

## VISA® Credit Card Disclosure

### BIRMINGHAM BLOOMFIELD CREDIT UNION

576 E. Lincoln Ave · Birmingham · Michigan · 48009 · 248.647.5958

This VISA® Credit Card Disclosure is effective as of May 15, 2010. This information may change after that date. To find out what may have changed, please contact the Credit Union at the above address or phone number.

In this Agreement the words "you" and "your" mean each and all of those who agree to be bound by this Agreement; "VISA Card" or "Card" means a VISA® credit card and any duplicates, renewals, or substitutions the Credit Union issues to you; "Account" means your VISA® credit card line of credit account with the Credit Union, and "Credit Union" means the Credit Union whose name appears on this Agreement or anyone to whom the Credit Union transfers this Agreement.

**1. Using Your Account.** If you are approved for an Account, the Credit Union will establish a line of credit for you and notify you of your credit limit. You agree that your credit limit is the maximum amount (purchases, cash advances, finance charges, plus "other charges") that you will have outstanding on your Account at anytime. Each payment you make to your Account will restore your credit limit by the amount of the payment, unless you are over your credit limit. If you are over your credit limit, you must pay the amount you are over before payments will begin to restore your credit limit. You may request an increase in your credit limit only by a method acceptable to the Credit Union. The Credit Union has the right to reduce your credit limit, refuse to make an advance and/or terminate your Account at any time for any reason not prohibited by law.

**2. Using the VISA® Card.** You may use your Card to make purchases from merchants and others who accept VISA® Cards. In addition, you may obtain cash advances from the Credit Union and from other financial institutions that accept VISA® Cards, and from some automated teller machines (ATMs), such as the VISA® ATM Network, that accept VISA® Cards. (Not all ATMs accept VISA® Cards.) To obtain cash advances from an ATM, you must use the Personal Identification Number (PIN) that is issued to you for use with your card. You agree not to make or permit to be made any illegal transactions on your Account through the use of a Card, a Check or in any other manner. We may deny authorization for any Internet gambling transactions. A cash advance fee may be assessed for any ATM authorized cash advance. See the fee table on the VISA® credit card application.

**3. Responsibility.** You agree to pay all charges (purchases and cash advances) to your Account that are made by you or anyone whom you authorize to use your Account. You agree not to authorize anyone to use your Account without the prior written consent of the Credit Union. You also agree to pay all finance charges and other charges added to your Account under the terms of this Agreement or another agreement you made with the Credit Union. If this is a joint Account, Section 25 also applies to your Account.

**4. Default.** You will be in default if you fail to make any minimum payment or other required payment by the date that it is due. You will be in default if you break any promise you make under this Agreement. You will be in default if you die, file for bankruptcy or become insolvent or are unable to pay your obligations when they become due. You will be in default if you are in default on any other loan/debt that you have with this Credit Union. You will be in default if you make any false or misleading statements in any credit application or credit update.

You will also be in default if something happens that the Credit Union believes may substantially reduce your ability to repay what you owe. When you are in default, the Credit Union has the right to demand immediate payment of your full Account balance without giving you notice. If immediate payment is demanded, you agree to continue paying finance charges, at the periodic rate charged before default, until what you owe has been paid, and your shares and deposits pledged as security for your Account may be applied towards what you owe.

**5. Liability for Unauthorized Use-Lost/Stolen Card Notification.** You may be liable for the unauthorized use of your Card. You will not be liable for unauthorized use that occurs after you notify the Credit Union, orally or in writing, of the loss, theft, or possible unauthorized use. In any case, your liability will not exceed \$50. You can notify the Credit Union by calling Phone: 248.647.5958 or writing to: **Birmingham Bloomfield Credit Union, 576 E. Lincoln Avenue, Birmingham, Michigan, 48009, Fax 248.647.9239.**

**6. Security Interest.** As a condition of us granting you credit under this agreement you hereby agree to grant us a security interest in all present and future shares and deposits with credit union except Individual Retirement Account(s) and other accounts which provide tax benefits under federal or state law to secure this VISA® account. Upon default under this agreement you agree that we may apply any or all of your shares and deposits to pay amounts due, or to pay the entire balance due on the account under this agreement. You also agree to grant us a security interest in collateral (other than real estate or your residence) securing other loans with this Credit Union to secure credit under this agreement.

**7. Finance Charges.** For a VISA® card, each advance or purchase is a fixed rate loan in that the daily periodic rate and the **ANNUAL PERCENTAGE RATE** will not vary.

The **Finance Charge** is determined by applying the daily periodic rate to the "average daily balance" of your account, including any cash advances. To get the average daily balance, we take the beginning outstanding balance of purchases each day, add any new purchases and cash advances, and subtract any payments and/or credits. This gives us the daily balance. Then, we add all the daily balances for the billing cycle together and divide the total by the number of days in the billing cycle. This gives us the average daily balance. The **ANNUAL PERCENTAGE RATE** is determined by dividing the sum of the average daily balances during the billing cycle by the number of days in the cycle. To receive a specific rate as set forth for your VISA® account, you must maintain your accounts each and every day of the billing cycle to receive the specified interest rate. We may increase your interest rate to a higher allowable rate if your VISA® account becomes delinquent or you exceed your specified approved credit limit.

New purchases posted to your account during a billing cycle will not incur a finance charge for that billing cycle if you had a zero or credit balance at the beginning of that billing cycle or you paid the entire New Balance on the previous cycle's billing statement by the Payment Due Date of that statement; otherwise a finance charge will accrue from the date a purchase is posted to your account.

To avoid an additional finance charge on the balance of purchases, you must pay the entire New Balance on the billing statement by the Payment Due Date of that statement. There is a 28-day interest grace period at the end of the billing cycle for new purchases. No finance charges accrue on any new purchases during this period. At the end of the 28 day grace period, finance charges as set forth herein begin to accrue unless the account is paid in full before the end of the grace period.

Cash Advances posted to your account begin to accrue a finance charge from the date you get the cash advance or the first day of the billing cycle in which the cash advance is posted to your account, whichever is later. There is no "grace period" for cash advances in which interest will not accrue and there is no period in which you may make monthly payments without incurring interest on cash

advances or overdraft cash advances from the date those transactions are posted to your account.

**8. Payments.** Each month you must pay at least the minimum payment shown on your statement by the date specified on the statement. If your statement says the payment is "Now Due," your payment is due no later than 28 days from the statement closing date. You may pay more frequently, pay more than the minimum payment or pay the Total New Balance in full. If you make extra payments or larger payments, you are still required to make at least the minimum payment each month your Account has a balance (other than a credit balance). The minimum payment is 3% of your Total New Balance, but not less than \$30.00, plus the amount of any prior minimum payments that you have not made, and any amount you are over your credit limit. If your balance is less than \$30.00, then the entire balance will be your payment. The Credit Union also has the right to demand immediate payment of any amount by which you are over your credit limit. Your payments will include any past due payments, over limit amounts, all applicable fees and costs and the current minimum amount due.

**9. Minimum Payment Warning:** If you make only the minimum payment each period, you will pay more in interest and it will take you longer to pay off your balance.

**10. Payment Allocation.** If you have balances with different interest rates, any amount paid over the minimum payment will be applied first to balances with the highest rates, so you can pay down your balance quicker by paying more than the minimum payment. Subject to applicable law, your payments thereafter may be applied to what you owe the Credit Union in any manner the Credit Union chooses.

**11. Late Fee & Warning:** Your payment must be received by the due date to be considered on time. Late fee amount that will be charged on payments received after the due date must also be disclosed. A late charge of \$25.00 will be added to your account if we do not receive at least the minimum payment due by the due date specified on your monthly statement. There is no grace period after the due date. The credit union may not treat any payment as late (i.e., we may not charge a late payment fee) unless your periodic statement is mailed or delivered at least 21 days before the payment due date.

**12. Annual Fees:** There is no annual fee for the VISA® Card.

**13. Other Charges.** You may be charged fees for collection of this account, including, but not limited to, reasonable attorney fees of twenty-five (25%) percent of the unpaid balance due charged to the Credit Union by an attorney who is not employed solely by this Credit Union, plus any collection costs, including Court costs, if required. Interest will continue to accrue during the course of collection, until paid in full, with all interest, fees and costs assessed.

**14. Changing Terms of Your Account - Rules Regarding Rates, Fees, and Limits.** The Credit Union may change the terms of this Agreement from time to time by sending Notice of any significant negative change to you no less than 45 days before we increase your interest rate; change certain fees (such as annual fees, cash advance fees, and late fees) that apply to your account; or make other significant changes to the terms of your card.

The Credit Union does **not** have to send you a 45-day advance notice if:

- An increased APR, that will apply after a disclosed period of time, was disclosed at account opening;
- An increase in an APR due to the completion of a workout arrangement or failure to comply with a workout arrangement; or
- If a minimum payment is more than 60 days late, and the credit union provides a 45-day advance notice of the increased APR.

**Increased rates apply only to new charges.** If the credit union does raise your interest rate after the first year, the new rate will apply only to new charges you make, unless your minimum payment is 60 or more days late. If you have a balance, your old interest rate will apply to that balance, unless your minimum payment is 60 or more days late.

**Restrictions on over-the-limit transactions.** You must tell the credit union that you want it to allow transactions that will take you over your credit limit. Otherwise, if a transaction would take you over your limit, it may be turned down. If you do not opt-in to over-the-limit transactions and the credit union allows one to go through, it cannot charge you an over-the-limit fee.

**Opt-In:** If you opt-in to allowing transactions that take you over your credit limit, the credit union can impose only one fee per billing cycle. You can revoke your opt-in at any time.

**No Opt-In:** If you do not opt-in to over-the-limit transactions and the credit union allows one to go through, it cannot charge you an over-the-limit fee.

**OPT-OUT:** If this credit union is going to make changes to the terms of your card, we will give you the option to cancel the card before certain fee increases take effect. If you take that option, however, your credit card may be closed.

**15. New Accounts:**  **Not Applicable.**  Your credit card interest rate will not increase for the first 12 months after you open an account. After that, you will be sent a notice of rate increases at least 45 days before the change.

**16. Protections for Underage Consumers.** If you are under 21, you will need to show that you are able to make payments, or you will need a cosigner, in order to open a credit card account. If you are under age 21 and have a card with a cosigner and want an increase in the credit limit, your cosigner must agree in writing to the increase.

**17. The CARD Act applies to this VISA Credit Card Agreement.** The Card Act provides restrictions on changes to your interest rate and changes to the account terms. The CARD Act does not place a limit on interest rates and fees.

**18. Terminating Your Account.** Either you or the Credit Union may terminate this agreement at any time, but termination by you or the Credit Union will not affect your obligation to pay the Account balance plus any finance and other charges you owe under this Agreement. You are also responsible for all transactions made to your Account after termination, unless the transactions were unauthorized. The Card or Cards you receive remain the property of the Credit Union and you must recover and surrender to the Credit Union all Cards upon request or upon termination of this Agreement whether by you or the Credit Union. The credit Union has the right to require you to pay your full Account balance at any time after your Account is terminated, whether you or the Credit Union terminate it. If this is a joint Account, Section 26 of this Agreement also applies to termination of the Account.

**19. Credit Information.** You authorize the Credit Union to investigate your credit standing when opening or periodically reviewing your Account. We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report. You also authorize the Credit Union to disclose information regarding your Account to credit bureaus and creditors who inquire about your credit standing.

**20. Unlawful Internet Gambling Notice -** Restricted transactions as defined in Federal Reserve Regulation GG are prohibited from being processed through this account or relationship. Restricted transactions generally include, but are not limited to, those in which credit, electronic fund transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with the

participation by others in unlawful Internet gambling.

**21. 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 that 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 or more, it will be refunded upon your written request or automatically after six months.

**22. Additional Benefits/Card Enhancements.** The Credit Union may from time to time offer additional services to your Account, such as travel accident insurance, at no additional cost to you. You understand that the Credit Union is not obligated to offer such services and may withdraw or change them at any time.

**23. Foreign Transaction Currency Conversion.** If you effect a transaction with your VISA® Card in a currency other than US Dollars, VISA® International Incorporated will convert the funds into US Dollars and charge your account in US Dollars. VISA® International Incorporated will use its currency conversion procedure, which is disclosed to institutions that issue VISA® cards. The conversion rate used by VISA® International Incorporated to determine the transaction amount in US Dollars for such foreign transactions is generally either a government mandated rate or a wholesale range of rates determined by VISA® International Incorporated for the processing cycle in which the transaction is processed, increased by an adjustment factor established from time to time by VISA® International Incorporated. The currency conversion rate used by VISA® International Incorporated is the applicable central processing date, which rate may vary from the rate VISA® itself receives and, may differ from the rate that would have been used on the purchase date or cardholder statement posting date. A foreign transaction is any transaction that you complete or a merchant completes on your card outside of the United States, Puerto Rico, and the U.S. Virgin Islands or U.S. Military bases. If there is no currency conversion but the transaction was completed in a foreign country (what VISA® labels a "single-currency transaction") the International Service Assessment (ISA) is 0.8% of the transaction; including cash advances, purchases and credits to your account. If there is a "multi-currency" conversion, the ISA will continue to be 1% of the transaction. An international transaction as a transaction where the issuer's country (i.e., the card-issuing financial institution's country) is different than the merchant's country. Thus, for example, a transaction over the Internet could qualify as an international transaction. These fees will be charged to your VISA® account for each foreign transaction.

**24. Merchant Disputes.** The Credit Union is not responsible for the refusal of any merchant, financial institution, or automated equipment to honor or accept your credit card. Except as indicated in the Billing Right Summary. The Credit Union is not responsible for any goods or services you purchase with your credit card and you must resolve all disputes directly with the merchant.

**25. Joint Accounts.** If this is a joint Account, each person on the Account must sign the Agreement. Each of you will be individually and jointly responsible for paying all amounts owed under this Agreement. This means that the Credit Union can require any one of you individually to repay the entire amount owed under this Agreement. Each of you authorizes the other(s) to make purchases or cash advances individually. Any one of you may terminate the Account and the termination will be effective for all of you.

**26. Effect of Agreement.** This Agreement is the contract that applies to all transactions on your Account even though the sales, cash advances, credit or other slips you sign or receive may contain different terms.

**27. No Waiver.** The Credit Union can delay enforcing any of its rights any number of times without losing them.

**28. Statements and Other Notices.** A periodic statement will be mailed or delivered to you at least 21 days before the payment due date. Statements and notices will be mailed to you at the most recent address you have given the Credit Union. Notice sent to any one of you will be considered notice to all authorized users of this account. Electronic statements can also be provided if you chose to enroll in E-Statements. You must inform us if you change your mailing address and we may rely upon the last address that you provided to us for purposes of sending notices to you concerning this account.

**29. Governing Law.** This Agreement is governed solely by the laws of the State of Michigan and all extensions of credit and finance charges, including other charges assessed, are governed by the laws of the State of Michigan and federal law, as applicable.

**30. Copy Received.** You acknowledge that you have received a copy of this Agreement.

**31. Pledge of Shares & Savings.** You hereby give the Credit Union a specific pledge of shares and your pledged shares will secure your VISA® Balance on this Account. You may not withdraw amounts that have been specifically pledged to secure your Account until the Credit Union agrees to release all or part of the pledged amount. In addition, your Account is secured by all other shares you have in any individual or joint account with the Credit Union, except for shares in an Individual Retirement Account or in any other account that would lose special tax treatment under state or federal law if given as security. These other shares may be withdrawn unless you are in default under this agreement. You authorize the Credit Union to apply the balance in your individual or joint share accounts to pay any amounts due on this VISA® Account if you should default. Collateral securing other loans you have with the Credit Union also secures this VISA® account balance, if any, except that a dwelling will never be considered as security for this Account, notwithstanding anything to the contrary in any other agreement.

**32. Signatures.** By signing in the Signature area of the application form that was attached to this agreement when you received it, you agree to the terms of this Agreement. You should retain this Agreement for your records.

**33. Business Days.** Our business days are Monday – Friday, excluding holidays. All transactions initiated after 5:00 pm are considered the next business day's transactions.

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#### USA PATRIOT ACT

In accordance with the USA PATRIOT ACT, Federal law requires all financial institutions to obtain, verify, and record information that identifies each individual or entity opening an account. This includes all personal and commercial accounts including loan and deposit accounts, as well as trust, brokerage, insurance, and investment management accounts.

#### **What This Means To Our Members**

When you open an account, you will be asked for your name, address, social security or tax identification number, date of birth (if applicable) and other information that will allow Birmingham Bloomfield Credit Union to identify you. You will also be asked to furnish your drivers license or other identifying documents. We are required to follow this procedure each time an account is opened, even if you are a current member of Birmingham Bloomfield Credit Union.

## YOUR BILLING RIGHTS – Keep This Notice for Future Use

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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 the address listed on your bill. 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:

- Your name and account number.
- The dollar amount of the suspected error.
- 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 any 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 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 to us within ten 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 can't collect the first \$50 of the questioned amount, even if your bill was correct.

### **Special Rule for Credit Card Purchases**

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

- (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; and
- (b) The purchase price must have been more than \$50. These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.

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