

IN THIS AGREEMENT THE WORDS "I", "ME" AND "MY" MEAN THE CARDHOLDER(S). THE WORDS "YOU", "YOUR" AND "YOURS" MEAN STATE DEPARTMENT FEDERAL CREDIT UNION. ONCE I HAVE ACTIVATED, SIGNED OR USED MY CREDIT CARD, I HAVE AGREED TO THE TERMS OF THE AGREEMENT.

The following definitions apply to the terminology used in this Agreement:

Annual Percentage Rate: The cost of my credit at a yearly rate.

Billing Cycle: The time interval between regular monthly billing statement dates, beginning with the first day after the closing date of the previous cycle through the closing date of the current cycle.

Card: Any Credit Card issued by you for my use to obtain money, property or services on credit.

Cardholder: Any person for whose account the Card is issued and any authorized user of the Card.

Cash Advance: Extension of credit by you for monies paid out by you or any other financial institution honoring the Card to me through use of the Card and/or PIN.

Closing Date: The date of the last day of a Billing Cycle.

Credit Limit: The maximum amount of credit available to me as set for the Account by you from time to time.

Interest Charge: The cost of credit extended to me on the Account resulting from applying a Periodic Rate to the Average Daily Balances of Cash Advances and Purchases.

New Balance: The balance of all purchases, cash advances, fees and finance charges outstanding on the closing date.

Personal Identification Number (PIN): A number issued by you to be used in conjunction with my Card to receive cash advances at Automated Teller Machines (ATM).

Previous Balance: The balance of the Account at the beginning of the Billing Cycle. (It is the same amount that was shown as "New Balance" on the Closing Date on the statement for the preceding Billing Cycle.)

Purchase: Extension of credit by you for goods/services obtained by me from a seller of goods/services through use of the Card.

TERMS AND CONDITIONS

I may use the Card, on the terms hereof only, to buy goods or services from merchants honoring the Card or receive cash advances from you or any other financial institution honoring the Card up to my credit limit, if I follow any reasonable and proper procedures required by you, the merchant, or any other financial institution honoring the Card. I may also obtain cash advances using my PIN in conjunction with my Card in accordance with instructions given by the ATM or other electronic terminal allowing access to my Credit Card account. My periodic statement will identify the merchant, electronic terminal, or financial institution where each transaction is made. As I repay purchases and cash advances, my available credit increases by the amount of the repayment; and I may make additional purchases or receive additional cash advances up to the amount of my available credit. The Card must be signed by me to insure proper use. I agree to pay you for credit extended pursuant to the use of the Card by me or any person to whom I give express, implied or apparent authority (including minor children), together with all applicable interest charges and other charges, and in accordance with the terms of this agreement.

INTEREST CHARGES ON PURCHASES: You will impose an interest charge on purchases outstanding in a billing cycle when the entire previous balance is not paid on or before my payment due date. You compute the interest charge on purchases by applying a monthly periodic rate to the "average daily balance" of purchases in the billing cycle (including current transactions). The monthly periodic rate, subject to change monthly on the first day of the billing cycle, will be 1/12 of the Annual Percentage Rate determined by adding the appropriate number of percentage points (see Truth-in-Lending Statement) to the Prime Rate published in the Wall Street Journal as of the last day of the month preceding the change. When a range of rates is published, the highest rate is used. Any increase in the interest rate may take the form of higher amounts. The rate will change no more than once per month. To get the "average daily balance" of purchases, you take the beginning balance of purchases each day, add any new purchases (as of the date of posting), and subtract any payments or credits (as of the date of posting), and unpaid interest charges and other charges applicable to purchases. This gives you the daily balance (credit balances will be considered as \$0). Then you add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives you the "average daily balance" of purchases.

I may avoid additional interest charges by paying the new balance in full on or before the payment due date which will be 25 days after the closing date.

INTEREST CHARGES ON CASH ADVANCES AND BALANCE TRANSFERS:

You will impose an interest charge on cash advances and balance transfers from date made to date paid. If a cash advance or balance transfer is posted in a billing cycle, but has a transaction date preceding the billing cycle, then the first day of the current billing cycle will be considered to be the "date of the transaction" for the purposes of computing the interest charge. You compute the interest charge on cash advances and balance transfers by applying a monthly periodic rate to the "average daily balance" of cash advances and balance transfers in the billing cycle (including current transactions). To get the "average daily balance" of cash advances and balance transfers you take the beginning balance of cash advances and balance transfers each day, add any new cash advances and balance transfers (as of date of transaction), and subtract any payments or credits (as of date of posting), and unpaid interest charges and other charges applicable to cash advances and balance transfers. This gives you the daily balance (credit balances will be considered as \$0). Then, you add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives you the "average daily balance" of cash advances and balance transfers. Each Cash Advance and Balance Transfer may be charged a transaction fee. Refer to Important Credit Card Disclosures for specific fee amounts.

TOTAL INTEREST CHARGE: The total interest charge imposed during a billing cycle will be the sum of the products of (a) the interest charges on purchases, and (b) the interest charges on cash advances. If an interest charge is imposed, the minimum will be 50 cents.

OTHER CHARGES: (a) Cash Advance Fee for advances received at an ATM or other electronic terminal; (b) Annual Fee: A prepaid Annual Fee may be imposed on each account annually for which a valid Card is issued. (c) Service Fee: A Service Fee may be charged for the cost of Credit Card sales drafts and/or actual cost for retrievals as posted by you from time to time. (d) Replacement Card Fee: A replacement fee may be charged for each lost Card. (e) Late Charge: A late charge will be applied any time a payment is received more than 5 days after the due date. All fees will automatically be charged to this account. Refer to Important Credit Card Disclosures for specific fee amounts.

AUTOMATED TELLER MACHINE (ATM) ACCESS: SDFCU will automatically issue a Personal Identification Number (PIN) upon approval of my Credit Card line-of-credit. This PIN may be used to access my account at ATMs. Cash advances received through use of this device will be subject to all the terms disclosed in this Agreement. To prevent losses, I do not authorize other parties to use my Card, and under no circumstances should I divulge my PIN to any other person, or carry my number with my Card or near my Card. To release this information is a violation of my Credit Card privileges and may result in the revocation of those privileges. I understand that I should memorize my PIN. ATM cash advances are limited to a daily maximum of \$810. There is a limit of 4 transactions per day. I may normally access my account 24 hours-a-day, 7 days-a-week, including holidays.

TERMINAL TRANSFERS: I can get a receipt at the time I make any transfer to or from my account using an automated teller machine or point-of-sale terminal when the transfer is more than \$15.00. I may not get a receipt if the transfer is \$15.00 or less.

LIABILITY FOR UNAUTHORIZED USE-LOST/STOLEN CARD NOTIFICATION:

I agree to notify you immediately, orally or in writing at State Department Federal Credit Union, Attn: Card Services Department, 1630 King Street, Alexandria, VA 22314-2745 or telephone (800) 296-8882, of the loss, theft, or unauthorized use of my Credit Card. I may be liable for the unauthorized use of my Credit Card. I will not be liable for unauthorized use that occurs after I notify you of the loss, theft, or possible unauthorized use. I will have no liability for unauthorized purchases made with my Credit Card, unless I am negligent in the handling of my Card. In any case, my liability will not exceed \$50.

STATEMENTS: You will bill me monthly, on a date selected by you, for amounts due under this Agreement. Upon receipt of each monthly periodic statement, I should examine it and immediately notify you in writing pursuant to the instructions on the "Billing Rights," of any charge or item which I believe to be in error or subject to dispute. Any charge or item shall be conclusively deemed to be correct and undisputed unless you are notified to the contrary within 60 days after the monthly periodic statement reflecting such charge or item is mailed to me. I will pay such statement by remitting to you on or before the payment due date reflected on the statement either the full amount billed or, at my option, an installment equal to at least the required minimum payment stated in the Minimum Monthly Payment paragraph below.

CREDIT CARD AGREEMENT AND TRUTH IN LENDING DISCLOSURE

MINIMUM MONTHLY PAYMENT: If the outstanding balance of the Account is \$25 or less, it will be payable in full. The required minimum monthly payment shall be the greater of (a) \$25 or (b) two (2) percent of that portion of the outstanding balance which does not exceed the established credit limit, plus the entire portion of the outstanding balance in excess of the established credit limit, plus any amount past due.

SKIP-A-PAYMENT: From time to time, solely at the option of the Credit Union, I may be given the option to skip a payment. If I elect to take advantage of the offer to skip a payment, the interest charge will continue to accrue during the month I choose to skip a payment and I must resume regular payments on the following payment due date.

APPLICATION OF PAYMENTS: Payments when paid during a Billing Cycle will generally be applied to amounts outstanding at the time payment is received in the following order:

1. Interest Charges
2. Other Charges
3. Cash Advances
4. Purchases

If a payment is received that is in excess of the minimum payment required, you will allocate the excess to the balance with the highest Annual Percentage Rate.

PERIODIC CREDIT REVIEW: I understand that you may review my loan file at least once every 12 months, and I hereby give permission to and authorize the Credit Union to investigate and reassess my credit worthiness.

REAPPLICATION: I understand that a reapplication by myself and approval by your Loan Officer shall be required if: (a) The credit limit is increased, or (b) The terms of payment are extended beyond terms of the original agreement.

OVERLIMIT: I shall not use the Card if such use would make my debt to you greater than my credit limit. However, you may, at your option, recognize transactions (and extend credit) which will cause my outstanding balance to exceed my credit limit and I will be liable for such transactions. A fee may be charged for overlimit transactions.

AUTOMATIC INCREASES: Automatic increases may be applied to those accounts in good standing. Notification of such increases will be mailed to the billing address. Primary owners of the Cards are responsible for notifying any joint owners of their increased liability.

DELINQUENT/PAST DUE ACCOUNTS: If I fail to pay an installment on time, the entire balance on this account shall become immediately due and payable at your option. I fully understand, acknowledge and agree that if my account becomes delinquent or past due, my Card and/or PIN shall be revoked, unless your Loan Officer determines that extenuating circumstances have contributed to the delinquency. Under such circumstances, you may at your option approve my continued use of the Card and/or PIN.

SUSPENSION OF ELECTRONIC SERVICES AND ACCESS TO SHARE OR DEPOSIT ACCOUNTS: Subject to applicable law, you may suspend some or all electronic services and access to my checking or other account(s) if I become delinquent on any of my credit card or deposit obligations to you or I cause a loss to you. You shall not be liable to me in any regard in connection with such suspension of services.

VOLUNTARY TERMINATION OF ACCOUNT: As the Cardholder, I understand that I can repay any outstanding balance prior to maturity in whole or in part at my option. Should I desire to terminate this line-of-credit agreement, I will surrender to you all Cards in my possession along with written notification of termination, and pay in full all principal and interest due and owed the Credit Union.

TERMINATION OF ACCOUNT BY SDFCU: If you decide to terminate my line-of-credit, I will receive written notification of such termination; however, I understand and acknowledge that such termination shall not affect my obligation to pay any outstanding balance. I acknowledge and agree that you may terminate or modify this Agreement under the following conditions:

- (a) Upon adverse reevaluation of my credit worthiness, or
- (b) At my option or at your option if there is good cause.

UNCOLLECTED ITEMS: Should a check credited as payment toward this account be returned as an uncollected item for any reason, I agree that the amount of the check plus a reasonable fee for special handling may be charged back to this account as a purchase item.

COSTS OF COLLECTION: I agree that if I fail to make any payment according to the terms of this Agreement, I will be in default and you may turn the account over to a collection agency or an attorney for collection. I agree to pay the costs of collection, and if legal action becomes necessary, to pay court costs as well as attorney's fees in the amount equal to twenty (20) percent of the principal and interest due on this account, but such charge is in no event to be less than the actual costs incurred by you, exclusive of court costs.

ILLEGAL TRANSACTIONS PROHIBITED: I agree that I will not use my Card for any transaction that is illegal under applicable federal, state, or local law.

FOREIGN TRANSACTIONS; CURRENCY CONVERSION: Purchases and cash advances made in cross border/foreign currencies will be billed to me in U.S. dollars. Transactions processed outside of the United States may be charged a foreign transaction fee in an amount to be determined by the Credit Union, regardless of whether there is a currency conversion associated with the transaction. The conversion rate in dollars will be a rate selected by the credit card company from a range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate the card company receives, or the government-mandated rate in effect for the applicable central processing date in each instance. A foreign transaction is any transaction that I complete or a merchant completes on my card outside of the U.S., Puerto Rico or the U.S. Virgin Islands; this may include internet transactions.

MERCHANT ACCEPTANCE: You shall have no liability or responsibility if any merchant refuses to honor the Card. No cash refund will be made to, or accepted by, me with respect to any adjustments for goods or services purchased, and any adjustment in connection therewith shall be accomplished only by credit to my account with you authorized by a properly executed credit voucher.

ADDRESS CHANGES: I will advise you promptly if I change my mailing address. Send all address changes to: State Department Federal Credit Union, Attention: Card Services Department, P.O. Box 1429, Alexandria, VA 22313- 2029. All written notices and statements will be sent to my address as it appears on your records.

DISCLOSURE AMENDMENTS: You may amend this Agreement at any time in any manner upon written notice to me or by such other notice as may be allowed or required by law.

State Department Federal Credit Union can delay enforcing any of these rights any number of times without losing those rights.

The parties agree that this agreement shall be governed by the laws of the Commonwealth of Virginia and/or applicable federal law. The parties further agree that any cause of action shall be deemed to arise in Alexandria, Virginia and consent to venue in Alexandria, Virginia in a court of proper jurisdiction.

NOTICE TO UTAH BORROWERS: This written agreement is a final expression of the agreement between me and the Credit Union. This written agreement may not be contradicted by evidence of any oral agreement.

THE GRANTING OF THIS SECURITY INTEREST IS A CONDITION FOR THE ISSUANCE OF CREDIT UNDER THIS AGREEMENT.

I SPECIFICALLY GRANT YOU A CONSENSUAL SECURITY INTEREST IN ALL INDIVIDUAL AND JOINT ACCOUNTS I HAVE WITH YOU NOW AND IN THE FUTURE TO SECURE REPAYMENT OF CREDIT EXTENDED UNDER THIS AGREEMENT. I ALSO AGREE THAT YOU HAVE SIMILAR STATUTORY LIEN RIGHTS UNDER STATE AND/OR FEDERAL LAW. IF I AM IN DEFAULT, YOU CAN APPLY MY SHARES TO THE AMOUNT I OWE.

Shares and deposits in an Individual Retirement Account or any other account that would lose special tax treatment under state or federal law if given are not subject to this security interest.

If I have other loans with you, collateral securing such loans will also secure my obligations under this Agreement, unless that other collateral is my principal residence or non-purchase money household goods.

IMPORTANT DISCLOSURES FOR ACTIVE MEMBERS OF THE MILITARY AND THEIR DEPENDENTS:

The Military Lending Act applies to this credit card account if at the time you establish the account you are an active member of the military or a dependent (as defined in the Military Lending Act, 10 U.S.C. 987 and implementing regulations). The following terms and conditions amend your credit card agreement and apply during any period(s) in which you are active military or a dependent under those definitions. They do not apply when you are not an active duty member of the military or a dependent:

1. **NOTICE:** Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: the costs associated with credit insurance premiums or debt protection fees; fees for ancillary products sold in connection with the credit transaction; any application fee or participation fee unless they are bona fide and reasonable under the MLA. To receive this notice verbally, please call 1-800-296-8882 during our normal business hours: 8:00 a.m. – 4:30 p.m. EST.
2. Your credit card account is not subject to mandatory arbitration and therefore any reference to mandatory arbitration in connection with this credit card account does not apply.

YOUR BILLING RIGHTS - KEEP THIS NOTICE FOR FUTURE USE

This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

What To Do If You Find A Mistake On Your Statement

If you think there is an error on your statement, write to us at the address(es) listed on your statement.

In your letter, give us the following information:

1. Your name and account number.
2. The dollar amount of the suspected error.
3. 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. 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 your 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 that 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 you question even if your bill is correct.

Your Rights If You Are Dissatisfied With Your Credit Card Purchases

If you are dissatisfied with the goods or services that you have purchased with your credit card, and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the purchase.

To use this right, all of the following must be true:

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 at the address(es) listed on your statement.

While we investigate, the same rules apply to the disputed amount as discussed above. After we finish our investigation, we will tell you our decision. At that point, if we think you owe an amount and you do not pay, we may report you as delinquent.



Terms and conditions below only apply to the Premium Cash Back+ card

SDFCU Premium Cash Back+ Card Terms and Conditions

This document contains the official rules for your SDFCU Premium Cash Back+ Card and important terms associated with the use of the card and payment of the Cash Back award, including provisions related to eligible transactions, payment of cash awards and other important conditions and limitations. You must be an individual and use the account only for personal, family or household expenses. Corporations, partnerships and other entities may not participate. Your account must be open and in good standing to earn Cash Back rewards. By signing, accepting or using the Cash Back card, the primary card member constitutes acceptance of the terms outlined below and those within the Credit Card Disclosure Statement and Agreement for SDFCU Credit. Please retain both documents.

- Cash Back awards have no cash value or value of any kind until they are credited towards your card balance as dollars earned.
- You are solely responsible for any taxes that may be owed as a result of receiving Cash Back awards.

Earning Cash Awards

- You earn 2% Premium Cash Back+ awards for each new retail purchases less credits, returns and adjustments ("Net Purchases") charged in a statement period made by you and/or any Authorized User of the card.
- Cash Back awards paid will be disclosed on your credit card statement for the corresponding statement period. There is no minimum or maximum award you may earn. Cash awards earned will be paid in U.S. Dollars and rounded to the nearest cent. You must redeem a minimum of \$5.00 anytime you redeem cash back.
- Account adjustments, returns, credits, disputes or chargebacks may affect the amount of any cash back paid.
- Balance transfers, cash advances (or cash equivalent transactions such as the purchase of foreign currency), money orders, travelers cheques, prepaid cards, cashier's checks,

convenience checks, ATM cash disbursements, loan payments, fees, interest charges and disputed or unauthorized/fraudulent transactions **are not considered purchases** and will not earn Cash Back.

- SDFCU reserves the right, at its sole discretion, to disqualify any card member from receiving Premium Cash Back+ awards and to forfeit any and all cash back awards earned but not yet paid for abuse, fraud, lottery, gaming or any violations of these terms and conditions.
- If you dispute any aspect with respect to your Premium Cash Back+ account, including a dispute regarding the amount of awards earned or deposited, you must notify us at: (866) 417-8626, within sixty (60) days of the date of the first Premium Cash Back+ account statement to which your award dispute relates. If you do not properly notify us in this timeframe, we will have no obligation to you to adjust any error.

Cash Back Restrictions or Forfeiture

You may not earn cash back awards during any statement period in which the following occur:

- Your account becomes delinquent or is otherwise in default as outlined under your credit card agreement with us.
- You or any Authorized User engage in any fraudulent activity on this account.
- You engage in any illegal activity through the use of your account or engage in activity that is deemed to be abusive or gaming conduct, as determined by us in our sole discretion.
- You or we close your account for any reason; all earned but not paid cash back awards will be forfeited.

Cash back in this Program may not be used with any other offer, promotion or discount; cannot be earned from, transferred to or combined with any other member's credit card or debit card account(s) points for redemption; and cannot be used to satisfy any monthly minimum payment obligation on the cardholder's account. If for any reason your SDFCU account is closed or you transfer your

outstanding balance to another SDFCU Credit Card, you will forfeit your accrued but unpaid cash back balance immediately, unless due to lost/stolen/compromised card.

We may, at our sole discretion, cancel, modify, restrict or terminate the Cash Back card awards or any aspects of the Cash Back card at any time without prior notice. All interpretations of these Cash Back rules shall be at our sole discretion. These terms and conditions do not apply to any other product offered by SDFCU.

The SDFCU Premium Cash Back+ rewards program commenced March 30, 2018. This information is updated regularly and may have changed since you last checked. We will notify you by posting a **program termination date** on our member-only web-site (online banking) and on your account statement, as required by applicable law.

SDFCU Premium Cash Back+ Promotional Offer

You will earn a \$200 bonus if you spend \$3,000 in eligible purchases within 90 days of your SDFCU Premium Cash Back+ Card enrollment date, which are not later returned, disputed, or rescinded. The purchase requirements and exclusions that apply to cash back rewards also apply to the bonus. The bonus will be available in your Rewards Portal after the billing cycle in which it was earned. Existing or previous SDFCU Premium Cash Back+ Card members may not be eligible for this onetime bonus. This promotional offer applies to new SDFCU Premium Cash Back+ Cards enrolled.