

mailed to your last known address at least forty-five (45) days prior to the effective date of the change as required by federal or other law. When a notice of change in terms is required, it may be sent as late as the effective date of the change when the change has been agreed to in writing by you. Rates are based on approved credit.

#### Cancellation of Card

You may cancel your card at any time in writing, enclosing all cards on your account cut in two. Cancellation of the card will end all charging privileges. We have the right to revoke your right to use the credit card at any time. We can do this with or without cause and without giving you notice. We may list revoked credit cards in a cancellation bulletin or otherwise inform firms honoring the credit card that the credit card issued to you has been revoked or cancelled. If we revoke the credit card or it expires, you must return it to us if we so request. Also, if a firm that accepts the credit card asks you to surrender an expired or revoked credit card, you must do so. You may not use the credit card after it has expired or after it has been revoked. Cancellation or revocation of your credit card will not affect your obligation to pay any amounts that may be due under this Agreement.

#### Illegal Activity

Your Visa® card may not be used for any illegal activity. Internet gambling may be illegal in the jurisdiction in which you are located, including the United States and its territories. Your card may only be used for legal transactions. Display of a payment card logo by an online merchant does not mean that Internet gambling or other transactions are legal in the jurisdiction in which you are located. You agree to repay, according to the terms of this Agreement, transactions you initiate by use of your card, whether deemed legal or illegal.

#### Internet Transactions

Your Visa® card is automatically enrolled in the Verified by Visa® program. To make transactions over the Internet, merchants may request your Verified by Visa® password to complete the transactions. If a password is not provided, or you do not successfully register with Verified by Visa®, the merchant may deny the transaction. If the password is incorrect, we may deny the transaction. You can select or change your password and view additional terms online at [schoolsfirstfcu.org](http://schoolsfirstfcu.org) by clicking on the Verified by Visa® link under "Related Topics" on the credit card product pages. By allowing another person to use your Verified by Visa password you are authorizing the transaction(s) on your account.

#### Foreign Currency Transactions

If you effect a transaction at a merchant that settles in a currency other than U.S. dollars, Visa® Incorporated will convert the charge into a U.S. dollar amount. The conversion rate in U.S. dollars will be either at the government-mandated rate or a wholesale currency market rate determined by Visa® for the processing date on which the transaction is processed. The currency conversion rate used by

Visa® on the processing date may differ from the rate that would have been used on the purchase date or the cardholder statement posting date. The Credit Union has no control over the conversion rate.

#### International Service Fee

A fee of 2% of the transaction amount in US Dollars will be assessed on international transactions. Transactions acquired in U.S. territories, and transactions originating on U.S. military bases, at U.S. embassies and at U.S. consulates, are excluded from this fee.

#### Convenience Checks

You may access your credit line by writing checks provided by us for that purpose. The checks will be honored and paid up to your credit limit as long as the account is not in default. You may request a stop payment on a convenience check by phone or in writing. We must receive the request in time to afford us reasonable opportunity to act upon it under the Credit Union's rules. Oral or telephone requests to stop payment must be confirmed by you in writing to us within fourteen (14) calendar days after your original request, and if not so confirmed, such request will be considered to have lapsed after the fourteen day period. We can only honor a stop payment request for 12 months from the date of request. You agree not to hold us responsible for any claims or liabilities of payees or endorsers on convenience checks for which you have requested payment stopped. You agree not to hold us responsible for the misrouting or delay of a convenience check due to markings placed on the check by you or a prior endorser that obscure any depository endorsement placed by us or our agent. We may recognize the signature of any borrower or authorized user on this account as authorized to transact any business on the account. Convenience checks cannot be used to pay any amount you owe under this Agreement or under any other credit agreement or account you have with us now or in the future. Convenience checks are considered cash advances and accrue interest according to the method described for cash advances under the "CALCULATION OF FINANCE CHARGES" heading of this disclosure.

#### Default/Collection/Attorney's Fees

You will be in default and understand that all loan credit under this Agreement may be terminated if (1) you do not make periodic payments as required by this Agreement, (2) you do not keep any promise made in this Agreement or any other agreement with this Credit Union, (3) any information that you give us to obtain a loan advance is false, (4) any third party attempts by legal process to take any property belonging to you, (5) you die, become insolvent or are a party to any bankruptcy proceeding, or (6) as otherwise provided in this Agreement. If you are in default, we may refuse to make any further advances or refuse charge privileges to you and declare all sums owed under this Agreement immediately due and payable. We may accept late payments or partial payments without losing any of our rights under this Agreement. You understand that if you are in default, we may add to your unpaid balance any reasonable attorney's fees and court costs, all of which you agree to pay.

#### Waivers and Severability

We may waive or decline to enforce any of our rights under this Agreement without affecting any of our other rights. Should any provision of this Agreement be determined to be invalid or unenforceable, that determination shall not affect the validity or enforceability of any other provision.

#### Governing Law

This Agreement, your credit card line of credit, as well as our rights and duties and your rights and duties regarding them, will be governed by and interpreted in accordance with federal law to the fullest extent possible and, to the extent federal law does not apply, in accordance with California law, regardless of where you live and use your credit card. This Agreement is made in California. All credit will be extended from California, and all repayment must be made in California.

#### 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: **SchoolsFirst FCU P.O. BOX 11547, Santa Ana, CA 92711**. You may also contact us on our website at [schoolsfirstfcu.org](http://schoolsfirstfcu.org).

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* (or electronically). 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 the 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 the 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 in 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, 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 (or electronically) at the address or website listed above. While we investigate, the same rules apply to the disputed amount as discussed under **What To Do If You Find a Mistake on Your Statement**. 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.



## SCHOOL EMPLOYEE CREDIT CARD VISA AGREEMENT AND DISCLOSURE STATEMENT

November 1, 2012

You agree to the following terms and conditions and any amendments thereto.

### Accepting This Agreement

Before you sign or use the SchoolsFirst Federal Credit Union Visa® credit card issued to you, please read this Agreement thoroughly, because by using the credit card you will be agreeing with us to the terms and conditions stated in this Agreement. If you do not wish to be bound by this Agreement, do not use the credit card, and write to us and tell us that you wish to cancel your credit card account with us. If you have received a card or checks to access the card account, destroy them.

### Definitions

In this Agreement the words “you”, “your”, and “yours” mean each and all of the person(s) who apply for and/or use the card, the words “credit card” mean the SchoolsFirst Federal Credit Union Visa® credit card, and the words, “we”, “our”, “us”, and “Credit Union” mean the SchoolsFirst Federal Credit Union.

### Liability of All Cardholders and Authorized Users

You understand that you are liable for the payment of all sums due under this Agreement. If there is more than one borrower or authorized user on this account, each person, individually, and all persons jointly are obligated to repay all sums due under this Agreement. You agree that all statements made in your application for your credit card were for the purpose of obtaining credit and are true, correct, and complete to the best of your knowledge and belief.

### Credit Limit

This Agreement establishes a credit card account for you with an open end line of credit. We will establish a credit limit for you, and may increase or decrease that credit limit from time to time. We have provided you with a separate written disclosure stating the credit limit for purchases and cash advances on your account, and that disclosure is made a part of this Agreement by this reference. Your monthly statements will show the amount of credit available to you for purchases and cash advances as of the statement date. We will give you written notice of any change in your credit limit. If your credit limit is decreased for any reason, any subsequent request for a credit limit increase will be subject to credit application and approval. You agree not to use your account in any way which would make the unpaid balance of your account or cash advances on your account exceed your credit limit. You also agree to pay us the amount of any transactions on your account in excess of your credit limit along with your regular minimum payment at your next scheduled payment due date. Purchases and advances are subject to daily limits that may restrict the full use of your Credit Limit.

### Pledges of Shares

You grant us a consensual security interest in your accounts and have pledged funds on deposit in your account (except IRA or Deferred Compensation) to satisfy debts that are due us. We reserve the right to exercise this pledge of shares for liabilities owed to us against any account held by you individually or jointly with any other person(s) to the fullest extent permitted by law.

### Personal Identification Number

A Personal Identification Number (PIN) may be obtained by selecting your own PIN at any SchoolsFirst FCU branch or by calling 877.315.3483. This PIN may be used by you with your credit card to obtain a cash advance on your account at any Automated Teller Machine (ATM) displaying the Visa® logo or to make purchases at any designated point of sale (POS) machine. Please keep your PIN confidential and do not write it on or keep it with your credit card.

### Credit Information

You agree that we may re-examine and re-evaluate your creditworthiness at any time. You authorize us to obtain, from time to time, information from others, including, but not limited to credit reporting agencies, concerning you and your credit accounts. You also authorize us to respond to requests from others and to provide information regarding the status and history of your account with us. However, we are not obligated to release any such information to anyone unless we are required by law to do so. You agree that we have the right to refuse future advances under your line of credit or reduce your credit limit upon re-examination and re-evaluation of your creditworthiness, should your creditworthiness change significantly.

### Change of Name, Address, Employment, Telephone

You agree to promptly report to us any change in your name, address, employment, or telephone number.

### Balance Transfers

When the Credit Union uses the term “balance transfer” this refers to the transfer of balances from other lenders to your SchoolsFirst FCU credit card.

### Purchases/Cash Advances

You may access your line of credit by making a purchase at a merchant’s location that accepts the credit card, by requesting a Balance Transfer orally or electronically, or in writing, or by making a cash advance. We will not be responsible or liable to you should anyone refuse to accept or honor your card, or should anyone retain your card and not return it to you. You may request cash advances under this Agreement by writing a SchoolsFirst FCU convenience check; by making a written, telephone or electronic request to us; or by requesting a cash advance at a financial institution or an ATM that accepts the credit card. You agree to repay all advances for purchases and cash advances made to you or at the request of a joint borrower or authorized user under this Agreement, and you understand that all purchases and cash advances will be subject to the terms of this Agreement. You agree not to request advances or make purchases or use your account in any way that would make the unpaid balance of your account exceed your credit limit. Cash advances cannot be used to pay any amount you owe under this Agreement or under any other credit agreement or account you have with us now or in the future.

### Minimum Monthly Payments

You will receive a statement for each monthly billing period in which your account has an outstanding or credit balance. The minimum monthly payment on your account is calculated at 2% of the statement balance or \$25, whichever is greater. If your account balance is greater than

your limit or your account is past due, you will be billed for the greater of: the minimum monthly payment; or the past due amount; or the Overlimit amount. If the account is not paid down to the limit or below, the account is subject to closure. The minimum monthly payment must be received at the payment center on or before the payment due date reflected on the front of your monthly billing statement or the payment may be considered past due. Payments made in excess of the minimum payment will be applied first to the balance with the highest interest rate, then successively to each lower interest rate until the excess payment amount is exhausted. If you have a credit balance on your account due to merchant credits, adjustments or overpayments, we will hold and apply this credit balance against future purchases and cash advances, or refund it at your written request. An increase or decrease in the Annual Percentage Rate may result in an increase or decrease in your monthly payment.

### Promise to Pay

You agree to pay us, at the payment address stated on the front of your monthly billing statement, all sums which have been accumulated on your account by you or others with your permission, together with any finance charges, late charges and any other service charges computed on your account as set forth in this Agreement.

### Authorizations

Most transactions require approval of funds. Approvals result in placing a hold against your credit limit. We may limit the number or amount of approvals or purchases and advances per day or deny transactions when we detect unusual or suspicious activity, even if you have sufficient credit available. We are not liable for failing to approve any transaction and we may, although we are not required to, approve transactions above your available credit. We are not liable if a merchant, financial institution, or ATM does not honor your card.

### Membership Requirement

You must be a Member in good standing to be eligible for a credit card with us. We may suspend card privileges, including closing your account, if you do not maintain your Membership with us in good standing.

### Responsibility for Account

You agree to repay us according to the terms of this Agreement for all purchases, advances, finance charges, fees and collection costs, if any, arising from the use of this account by you or any other person you permit to use your card and/or account (even if that person exceeded the amount for which you gave permission). If you decide to close your account please notify us orally or in writing and return all card(s) on the account. You remain liable for any transactions to the account that we cannot prevent after you notify us. Any person using the account and/or card is jointly and severally responsible for all charges on the account.

### Lost, Stolen or Unauthorized Use

It is important to continually monitor your monthly statements to identify any unauthorized transactions. If your card is lost or stolen, or you believe that someone has accessed or may access money from your card without your permission, notify us immediately. If

you notice unauthorized or fraudulent activity on your card, notify us immediately. Notify us at the phone number or address listed on your statement under “How to Reach Us”. See **Your Billing Rights** for further information. If your card is used fraudulently, you agree to assist us in our investigation and to sign and return the Cardholder Dispute Form.

### Annual Percentage Rate

SchoolsFirst FCU has a loan program, which features a range of interest rates for some of its consumer loans. A rate is based on a variety of factors, including the applicant’s credit rating.

This Agreement establishes the **Annual Percentage Rate** for Purchases, Balance Transfers and Cash Advances under this credit card program. We have provided you with a separate written disclosure stating the Annual Percentage Rate that will apply to purchases and cash advances on your account. That disclosure is made part of this Agreement by this reference.

### Annual Percentage Rate - Variable Rate Credit Program

The **Annual Percentage Rate** is subject to change annually on the first business day of August. Note that an increase in the Annual Percentage Rate may result in greater interest charges and a larger monthly payment.

The rate is determined by adding an index **plus** a margin. The index is the highest “Prime Rate” as reported in the “Money Rates” tables of The Wall Street Journal on the first business day of August. The tier and margin, and subsequently the APR you receive, is determined by your creditworthiness. The maximum **Annual Percentage Rate** is **18.00%**.

### Variable Rate Margins

Tier	Tier 1	Tier 2	Tier 3	Tier 4
Purchases	4.25%	6.25%	8.25%	13.25%
Balance Transfers	4.25%	6.25%	8.25%	13.25%
Cash Advances	9.25%	11.25%	13.25%	17.90%

### Annual Percentage Rate - Penalty Rate

If your credit card account is delinquent 60 days, we will increase your **Annual Percentage Rate** on the entire balance to 17.90%. The Penalty APR will continue to apply unless you make 6 consecutive minimum payments when due (beginning with the billing cycle immediately following the application of the Penalty APR) and do not exceed your credit limit during that time period. If these requirements are met, your credit card rate will be lowered to reflect your original tier.

### Monthly Periodic Rate

The Monthly Periodic Rate is determined by dividing the Annual Percentage Rate by twelve (12 months in a year).

### Calculation of Interest Charges

Interest Charges for each monthly billing cycle will be calculated by multiplying the Average Adjusted Daily Balance by the Monthly

Periodic Rate. We will calculate your Average Adjusted Daily Balance as follows: We take the outstanding balance (all amounts you owe) at the start of the day. Then, in the sequence in which the amounts post to your account, we add the amount(s) of all debits and subtract the amount(s) of all payments and credits which post to your account that day. After applying payments and credits, we subtract any amount of late charge, interest charge, and any other charges that remain unpaid.

The result is the adjusted daily balance for that day. We add together all the adjusted daily balances for each day in the billing cycle and divide the total by the number of days in the billing cycle. The result is the Average Adjusted Daily Balance for that billing cycle.

Interest Charges are imposed only if you do not pay in full the new balance for Purchases shown on your Periodic Statement within 25 days of the end of the statement period. However, interest charges will be assessed and will accrue on any cash advance (**see Purchases/Cash Advances**) from the date that such cash advance transaction is posted to your account to the date the cash advance balance is paid in full or the Statement Closing Date whichever comes first, even if payment of the entire New Balance is received by us by the Payment Due Date. In other words, there is no time period within which credit extended to you by a cash advance may be repaid without incurring an interest charge.

### Late Charge

If the minimum payment due is not received by the Credit Union within 15 days after the payment due date, a late charge of \$25 will be imposed.

### Additional Fees and Service Charges

We may charge additional service charges for the following:

- each draft copy that you request: \$10
- additional copies of your monthly billing statement: \$2 (per statement)
- any payment instrument or method including check, in-person, ACH or other electronic transaction returned to us for any reason: \$20
- researching transactions occurring prior to your most recent account statement: \$20 per hour, minimum \$20
- card replacement fee: \$5
- convenience check stop payment: \$15
- balance transfer stop payment fee: \$15
- each request to have a credit card delivered by courier: \$20

### Change in Terms

This Agreement is the contract which applies to all transactions on your Account, even though the sales, Cash Advance, credit, or other documents you sign, agree to, or receive, may contain different terms. We may amend, modify, add to, or delete from this Agreement any term, condition, service, or feature at any time, including the amount or calculation of INTEREST CHARGES. Unless we state otherwise, the change will affect any unpaid balance outstanding and any subsequent transactions. A notice will be

## SchoolsFirst FCU School Employee Credit Card Disclosure

<b>Annual Percentage Rate (APR) for Purchases</b>	<b>7.50%- 17.90%</b> This APR will vary with the market based on the Prime Rate
<b>APR for Balance Transfers</b>	<b>7.50%-17.90%</b> This APR will vary with the market based on the Prime Rate.
<b>APR for Cash Advances</b>	<b>12.50%-17.90%</b> This APR will vary with the market based on the Prime Rate.
<b>Penalty APR and When it Applies</b>	<b>17.90%</b> This APR may be applied to your account if you: <ol style="list-style-type: none"> <li>1) Make your payment 60 days late or:</li> <li>2) A returned payment causes your account to become 60 days late.</li> </ol> <b>How Long will the penalty APR Apply? :</b> If your APR is increased for this reason, the Penalty APR will apply until you make 6 consecutive minimum payments when due and do not exceed your credit limit during that time period.
<b>How to Avoid Paying Interest on Purchases</b>	Your due date is at least 25 days after the close of each billing cycle. We will not charge you interest on purchases and balance transfers if you pay your entire balance by the due date each month and your previous balance is zero or a credit balance. We will begin charging interest on cash advances and convenience checks on the date they are posted to your account.
<b>Minimum Interest Charge</b>	<b>None</b>
<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> .

<b>Fees</b>	
<b>Annual Fee</b>	<b>\$0.00</b>
<b>Transaction Fees</b>	
<ul style="list-style-type: none"> <li>• Balance Transfer</li> <li>• Cash Advance</li> <li>• Foreign Transactions</li> </ul>	<b>\$0.00</b> <b>\$0.00</b> <b>2%</b> of the transaction in U.S. Dollars
<b>Penalty Fees</b>	
<ul style="list-style-type: none"> <li>• Late Payment</li> <li>• Returned Payment</li> </ul>	<b>\$25</b> imposed 15 days after the due date <b>\$20</b>

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

**Loss of Introductory APR:** We may end your introductory/promotional APR and apply the Penalty APR if your payment is 60 days late.

**Other Fees:** Rush card: \$20; Card Replacement: \$5; Stop Payment: \$15 for Convenience Checks or Balance Transfers.

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

**Converting an Existing Card Balance:** If you have a SchoolsFirst FCU Gold, Platinum, Classic, or Rewards credit card, you may be eligible to replace your current card with the School Employee Credit Card. If you request and are approved for a School Employee Credit Card, purchases, cash advances, and balance transfers made on the new card will be based on your School Employee Credit Card rate. If you wish to transfer the balance on your existing credit card to your new School Employee Credit Card, those previous balances, including existing balance transfer transactions, will continue to accrue interest at the rate in effect on your previous card at the time of conversion.