



## CREDIT CARD AGREEMENT EFFECTIVE FEBRUARY 1, 2013

This is your Agreement and Disclosure Statement with LAFCU. Please read it carefully and keep it for your records. It supersedes all prior agreements and disclosure statements relating to your account. You do not have to sign this Agreement. Your agreement to all of these provisions, as amended from time to time including the Card issued by us, will be shown by your application for the Card, your acceptance of the Card, or your use of the Card, whichever occurs first. If you have any questions or concerns, contact LAFCU at 517-622-6600 or visit our office at 106 North Marketplace Boulevard, Lansing, Michigan.

### Definitions

In this Agreement, the word "Card" means either one or more VISA credit cards and any duplicates, renewals or substitutions we issue. The words, "you," "your," and "yours" mean all cardholders (borrowers and co-borrowers); anyone any cardholder permits to use the Card(s); as well as any authorized user for whom an additional Card(s) is issued to the extent of their purchases and Cash Advances, as well as transactions by anyone they permit to use the Card(s). The word "cardholder" means any applicant or co-applicant to whom a Card is issued by us. The words "Credit Union," "we," "us," and "our" mean LAFCU. The words "Convenience Checks" mean one or more checks that we may send to you to access your Credit Card Account.

### BINDING ARBITRATION

**EXCEPT AS SPECIFICALLY PROVIDED IN OUR MEMBERSHIP AGREEMENT WITH YOU, WHICH IS INCORPORATED HEREIN BY REFERENCE, YOU ACKNOWLEDGE AND AGREE THAT THIS AGREEMENT IS SUBJECT TO BINDING ARBITRATION; AND THAT ALL DISPUTES (INCLUDING ALL LEGAL AND EQUITABLE RIGHTS AND REMEDIES) ARISING UNDER CASE LAW, STATUTORY LAW, AND ALL OTHER LAWS INCLUDING, BUT NOT LIMITED TO, ALL CONTRACT, TORT, REGULATORY, AND PROPERTY DISPUTES WILL BE SUBJECT TO BINDING ARBITRATION PURSUANT TO YOUR MEMBERSHIP AGREEMENT. THIS PROVISION SUBSTANTIALLY LIMITS OR AFFECTS YOUR RIGHTS. THEREFORE, YOU SHOULD READ IT CAREFULLY. IF YOU HAVE MISPLACED IT, ANOTHER COPY IS AVAILABLE TO YOU UPON REQUEST. NEITHER PARTY WILL HAVE A RIGHT TO HAVE A JURY DECIDE ANY CLAIM OR DISPUTE, AND THE ABILITY TO APPEAL IS LIMITED IN AN ARBITRATED MATTER. FURTHER NEITHER PARTY NOR ANYONE ON THEIR BEHALF CAN PURSUE A CLAIM OR DISPUTE IN A CLASS OR REPRESENTATIVE ACTION.**

### PLEDGE OF SHARES AND SECURITY INTEREST

**BY SIGNING AN APPLICATION, ACCEPTANCE OR AUTHORIZED USE OF ANY CREDIT CARDS, YOU GRANT AND PLEDGE A CONSENSUAL LIEN TO US ON ALL SHARES TO SECURE PAYMENT OF YOUR OBLIGATIONS ON THIS ACCOUNT. IN ADDITION, YOU ACKNOWLEDGE OUR STATUTORY LIEN RIGHTS UNDER THE MICHIGAN CREDIT UNION ACT; YOU AGREE THAT SUCH A LIEN IS IMPRESSED AS OF THE DATE THAT THIS ACCOUNT IS OPENED; AND YOU AGREE THAT WE CAN APPLY THE SHARES PLEDGED AT THE TIME OF ANY DEFAULT ON THIS ACCOUNT WITHOUT FURTHER NOTICE. "Shares" for the purpose of your pledge to secure your obligations to the Credit Union means all deposits in any share savings, share draft, club, certificate, P.O.D., revocable trust or custodial account(s), whether jointly or individually held -- regardless of contributions, that you have on deposit now or in the future. Your pledge does not include any I.R.A., Keogh, tax escrow, irrevocable trust or fiduciary account in which you do not have a vested ownership interest.**

### SECURITY AGREEMENT

Payments on your Account are secured by any security interest in any property securing your other obligations to the Credit Union, whether existing now or in the future, except your household goods and your primary residence. Further, you hereby grant Credit Union security interest in all property purchased through this credit plan, including a purchase-money security interest in any household goods purchased with an extension of credit upon this Account. These security interests shall secure faithful performance of all obligations arising under this Agreement; and the Credit Union shall have all of the rights of a secured party in accordance with Article Nine of the Uniform Commercial Code and/or other applicable law.

### How to Use this Account

You must sign the Card in order to use it. You can purchase or lease goods and services ("Purchases") from any merchant who honors your Card up to your maximum credit limit by presenting your Card and signing a sales slip for the amount of the purchase. You agree not to present your Card, obtain a Cash Advance or any extension of credit in excess of your available Credit Limits (the difference between your outstanding balance and your maximum credit limit) on your account. Certain purchases and Cash Advances require authorization prior to completion of the transaction. In some cases, you may be asked to provide identification. If our system is not working, we may not be able to authorize a transaction, even though you have sufficient credit available. Also, for security reasons, we may block the use of your Card in certain countries or geographic areas. We will have no liability to you or others if any of these events occur.

You authorize us to honor any purchase or Cash Advance you make by telephone or mail on this account. You agree that a signature is not necessary as identification in such cases. We reserve the right to refuse to honor any request for credit, to reduce your credit limit or terminate your account at any time using our sole discretion, based on changes in the economy, the Credit Union's financial condition, your creditworthiness or for any other reason not prohibited by law.

To protect you and us, the Credit Union, in its sole discretion, may place a temporary freeze on all or part of the credit available to you for new purchases or Cash Advances under this agreement any time the Credit Union receives a large payment (\$1,000.00 or more), by a method other than cash, certified funds or electronic transfer. In such cases, the Credit Union may freeze your credit line until payment is actually collected by us.

### Access to Account Information

You agree that all borrowers and authorized users will have access to information regarding transactions on your account, including but not limited to purchases and Cash Advances, account balances, account history, payments and other information relating to or arising with regard to this account or any transaction.

### Annual Fee

There is an Annual Fee on our VISA Classic card which is disclosed on the Credit Card Rates and Fees disclosure. You will be notified on your periodic statement at least 30 days before the fee is due and the card is renewed. You may choose to not renew your credit card by writing to us at the address provided before the renewal date. This will terminate the credit available under the account and your credit card will be closed. Payments will continue until the balance due is paid in full. You will not be charged the Annual Fee.

### ATM Access

If you have received a personal identification number (PIN), you may use your Card and PIN to obtain Cash Advances at any Automatic Teller Machine ("ATM") or Personal Teller Machine ("PTM") that accepts your Card. Your PIN is confidential and should not be disclosed to anyone. You agree not to write your PIN on your Card, you will not keep your Card and PIN together, and you will not provide your PIN to anyone who is not an authorized user. Except as otherwise provided in this agreement, advances through ATM access will be treated as Cash Advances under this Agreement. Advances at authorized ATM's are limited. See the Credit Card Rates and Fees disclosure. The total of all Cash Advances on your Visa account and any withdrawals from your other accounts through an ATM in any 24-hour period may be combined for the purpose of this limitation.

**Owners of ATMs that we do not own may charge fees in addition to any fees disclosed in this Agreement. This is not a fee charged by your Credit Union; however, any such fee will be added to your account. The party charging the fee is required to provide appropriate disclosures to you with regard to any such fees.**

#### Balance Transfers and Convenience Checks

Balance transfers and Convenience Checks are considered Cash Advances. Due to the rapid growth in credit card fraud the Credit Union has chosen not to send unsolicited Convenience Checks to our members. However, under certain circumstances the credit union may issue Convenience Checks upon receiving written request of the account holder. Any individual cardholder or authorized user can use your Convenience Checks to purchase goods and services or to obtain cash up to your Cash Advance credit limit unless that amount will cause you to exceed your credit limit. The limit for Cash Advances is equal to 30% of your credit limit. Credit Union may decline to honor a Convenience Check if you are over your Cash Advance credit limit, you are in default, your account privileges have been canceled, or your Card has expired. If we decline to honor a Convenience Check, Credit Union will charge you a fee which the Credit Union will add to your account balance. Only the person whose name is printed on them may use Convenience Checks. You may not use Convenience Checks to pay any amount you owe the Credit Union under this or any other credit agreement with the Credit Union. Credit Union will not certify any Convenience Checks, nor will the Credit Union return paid Convenience Checks to you. It is in the Credit Union's sole discretion to issue Convenience Checks to any member. All Convenience Checks issued by the Credit Union will contain an expiration date and will expire 90 days after issuance. Checks presented after this expiration date will not be honored.

#### Calculating Your Balance

A Finance Charge computed on a monthly periodic rate ("MPR") will begin to accrue for new Purchases, if you do not pay the New Balance in full within 25 days from the closing date of the statement on which the new Purchases first appear. A Finance Charge computed on a monthly periodic rate ("MPR") will begin to accrue on the transaction date of Cash Advance(s) or Purchases (except as provided above), or the first day of the billing cycle, whichever is later, and will continue to be imposed until you have paid any outstanding balance in full. The Credit Union calculates the Finance Charge as follows:

The Finance Charge will be figured by applying the monthly periodic rate of your Account, indicated in the following schedule, to the average daily balance of Purchases and Cash Advances. The monthly periodic rate and Annual Percentage Rate (APR) to be used are determined by the account applied for or approved by us pursuant to the terms of your application.

	Visa Classic		Visa Gold		Visa Platinum	
	Purchase	Cash Advance	Purchase	Cash Advance	Purchase	Cash Advance
<b>Annual Percentage Rate</b>	<b>16.40%</b>	<b>18.00%</b>	<b>14.50%</b>	<b>15.00%</b>	<b>12.90%</b>	<b>15.00%</b>
<b>Monthly Periodic Rate</b>	1.3667%	1.5000%	1.2083%	1.2500%	1.0750%	1.2500%
<b>Index Margin</b>	n/a	n/a	n/a	n/a	Prime + 7.00%	Prime + 9.00%
<b>Minimum APR</b>	n/a	n/a	n/a	n/a	12.90%	15.00%
<b>Maximum APR</b>	n/a	n/a	n/a	n/a	18.00%	18.00%

Your **ANNUAL PERCENTAGE RATE (APR)** will be calculated by adding the Index Margin as listed above to the Prime Rate as published in the "Money Rates" section of the Wall Street Journal on the 3<sup>rd</sup> Tuesday of March, June, September and December. The credit card rates will be changed for your Visa on the day following your Payment Due date and reflect on the first day of the billing period following the month in which the rate is calculated. In no case shall any APR for the **Platinum Rewards Visa** be less than 12.90% on Purchases regardless of the applicable Prime Rate and margin, unless specifically applicable laws and/or regulations require we use a lower APR.

To get the total average daily balances for Purchases or Cash Advances on your Account, we take the beginning balance each day, add any new Purchases or Cash Advances, unpaid Finance Charges, current late payment fees, any annual fee, if applicable, and other fees, and subtract any payments or credits. This gives us a daily balance for Purchases and a daily balance for Cash Advances. Then we add up all the daily balances for the billing cycle and divide their total by the number of days in the billing cycle. This gives you the average daily balance. This determines the balance subject to the Finance Charge. This is called the "average daily balance" method.

#### Card Recovery

A card recovery fee will be charged if you use the card(s) after we mail you notice of termination of this Agreement.

#### Card Replacement

We will charge a fee to replace a lost card.

#### Expedited Delivery

You may request expedited delivery of any new or replacement cards. There may be an expedited card fee.

#### Cash Advances

You may use your Card to obtain cash loans ("Cash Advances") from financial institutions that accept the VISA credit card. A fee will be charged for all Cash Advances. See the Visa Agreement and Disclosure Statement.

#### Change of Name, Address or Employment

You will notify the Credit Union in writing immediately if your name, home address, or employment changes. We may charge your account a Bad Address fee if we receive such notification from the United States Postal Service and you have not updated your address with us.

#### Changing Terms of This Agreement

The Credit Union may change the terms of this Agreement with a written notice of the change provided to the primary account holder at least 45 days prior to the effective date of the change whenever (1) a significant change to an account term is made, (2) the required minimum periodic payment is increased, (3) your account is delinquent or in default, or (4) a penalty is imposed. The 45-day timing requirement does not apply (1) if you have agreed to a particular change, (2) when the change involves charges for documentary evidence, (3) for a reduction of any component of a finance or other charge, (4) for suspension of future credit privileges or termination of an account or plan, (5) when the change results from an agreement involving a court proceeding, (6) when the change is an increase in an annual percentage rate due to (a) the completion of a workout or temporary hardship arrangement or (b) a change in the Index that is not under the control of the credit union. Significant changes means changes to the (1) annual percentage rate, (2) annual fee, if applicable, (3) minimum interest charge, (4) transaction charges, (5) grace period, (6) balance computation method, (7) fees for Cash Advances, late payment, over the limit, balance transfer, returned payment fee, (8) insurance or debt cancellation/suspension coverage. Except where limited by applicable law, the new terms will apply to new purchases, Cash Advances, and to the existing outstanding balance of your account as of the day of the change. In accordance with applicable law, the Credit Union will notify you of any change by writing to you at the most recent address shown for you on the Credit Union's records.

**Your Right of Rejection**

You have the right to reject the changes listed in the previous paragraph prior to their effective date, unless you fail to make a required minimum payment within 60 days after the due date for that payment. You may write us at LAFCU, P. O. Box 26188, Lansing, MI 48909 to notify us of your rejection. We may terminate or suspend your ability to use the account for further purchases or advances as of the effective date of the change. You will, however, still be responsible for paying the outstanding balance on your credit card at its then current rate.

**Closing Your Account**

Any individual cardholder without the consent of other cardholders may close your Account at any time by notifying the Credit Union in writing. Credit Union may close your account or suspend your Card privileges or Convenience Checks at any time without prior notice. Credit Union may also reissue a different Card or different checks at any time. You must return the Card or the Convenience Checks to the Credit Union upon request. You agree that the Card and all Convenience Checks remain the property of Credit Union. Each Card we issue will have an expiration date. Upon expiration of your Card your account will automatically terminate; or the Credit Union, in its sole discretion, may extend your Agreement and issue a new card with a new expiration date. If your account is closed, expires or your credit privileges are terminated or suspended, you will remain responsible for paying all amounts you owe us according to the terms of this Agreement. Without limiting the foregoing, the Credit Union has the right to terminate your line of credit and to demand the return of all cards, access checks and other access devices if the Credit Union, in its sole discretion, feels that it is insecure for any reason whatsoever; including but not limited to mismanagement of your account, failing to safeguard any access device, creation of any credit balances by you that may increase the risk of loss or exposure of the Credit Union or failing to cooperate with the Credit Union or others with regard to any claim of unauthorized use or any other defense to payment under applicable law.

**Collection Costs**

You agree to pay all costs incurred by the Credit Union in collecting any amounts you owe or in enforcing or protecting the Credit Union's rights under this Agreement, including attorneys' fees of 20% of the unpaid balance or such greater sum as may be reasonable, and also those costs, expenses and attorneys' fees incurred in any appellate, bankruptcy and post-judgment proceedings, except as limited or prohibited by applicable law.

**Copying Requests**

If you ask for a copy of any document, a copying fee may be imposed. A research services fee may be imposed if you request us to conduct research on your account (1 hour minimum). However, no charge will be imposed in connection with any actual or asserted billing error.

**Correcting the Credit Union's Credit Report**

If you think the Credit Union reported erroneous information about you to a credit reporting agency, call the Credit Union at the telephone number listed on your monthly billing statement. Credit Union will promptly investigate the matter. Credit Union will contact each credit reporting agency whose records may reflect an error. Credit Union will require them to correct your report if its investigation decides that you were correct. If Credit Union disagrees with you after the investigation, Credit Union will advise you, in writing or by phone, and instruct you how to submit to those agencies a statement of your position that will become a part of your credit record with them. The instructions will include the name, address, and phone number of each such agency, along with other pertinent information.

**Debt Protection Coverage**

If you elect debt protection coverage, as set forth in your application, then the charges will be added to your Account balance on each billing cycle, if your application is approved. Debt protection is voluntary and not required to obtain a credit card account with us. You have a right to terminate this coverage at any time by notifying us in writing.

**Default**

You will be in default if: (a) you fail to pay the Minimum Payment Due by the Payment Due Date; (b) the Credit Union, in its sole discretion, feels insecure (For example: Our good faith belief that your ability to pay your account is impaired; use of your account in any manner or in any way that may expose the Credit Union to a risk of loss; etc.); (c) your ability to repay is materially reduced by a change in your employment, by an increase in your obligations, by bankruptcy or insolvency proceedings involving you, by your death, or (for community property state residents only) by a change in marital status or domicile; (d) you exceed your credit limit without our permission; (e) you have made a false or misleading statement to us in your application or otherwise; (f) you are in default under any other agreement with us; (g) you use or authorize the use of any Card(s) to make or facilitate any illegal transaction; or (h) you fail to perform any of your other obligations under the terms of this Agreement as it may be amended from time to time. Upon default we may close your Account to future purchases and advances and, to the extent not prohibited by governing law, demand immediate payment of your entire Account balance after giving you any notice and opportunity to cure the default if required by applicable law. The Credit Union's sole obligation hereunder with regard to determining and declaring an event of default is the exercise of "good faith," based on its subjective understanding of applicable facts.

**Delay in Enforcement/Waivers**

The Credit Union may delay or waive enforcement of any of the provisions of this Agreement, including any agreement to make timely payments, without losing its right to enforce the same provision later or any other provisions of this Agreement. You waive the right to receive notice of any waiver or delay or presentment, demand, protest or dishonor. You also waive any applicable statute of limitations to the full extent permitted by law and any right you may otherwise have to require the Credit Union to proceed against any person before suing you to collect. You understand that the Credit Union will not be liable for a merchant's or other parties' refusal to honor your Card whether due to an error by the Credit Union, the merchant, the Credit Union's authorized agent, or other third party.

**Finance Charges for Promotional Offers**

From time to time and in our sole discretion we may offer a special rate applicable to certain transactions such as particular purchases (as defined by us), balance transfers, Cash Advances or purchases made by using Convenience Checks. Applicable terms and conditions will be disclosed at the time any such promotion is offered, and are incorporated into this Agreement by reference. The promotional rate will apply only to those transactions and for a minimum of 6 months. Existing balances and new purchases or advances not expressly subject to any such promotion will remain governed by the terms and conditions of this Agreement. In addition, the terms and conditions of this Agreement will govern your obligations regarding any unpaid balance or transactions that are made subject to any such promotional offer, that are not fully paid within the time period set forth in such promotional offer.

**Grace Period and Courtesy Period**

For purposes of this credit card Agreement, a grace period is that period within which any credit extended to you may be repaid without incurring a finance charge due to a periodic interest rate. If you have no previous balance on your periodic credit card statement, you can avoid paying interest on that month's new purchases by paying in full the New Balance on your statement within 25 days from the closing date of the statement. Your payment is considered on time when it is paid by the end of the day on the due date.

The credit union allows a 10-day courtesy period following the due date in which you may make your minimum monthly payment without a Late Payment fee.

**Illegal and/or Inappropriate Transactions**

You warrant and agree that you will not use any credit union accounts or services, including but not limited to loans, to make or facilitate any illegal transaction(s) as determined by applicable law; and that any such use, including any such authorized use, will constitute a breach of this Agreement. Certain federal and/or state laws or third party service providers' rules may limit or prohibit certain transactions such as, but not limited to, those coded as possible gambling transactions. The credit union may decline to accept,

process or pay any transaction that we believe to be illegal or unenforceable (regarding your obligation to pay us or otherwise) under applicable law; or which is otherwise limited or prohibited, including but not limited to, any transaction involving or relating to any gambling activity. Such prohibition or limitations may affect some otherwise proper or allowable transactions such as debits, charges or other transactions at or relating to a hotel-casino. You understand and agree such limitations/prohibitions are not within the credit union's responsibility or culpability whatsoever for any such use by you or any authorized user(s); or for declining to accept, process or pay any such transaction. You further agree to indemnify and hold the credit union harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from any such use of your account and/or cards.

**Late Payment Fee**

The Credit Union will charge your account a late payment fee for each billing period in which your minimum payment is not received within ten (10) days following your payment due date. This fee may be added to your account balance, or collected from you on demand. The fee is a tiered amount, based on your account balance. See the Credit Card Rates and Fees disclosure.

**Limits on Increasing Annual Percentage Rates**

Annual Percentage Rates may not be increased on an outstanding balance, (1) unless the rate is variable, or (2) after the expiration of a specified period of time disclosed at account opening, for example, an introductory or promotional rate, or (3) the consumer fails to abide by a workout arrangement, or (4) payments are 60 days late. An outstanding balance is defined as the balance on the account as of the 7<sup>th</sup> day after the date the increase was to become effective.

Annual Percentage Rates, fees, or finance charges may not be increased during the first year the account is open unless it is due to one of the four reasons listed above.

**Maximum Credit Limit**

Your Maximum Credit Limit will appear on the folder in which you receive your Card and on your monthly statement. The credit union will not authorize transactions which cause your credit limit to be exceeded. The credit union reserves the right to set different credit limits for purchases and Cash Advances. The Maximum Daily Cash Advance Limit and the Maximum Daily ATM Cash Advance Limit are available on the Credit Card Fee Schedule. You agree we are not obligated to extend credit to you for any amount that would cause your outstanding balance to exceed your Maximum Credit Limit, or for any amount if your outstanding balance already exceeds your Maximum Credit Limit. You agree that the Maximum Credit Limit will at no time exceed the agreed upon amount, and that any credit balance will not be available or increase the Maximum Credit Limit available for new purchases or Cash Advances during any billing cycle.

At our discretion, we may increase your credit limit at any time. We will notify you if we do, either by mail, through your monthly billing statement, or by any other electronic means that you have agreed to. Your continued use of the card will show your agreement to any such increase. If you object to an increase in your credit limit, you must notify the Credit Union by writing to LAFUCU, 106 North Marketplace Blvd, Lansing, MI 48917. Upon receipt of such notice, your credit limit will be reduced to its prior limit; however, you will be responsible to pay any amounts by which you have exceeded the reduced limit. You agree to pay any amounts you owe that exceed your maximum credit limit upon demand.

If we decrease your credit limit, advance notice of the decrease will be provided. If this results in your account being over limit, no over limit fee or penalty rate will be imposed solely as a result of the newly decreased credit limit unless a notice was provided to you in writing or orally at least 45 days prior to imposing the over limit fee or penalty rate and it shall state that the credit limit has been or will be decreased.

You may request an increase or decrease to your credit limit by contacting the Credit Union in person or by mail. Any increase in your Maximum Credit Limit requested by you will require you to make a written application for our approval.

Credit balances in excess of \$1.00 will be refunded to you within 90 days after collection as provided herein by deposit to your primary share account or by mailing a check to the address to which statements are provided payable to the order of any cardholder.

**Merchant Disputes**

The Credit Union is not responsible for the refusal of any merchant or financial institution to honor your Card except as set forth in the Special Rules for Credit Card Purchases set forth at the end of this Agreement.

**Minimum Payment Due**

You may pay off your account balance in full each month or you may pay in monthly installments. If you do not pay your balance in full, you agree to pay at least a minimum payment of 3% of your New Balance (rounded to the nearest whole dollar) or \$30.00, whichever is greater. Your LAFUCU Visa Classic credit card requires at least a minimum payment of 3% of your New Balance (rounded to the nearest whole dollar) or \$15.00, whichever is greater. If the New Balance shown on your periodic statement is \$30.00 or less, you agree to pay this amount. The Minimum Payment Due will also include any amount that is past due and any amount by which your new balance exceeds your credit limit. Minimum Payments and credits will be applied first to pay fees, billed but unpaid finance charges, and next to pay the lowest rate balance for Cash Advances and purchases. You must pay at least the minimum payment each month, but you may pay more than that amount at any time without a penalty. Any amount paid over the Minimum Payment will be applied first to the balance with the highest interest rate, then the balance with the next highest interest rate, and so on. Amounts paid over the Minimum Payment will not advance the due date for the next payment; you agree to pay at least the minimum payment each month.

**Monthly Statement**

We will send you a monthly billing statement whenever there is a balance due on your account. Your monthly statement may be mailed to you or you may choose to receive electronic statements. Sales, Cash Advance, credit or other receipts cannot be returned with any statement or payment. You should retain a copy of such receipts furnished at the time of the transaction in order to verify your monthly statement.

**Multiple Penalty Fees**

The Credit Union will not charge you more than one penalty fee per offense per billing cycle. For example, a payment returned for insufficient funds can no longer trigger a Returned Payment Fee and a Late Fee.

**Payments**

You will be jointly and severally liable and agree to pay the Credit Union for all charges (purchases, Cash Advances, finance charges, and other charges added to your Account under the terms of this or any other agreements with us) extended to you or anyone else using any Card issued for your account, unless the use of such Card is by a person other than you, who does not have actual, implied or apparent authority for such use and from which you receive no benefit. Authority includes, but is not limited to, any authorized users permitting another person to use any Card(s). Further, all users are obligated to us for all charges they make, authorize or permit.

The Credit Union can accept late or partial payments as well as payments that are marked with "Paid in Full" or other restrictive endorsements, without losing any of our rights under this Agreement to collect the full balance of your account. You must pay the Credit Union in U.S. dollars drawn on funds on deposit in the United States. If you make payment with other currencies or from an institution domiciled outside the United States, then your payment will not be credited until we have collected the funds in U.S. dollars. The Credit Union will determine the method of applying payments and credits to your account.

Your credit card payment due date will be the same day each month, as determined by the credit union. If the date is a day on which we do not receive or accept payments by mail (including weekends and holidays), we will treat your payment as received on the next business day. The credit union will not charge you a fee for making your payment via any method we make available to you, i.e., via mail-in payment, over the telephone, or through Home Banking or other electronic means as may become available in the future unless it involves an expedited service by a service representative of the credit union such as overnight delivery.

#### **Returned Payment Fee**

The Credit Union will charge your account a Returned Payment fee if your payment by any method, including check, electronic transfer, home banking transaction or otherwise, is not honored, collected by us, or if we must return it to you because it cannot be processed for any reason. This fee may be added to your account balance, or collected from you on demand. See the Credit Card Rates and Fees disclosure for the current fee amount.

#### **Returns and Adjustments**

Merchants and others who honor your Card may give credit for returns or adjustments, and they will do so by sending the Credit Union a credit slip, which will be posted to your Account. If your credits and payments exceed what you owe the Credit Union, the amount will be applied against future purchases and Cash Advances. If the credit balance amount is \$1.00 or more, it will be refunded upon your written request or automatically after 90 days.

#### **Skip Payment Option**

At our option, we may offer you the opportunity to not make ("skip") a minimum payment during certain designated billing cycles ("skip payment period"). If you do not make your minimum payments as provided in this Agreement during such designated billing cycles, you understand that we will continue to apply finance charges to your account. Beginning with the billing cycle following an allowed skip payment period, all other provisions of this Agreement will apply. We have no obligation to accept your application for any skip payment period offered, and you authorize us to investigate your creditworthiness including obtaining consumer credit reports. We may charge you an application processing fee for each credit card skip payment period that we may offer.

#### **Stop Payment**

Stop payments cannot be placed on any Convenience Check.

#### **Transactions in Foreign Currency**

If you incur a charge (a purchase or Cash Advance) in a foreign currency, the charge will be converted into a U.S. dollar amount in accordance with the operating regulations of Visa International in effect at the time that the transaction is processed. Currently, those Regulations provide that the currency conversion rate to be used is either: (a) a wholesale market rate; or (b) a government-mandated rate in effect one day prior to the processing date, increased by one percent in each case. Visa retains this one percent as compensation for performing the currency conversion service. The currency conversion rate in effect on the processing date may differ from the rate in effect on the transaction date or the posting date.

#### **Updating and Disclosing Financial Information**

We may report your performance under this Agreement to credit reporting agencies and secure follow-up credit reports on you for any legitimate business reason, including if you fail to make your minimum payments on time. We can reinvestigate and reevaluate any information you provide on your Visa application at any time, and in the course of doing so, we may ask you to provide additional information, request consumer credit reports and/or otherwise verify your current credit standing.

#### **Your Responsibility and Liability for Unauthorized Use and Lost or Stolen Cards or Convenience Checks**

If your Card or Convenience Checks are lost or stolen, or if you are afraid someone used or may use them without your permission, you must notify the Credit Union at once by calling (800) 449-7728, or providing written notice to: Credit Card Security Department, P.O. Box 31281, Tampa FL 33631-3281. If notice is given orally, you will promptly confirm it in writing. The Credit Union may require you to provide us certain information in writing to help us investigate any unauthorized use. Further, you agree to cooperate and assist us or any government or law enforcement agent or agency in investigating, collecting or pursuing any other rights (civil and criminal) relating to any unauthorized use.

In this regard, you agree to file an appropriate police report when asked to do so. Do not use the Card or the Convenience Checks after you have notified the Credit Union, even if you find them or have them returned to you. You are liable for all transactions that you authorize.

**No Liability:** You will have no liability for unauthorized use of your Card, Convenience Checks or other Access Devices for non-ATM transactions made over the VISA Network if the following conditions are met: (1) You have not been grossly negligent; and (2) You have not committed, participated in or conspired to commit any fraudulent act or scheme involving the use of your VISA credit card account.

**Limited Liability:** For transactions on other networks or ATM transactions, you may be liable for unauthorized transactions using your Card, Convenience Checks or other Access Devices that occur before we are notified. However, your liability for unauthorized use on networks other than VISA will not exceed \$50.00. In any case, you will not be liable for any unauthorized use after notifying us of the loss, theft or unauthorized use of your Card, Convenience Checks or other Access Devices.

#### **Additional Terms of VISA Agreement**

To the extent not prohibited by applicable law, the terms, interpretation and enforcement of any claim or dispute arising under this Agreement, as well as all parties, rights and duties, will be governed by Michigan law regardless of where you may reside or use your account. Further, this Agreement is the contract which governs all transactions on your Account even though sales, Cash Advances, credit or other slips may contain different terms. You may not transfer or assign your account or Card to any other person. The Credit Union may assign or transfer this Account, your Account balance, or this Agreement to another person, who will have all of our rights hereunder. This Agreement is binding on your heirs and legal representatives. If there are joint obligors or authorized users for this credit plan, each of you will have the right to use the Account to obtain loans pursuant to the terms hereof. Each of you will be liable for all obligations owing on the Account whether borrowed by you or otherwise and whether within or beyond the credit limit. Your liability will be joint and several. Either party has the right to cancel this Agreement. Further each of you is responsible for all amounts borrowed by any authorized user(s). Authorized users and other users may also be required to repay the amount owed for charges they make; however, you remain, at all times, primarily responsible for all amounts owed. All Cards, billing statements and notices will be mailed or delivered to the address we have on file for you or the address provided by the United States Postal Service. **If any law or judicial ruling makes any part, provision, sentence or section of this Agreement unenforceable, the remainder will continue in full force and effect.** You agree that your account will also be subject to all rules and regulations of VISA U.S.A., Inc., as applicable. If there is any conflict between this Agreement and the rules and regulations of VISA U.S.A., Inc., the rules and regulations of VISA U.S.A., Inc. will control.

**Limitation of Lawsuits.** You agree that any lawsuit based on a cause of action against us must be filed within one year from the date it arises, or you shall be barred from filing any lawsuit. This limitation includes, tort, contract and all other causes of action for which you and we may lawfully contract to limit.

#### **Additional Benefits/Card Enhancements**

The Credit Union may from time to time offer additional services to your Account, such as travel accident insurance, purchase rewards or rebates at no additional cost to you. You understand that the Credit Union is not obligated to continue or to offer such services and may withdraw or change them at any time.

**CURewards™ – Additional Sponsor Rules and Conditions**

- a. Points are earned on purchases; each \$1.00 purchased equals one CURewards™ point.
- b. Qualifying purchases can earn up to a maximum of 75,000 points per calendar year.
- c. Points will accrue over five calendar years, and will expire on a first-in, first-out basis annually (i.e. points earned in calendar year one will expire on the last business day of calendar year five.)
- d. Points may be redeemed for merchandise at [www.curewards.com](http://www.curewards.com)
- e. Points may also be redeemed for cash at LAFCU in increments of 45,000. For example, 45,000 points can be redeemed for \$300.00; 90,000 points can be redeemed for \$600.00, and so on. LAFCU will not redeem points for cash in increments smaller than 45,000 or in increments not divisible by 45,000.
- f. CURewards™ points will be forfeited if your account becomes 90 days delinquent.

LAFCU may, from time to time, find it necessary to change program rules, regulations, benefits, conditions of participation or point levels, in whole or part, with or without notice. Changes may affect the value of reward points already accumulated. LAFCU reserves the right to terminate the CURewards™ program for any or all of its credit card programs with three months notice.

If you have questions regarding points earned or redemption, please call 1-800-637-7728. For questions regarding this disclosure, please call the LAFCU VISA Department at 1-800-748-0228, Extension 6265.

**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.

**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 LAFCU, P. O. Box 26188, Lansing, MI 48909. Write to us as soon as possible. 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, but doing so will not preserve your rights.

In your letter, give us the following information:

- a. Your name and account number
- b. The dollar amount of the suspected error
- c. 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 finance 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 finance charges related to the questioned amount. If we didn't make a mistake, you may have to pay finance 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 that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write us within 25 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. 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 finally is.

If we don't follow these rules, we cannot collect the first \$50 of the questioned amount, even if your bill was correct.

**SPECIAL RULES FOR CREDIT CARD PURCHASES**

If you have a problem with the quality of property or services that you purchase 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 home state, within 100 miles of your current mailing address;
- b. The purchase price must have been more than \$50.00.

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services. Further, the Credit Union has no liability for any tort or related claims arising from such purchases.



CLASSIC (MINIMUM OF \$500)	GOLD (MINIMUM OF \$2000)	PLATINUM REWARDS (MINIMUM OF \$5000)
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### INTEREST RATES AND INTEREST CHARGES

<b>ANNUAL PERCENTAGE RATE (APR) For Purchases</b>	<b>16.40%</b>	<b>14.50%</b>	<b>12.90%*</b>  The APR for purchases varies based on the Prime Rate + an Index Margin of 7.00%.*
<b>APR for Balance Transfers</b>	<b>18.00%</b>	<b>15.00%</b>	<b>15.00%*</b>  Prime + 9.00%
<b>APR for Cash Advances</b>	<b>18.00%</b>	<b>15.00%</b>	<b>15.00%*</b>  Prime + 9.00%
<b>Penalty APR and When It Applies</b>	<b>None</b>	<b>None</b>	<b>None</b>
<b>Grace Period</b>	You have 25 days from the closing date to repay your entire balance before a finance charge on purchases will be imposed.	You have 25 days from the closing date to repay your entire balance before a finance charge on purchases will be imposed.	You have 25 days from the closing date to repay your entire balance before a finance charge on purchases will be imposed.
<b>Minimum Payment</b>	3% of the new balance or \$15, whichever is greater	3% of the new balance or \$30, whichever is greater	3% of the new balance or \$30, whichever is greater
<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> .		

\*Your **ANNUAL PERCENTAGE RATE (APR)** will be calculated by adding the Index Margin as listed above to the Prime Rate as published in the "Money Rates" section of the Wall Street Journal on the 3<sup>rd</sup> Tuesday of March, June, September and December. In no case shall any APR for the **Platinum Rewards Visa** be less than 12.90% on Purchases regardless of the applicable Prime Rate and margin, unless, specifically, applicable laws and/or regulations require we use a lower APR.

### FEES

<b>Annual Fee</b>	\$12	None	None
<b>Transaction Fees</b> Balance Transfer and Cash Advance	2% of the transfer/advance or \$10, whichever is greater		
Foreign Transaction	1% of the converted transaction amount, retained by visa for the currency conversion		
<b>Penalty Fees</b> Late Payment	\$15 if balance is less than or equal to \$500; \$25 if balance is greater than \$500; but in no case will it be more than the amount of the Minimum Payment Due.		
Over the Credit Limit	Card balances are not authorized above the credit limit.		
Returned Payment or Convenience Check	The lesser of \$25 each or the amount of the Minimum Payment Due.		

**How we will calculate your balance:** We use a method called "average daily balance (including new purchases)". The information about the costs of the cards described in this application is accurate as of February 1, 2013, and is subject to change after that date. To find out what may have changed, call us at 1-800-748-0228, or write to us at: LAFCU, P. O. Box 26188, Lansing, MI 48909.