee</li> <li>Foreign Transaction</li> </ul>	<b>NONE</b> <b>1%</b> of the cash advance amount for any cash advance. <b>1%</b> of the transaction amount in U.S. dollars.
<b>Penalty Fees</b>	
<ul style="list-style-type: none"> <li>Late Payment</li> <li>Over-the-Credit Limit</li> <li>Returned Payment</li> </ul>	<b>Up to \$25</b> <b>NONE</b> <b>Up to \$25</b>

Rewards (VISA Platinum only)	
<b>Points</b>	Every dollar charged equals one point earned. Points expire on 12/31 of the fourth calendar year after the year in which the points were earned. Maximum points that can be accrued in one year is 75,000. Accrual year runs from 1/1 to 12/31. Your account must be current, in good standing and not delinquent to redeem points.
<b>Balance Transfers</b>	Your new VISA Platinum Card may replace a VISA Classic Card you currently have with The Summit. Any outstanding balances and credit limits under your existing Card may be automatically transferred to your new VISA Platinum Card. You may also transfer balances from your non-Summit credit cards and loans by filling in the Balance Transfer request form. These transfers are subject to approval. Amounts transferred will not be counted in determining your rewards points.

**How We Will Calculate Your Balance:** We use a method called “average daily balance (including new purchases).” See your account agreement for more details.

**Billing Rights:** Information on your rights to dispute transactions and how to exercise those rights is provided in your account agreement.

You must be a member of The Summit FCU to take advantage of its products and services. All VISA products are subject to application and credit approval. The Summit FCU is federally insured by NCUA. Information about the Cards described above is accurate as of January 1, 2012, and is subject to change. To find out what may have changed after that date, call us at (585) 453-7030 or (800) 836-SFCU, ext. 7030, or write to us at: The Summit FCU, 100 Marina Drive, Rochester, NY 14626.