



## SECURITY SERVICE FEDERAL CREDIT UNION CREDIT CARD AGREEMENT AND DISCLOSURE OF CREDIT TERMS

- 1. Words Used Often in This Agreement.** "Agreement" means this Security Service Federal Credit Union Credit Card Agreement. "We," "us" and "our" mean Security Service Federal Credit Union. "You" and "your" mean the person who signed an application for an account with us. If more than one person signed the application, "you" and "your" mean each person who signed the application. "Account" means your credit card account with us. "Card" means the credit card issued to you for your account with us. If we issue more than one credit card to you, "card" includes each credit card issued to you. "Check" or "checks" means the CheckMates issued to you for your account with us. "ATM" means automated teller machine.
- 2. This Is Your Contract with Us.** You have submitted an application for an account with us. By using or permitting another to use your card(s), you are accepting the terms of this agreement and agreeing to keep all your promises to us contained in this agreement.
- 3. Sign the Card and Keep This Agreement.** You must sign the card before you use it. You should read this agreement and keep it for your records.
- 4. Promise to Pay.** You promise to pay us the amount of all purchases and all cash advances that you make using the card and all other charges, including the interest charge incurred under this agreement. You also promise to pay us the amount of all checks used. Each use of a check is a cash advance. Each use of the card at an ATM to obtain cash is also a cash advance. If you allow any person to use the card or a check, you must pay for their purchases, cash advances and other charges, too.
- 5. Promise to Pay Applies to All Applicants.** If more than one person signed the application, each of you promises to pay all amounts owed to us under this agreement. This means that we may collect money owed to us from each of you or from all of you.
- 6. Your Credit Limit.** We will tell you the maximum amount you may owe us at any one time. That amount is your credit limit. We may, in our sole discretion, pay any checks or allow additional borrowing if you are already up to your credit limit or if the borrowing would take you over your credit limit.
- 7. Monthly Statement and Payments.** We will send you a statement each month if your account has a balance. We will send you one statement for all cards issued with your account number. If more than one person signed the application, we will send the statement to the first person listed on the application. Each statement covers a billing cycle. A billing cycle is the number of days from the day after the "statement date" on your last statement to the "statement date" on your current statement. Your monthly statement will show your new balance, which is the total amount you owe us as of the statement date. It will also show the minimum payment. Your minimum payment will be either \$20.00 or 2% of the new balance, rounded up to the nearest dollar, whichever is greater. If your new balance is less than \$20.00, your minimum payment will be the amount of the new balance. You must pay at least the minimum payment by the payment due date shown on your statement. The payment due date for a billing period will be 25 days after the billing period ends. You may pay the new balance in full or in part at any time. If you pay more than the minimum payment, you must still pay the minimum payment on the next statement.
- 8. Pay Ahead Option.** "Pay ahead option" means an option we give you to reduce the minimum payment on the next one or two statements you receive by paying more than the minimum payment shown on your current statement. If you pay more than the minimum payment shown on your current statement, the excess amount will reduce the minimum payment on your next statement, or your next two statements if the excess amount is sufficient. You may not reduce the minimum payment on more than your next two statements under the pay ahead option.
- 9. Other Payment Terms.** All your payments to us must be in U.S. dollars. All checks and other payment instruments or automatic debits must be drawn on funds on deposit in the United States. We can accept partial or late payments, as well as payments that are marked with "paid in full" or any other similar language without losing any of our rights under this agreement. Payments marked with "Paid in Full" or any other similar language must be brought to the attention of Vice President of Payment Services, Security Service Federal Credit Union, 16211 La Cantera, Parkway, San Antonio, Texas 78256 and we must agree to expressly waive our rights in writing to such "paid in full" or similar language under the agreement for such wording to have effect. Payments made to your account will be allocated in the following manner:
  - (1) Unpaid interest charges;
  - (2) Fees and penalties;
  - (3) Balances with the highest APR;
- 10. Periodic Interest Rate Determination.** Periodic Rates (Variable Rate). The Monthly Periodic Rate applied to the balance subject to an interest charge for both purchases and cash advances will be a floating rate based upon an index. However, regardless of the index value, the Annual Percentage Rate corresponding to the Monthly Periodic Rate will never exceed EIGHTEEN PERCENT (18%), which is called the "Maximum Annual Percentage Rate".
  - a. The index used to calculate the periodic rate is the "prime rate" as published in the Money Rates table of the Wall Street Journal. The index value used for a given billing cycle will be the value published on the last day of your previous billing cycle. If the index is not published that day, the most recently published value before that day will be used to determine the Monthly Periodic Rate. If more than one prime rate is published, the index will be the highest rate published. If the Wall Street Journal ceases as a publication, we may use the prime rate published by any other newspaper or general circulation.
  - b. We will add 5.5 percentage points to the index value on Gold accounts, 6.5 percentage points to the index value on Classic accounts, 9.5 percentage points to the index value on Credit Rewards accounts and 10.5 percentage points to the index value on Merit accounts to get the Annual Percentage Rate that will apply to your respective account for the next billing cycle. Then, the Annual Percentage Rate for the billing cycle will be divided by 12 to get the Monthly Periodic Rate for the billing cycle.

- c. In the event the Annual Percentage Rate for the billing cycle exceeds the Maximum Annual Percentage Rate we will divide the appropriate Maximum rate by 12 to get the Monthly Periodic Rate for the billing cycle.

**11. When Interest Charge Is Imposed.**

- **Cash Advance Loans:** There is no “free period.” An interest charge will be imposed on cash advance loans that you obtain through the use of your card as of the date of each such cash advance loan and will continue to accrue until the date of full payment and all billed interest charges have been credited to your account. Such interest will appear on your next statement.
- **Retail Purchases of Goods and Services:** There is a “free period.” When the total balance is paid in full within twenty-five (25) days after the statement date (on or before the payment due date), no additional interest charge will be applied to new purchases appearing on the statement. If the new balance is not paid in full each month, within the prescribed time limitation, an interest charge will be imposed on the previous balance and on new purchases as of the date such purchase is posted to your account. Interest will continue to accrue until the date full payment of these items and all billed interest has been credited to your account. Such interest charges will appear on your next statement.

**12. How We Compute the Balance on which Interest Charges Are Assessed.** If payment in full for the entire new balance shown on your statement from the previous billing cycle was received by us within 25 days after the statement date (by the payment due date), new charges appearing on the current statement are excluded from the following calculation: We figure the interest charge on your account by applying the periodic rate to the “average daily balance” of your account (including current transactions). To get the “average daily balance,” we take the beginning balance of your account each day, add any new advances or purchases and subtract any payments or credits and any unpaid interest and fees. This gives us the daily balance. Then we add up all the daily balances for the billing cycle and divide by the total number of days in the billing cycle. This gives us the “average daily balance.” The “average daily balance” is then multiplied by the periodic rate shown above to determine your periodic interest charge.

**13. Foreign Transactions.** If you use your card or checks to purchase goods or services, or to obtain cash in another country, your statement will reflect the conversion of the foreign currency transaction amount into U.S. dollars. The currency conversion rate used to determine the transaction amount into U.S. dollars may be either a wholesale market rate or government-mandated rate in effect the day Visa or MasterCard processes the transaction, which may differ from the date the transaction occurred or when it is posted to the cardholder’s account.

**14. Liability for Unauthorized Use.** You must tell us at once if the card or check is lost or stolen or you think someone used your account without your permission. We may ask you to pay if someone used the card or check without your permission. We will not ask you to pay if use of the card or check without your permission occurs after you notify us that the card or check is lost or stolen. You may notify us that the card or check is lost or stolen by calling 1-800-725-5411 or 1-800-556-5678 or (210) 476-4455. Your liability for unauthorized use will not exceed \$50.

**15. Address for Notices to Us.** All notices under this agreement should be addressed to Security Service Federal Credit Union, Box 691550, San Antonio, Texas 78269-1550; Telephone 1-800-725-5411.

**16 Changes in the Terms of This Agreement.** We may change the terms of this agreement by mailing a written notice to you at your last address shown on our records. Changes will take effect and become binding as of the next 30-day billing cycle.

**17. Deferred Payment Option.** “Deferred payment option” means an option we give you to not pay a minimum payment by the payment due date for a billing period we designate. From time to time, we may give you a deferred payment option. If we do so and you exercise the deferred payment option, we will continue to add a interest charge to your account as stated in paragraph 12. Beginning with the next billing period following your exercise of a deferred payment option, the minimum payment terms stated in paragraph 7 shall apply again.

**18. You May Cancel the Account.** You may cancel the account whenever you choose. To cancel the account, notify us at the address shown in paragraph 15 in writing that you want to cancel the account. You must still pay us any amount that you owe us.

**19. We May Cancel the Account.** We have the right to cancel the account at any time. You must return the card if we ask you to do so. You may not use the card after we have asked you to return it.

**20. If You Do Not Pay Us.** If you do not pay us at least the minimum payment each month by the payment due date, we have the right to cancel the account and require you to pay the full amount you owe us at once (after notice if required by applicable law). We also have these rights if you do not keep each of your other promises in this agreement or if any of your statements in the application for the card were not true or were incomplete.

**21. Credit Bureau Reporting.** We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

**22. Attorney Fees.** If we refer your account to an attorney for collection, we may charge you (in states where permitted by law) for reasonable attorney fees and court costs incurred by us. This paragraph will not be considered a part of this agreement if you live in a state that does not allow us to collect attorney fees and court costs.

**23. The Provisions of This Agreement Are Separable.** If any provision of this agreement is held to be invalid or unenforceable, the rest of this agreement will not be affected.

**24. Limitation of Our Responsibility.** We will not be responsible for merchandise or services purchased by you with the card unless required by law. We will not be responsible for the refusal of any person to honor the card or the checks or if you are not able to use the card at an ATM.

**25. Assignment of Your Account.** We may assign your account without obtaining your consent.

**26. What Law Applies.** Texas and federal law will govern this agreement. These laws will be used to interpret our rights and your obligations under this agreement.

**27. Credit Reporting Agencies.** We may give information about your payment history under this agreement to other persons or companies when permitted by law. You authorize us to make whatever credit or investigative inquiries we deem necessary in the course of review of any credit extended under this agreement. If you ask us, we will tell you whether we asked for credit reports about you. If we did, we will give you the name and address of the credit-reporting agency.

**28. Internet Gambling Disclosure.** You may use your Security Service Federal Credit Union Visa and/or MasterCard, hereinafter referred to as "card," to conduct any transaction or obtain any credit union service permitted by law. Your Security Service Federal Credit Union credit card may not be used for Internet gambling transactions. The credit union will decline ALL KNOWN Internet gambling transaction requests. The credit union may also decline ALL transactions with a mismatched expiration date and transactions that are hand-keyed if the hand-keyed transaction is for any type of betting, including lottery tickets, casino gaming chips, off-track betting, and wagers. You agree that the use of the 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 where originated, effected, paid, or accomplished. As a result, Security Service Federal Credit Union may terminate the access to the service or withdraw the right to use the card and/or demand the return of all cards or other access devices issued to you. If illegal use of your card occurs, you waive the right to sue Security Service Federal Credit Union and agree to indemnify and hold Security Service Federal Credit Union harmless from any suits or other legal action or liability which may be asserted directly or indirectly, against Security Service Federal Credit Union arising out of or resulting from the illegal use of this card.

**29. Arbitration.** Any claim, dispute, or controversy (whether in contract, tort, or otherwise) arising from or relating to this agreement or the relationships which result from this agreement, including the validity or enforceability of this arbitration clause or any part thereof or the entire agreement ("claim") shall be resolved, upon the election of you or us, by binding arbitration pursuant to this arbitration provision and the Code of Procedure of the National Arbitration Forum in effect at the time the claim is filed. THE PARTIES ACKNOWLEDGE THAT THEY AGREE TO RESOLVE ANY CLAIMS THROUGH ARBITRATION, AND THAT THEY HEREBY WAIVE THEIR RIGHTS TO LITIGATE CLAIMS IN A COURT UPON THE ELECTION OF ARBITRATION BY EITHER PARTY.

**30. Other Agreements.** This agreement supersedes all prior agreements between you and us governing the use of cards and checks issued by us.

**31. Notices.** You may pay the full amount you owe us at any time. A negative credit report reflecting on your credit record may be submitted to a credit-reporting agency if you fail to keep your promises under this agreement.

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**YOUR BILLING RIGHTS**  
**KEEP THIS NOTICE FOR FUTURE USE**

This notice contains important information about your rights and responsibilities under the Fair Credit Billing Act.

**NOTIFY US IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR BILL**

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet at the address listed on your bill. Write to us as soon as possible. We must hear from you not later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

- (1) Your name and account number.
- (2) The dollar amount of the suspected error.
- (3) Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about. If you have authorized us to pay your credit card bill automatically from your savings or checking account, you can stop the payment on any amount you think is wrong. To stop the payment, your letter must reach us three business days before the automatic payment is scheduled to occur.

**Your Rights and Our Responsibilities After We Receive Your Written Notice.**

We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including interest charges, 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 interest charges related to any questioned amount. If we did not make a mistake, you may have to pay interest charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within 10 days telling us that you still refuse to pay, we must tell anyone that we report you to that you have a question about your bill. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it is final. If we do not follow these rules, we cannot collect the first \$50 of the questioned amount even if your bill was correct.

**Special Rule for Credit Card Purchases.**

If you have a problem with the quality of property or services that you purchased with a credit card, and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the property or services. There are two limitations on this right:

- 1) You must have made the purchase in your home state or, if not within your home state, within 100 miles of your current mailing address, and
- 2) The purchase price must have been more than \$50.

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