



VISA CARD MEMBER AGREEMENT AND DISCLOSURE STATEMENT

CREDIT CARD AGREEMENT

The following is the agreement between you and Picatinny Federal Credit Union (PFCU), covering the PFCU Visa Card delivered to you under separate cover and your credit account with us. You should keep these forms so you can refer to them if you have any questions regarding your account.

NOTICE: Important information regarding your rights to dispute billing errors immediately follows this agreement.

In this agreement the words "you" and "your" mean each and all of those who use the Card or the account. "Card" means VISA® Credit Card and any duplicates and renewals we issue. "Account" means your VISA® Credit Card Line of Credit account with us. "We," "us" and "ours" means Picatinny Federal Credit Union.

1. RESPONSIBILITY

If we issue you a Card, you agree to repay all debts and the FINANCE CHARGE arising from the use of the Card and the Card account. For example, you are responsible for charges made by yourself, your spouse and minor children. **You are also responsible for charges made by anyone else to whom you give the Card, and this responsibility continues until the Card is recovered.** You cannot disclaim responsibility by notifying us. However, we will close the account for new transactions if you so request and return all Cards. Your obligation to pay the account balance continues even though an agreement, divorce decree or other court judgment to which we are not a party may direct you or one of the other persons responsible to pay the account. Any person using the Card is jointly responsible with you for charges he or she makes, but if that person signs the Card he or she becomes a party to this Agreement and is also jointly responsible for all charges on the account, including yours. You agree that all transactions that you initiate by use of the Card are legal in the jurisdiction where you live and/or the transaction has occurred.

2. LOST CARD NOTIFICATION

If you believe the Card has been lost or stolen, you must tell us at once by calling: 1-800-872-1712.

3. LIABILITY FOR UNAUTHORIZED USE

If your Card is used without your authorization, you will not be liable for any charges incurred.

4. CREDIT LINE

If we approve your application, we will establish a self replenishing Line of Credit for you and notify you of the amount when we issue the Card. You agree not to let the account balance exceed this approved Credit Line. If you exceed the approved credit line you may be assessed an Over Limit Fee. Please refer to the "Other Charges" section of this agreement for the amount of the fee. Each payment you make on the account will restore your Credit Line by the amount of the payment that is applied to the principal. You may request an increase in your Credit Line only by written application to us, which must be approved by our credit committee or loan officer. Our credit committee may reduce your Credit Line by giving you written notice or with good cause, may revoke your Card and terminate this Agreement. Good cause includes failure to comply with this Agreement, or it may be based on our re-evaluation of your credit-worthiness. You may also terminate this Agreement at any time, but termination by either of us does not affect your obligation to pay the account balance. You must notify us in writing that you wish to close the account. The Cards remain our property and you must surrender all Cards to us upon our request.

5. CREDIT INFORMATION

You authorize us to investigate your credit standing when opening, renewing or reviewing your account and you authorize us to disclose information regarding your account to credit bureaus and other creditors who inquire about your credit standing as it pertains to your accounts at the Credit Union.

6. MONTHLY STATEMENTS

We will mail you a statement each month. When available and at your option, we may email your statement and/or disclosures to you. The statement will show your Previous Balances of purchases and cash advances, the current transactions on your account, the remaining credit available under your Credit Line, the New Balances of purchases and cash advances, the Total New Balance, the FINANCE CHARGE due to date, and the Minimum Payment required. Each month you must pay at least the Minimum Payment within 25 days of your statement closing date. You may, of course pay more frequently, pay more than the Minimum Payment or pay the Total Balance in full, and you will reduce the FINANCE CHARGE by doing so. The Minimum Payment will be either (a) 3% of your total New Balance, or \$25 whichever is greater, or (b) your Total New Balance, if it is less than \$25 plus any portion of the Minimum Payment shown on your prior statement which remains unpaid. In addition, if at any time your Total New Balance exceeds your credit line you must immediately pay the excess upon our demand. We will apply payments to your account in the following manner.

- * First to any finance charges or fees due
- * To current cash balance due
- * To current purchase balance due
- * To grandfather 1 cash balance
- * To grandfather 1 purchase balance
- * To grandfather 2 cash balances
- * To grandfather 2 purchase balances

You may request that a payment be applied first to your grandfather balances by contacting the Credit Union in writing at

**PFCU Visa Department
100 Mineral Springs Dr.
Dover NJ 07801**

within 30 days of making your payment.

7. FINANCE CHARGE

You can avoid FINANCE CHARGES on purchases by paying the full amount of the New Balance of Purchases each month within 25 days of your statement closing date. Otherwise, the New Balance of Purchases and subsequent purchases from the date they are posted to your account will be subject to FINANCE CHARGES. Cash advances are always subject to FINANCE CHARGES from the date they are posted to your account. The FINANCE CHARGE (interest) is calculated at the periodic rate of .8250% per month (ANNUAL PERCENTAGE RATE OF 9.90%) on the average daily principal balance of current purchases in the account. The FINANCE CHARGE (interest) is calculated at the periodic rate of 1.1250% per month (ANNUAL PERCENTAGE RATE OF 13.5%) on the average daily balance of purchases prior to February 2002. The FINANCE CHARGE (interest) is calculated at the periodic rate of 1.2083% per month (ANNUAL PERCENTAGE RATE OF 14.50%) on the average daily balance of purchases prior to July 1993. The FINANCE CHARGE (interest) on cash advances are calculated at 1 % above the prevailing rate. We figure the finance charge on your account by applying the periodic rate to the "average daily balance" of your account (including current transactions). To get the "average daily balance" we take the beginning balance of your account each day, add any new purchases or advances and subtract any payments or credits. This gives us the daily balance. Then we 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 us the "average daily balance." Separate "average daily balances" are calculated for purchases and cash advances to which the appropriate periodic rate is then applied.

8. OTHER

Your account will be subject to other charges including, without limitation, an Over Limit fee of \$10.00 (when balance exceeds your credit limit). Copy of a merchant draft (credit receipt) will cost \$5.00. There will be a \$20.00 late charge if the payment is not received within ten (10) days from the statement date. You may be subject to charges from other financial institutions when using your Card at their Automated Teller Machine.

9. DEFAULT

You will be in default if you fail to make any Minimum Payment within 25 days after your monthly statement closing date. You will also be in default if your ability to repay us is materially reduced by a change in your employment, an increase in your obligations, bankruptcy or insolvency proceedings involving you, your death or your failure to abide by this agreement. If you default, we have a right to demand immediate payment of your full account balance, subject to our giving you any notice required by law. You will also be required to pay our collection expenses, including court cost and an attorney's fee of 20% of the principal and interest due.

10. USING THE CARD

To make a purchase or cash advance, there are two alternative procedures to be followed. One is for you to present the Card to a participating VISA plan merchant, to us or to another financial institution, and sign the sales or cash advance draft which will be imprinted with your Card. The other is to complete the transaction by using your personal identification number (PIN) in conjunction with the Card in an automated teller machine or other type of electronic terminal that provides access to the VISA system. The monthly statement will identify the merchant, electronic terminal or financial institution at which transactions were made. However, sales, cash advance, credit or other slips cannot be returned with the statement. It is your responsibility to retain the copy of such slips furnished at the time of transaction in order to verify the monthly statement. The Credit Union may make a reasonable charge for photocopies of slips you may request. **Internet gambling may be illegal in the jurisdiction in which you are located, including the United States. Your Card may only be used for legal transactions.**

Display of a payment card logo by an online merchant does not mean that Internet gambling transactions are lawful in all jurisdictions in which you may be located. If you use your card for illegal purpose, you agree to indemnify us.

11. RETURNS AND ADJUSTMENTS

Merchants and others who honor the Card may give credit for returns and adjustments and they will do so by sending us a credit slip which will post to your account. If your credits and payments exceed what you owe us, we will apply this credit balance against future purchases and cash advances or if it is \$1 or more, refund it on your written request or automatically after 6 months.

12. FOREIGN TRANSACTIONS

Purchases and cash advances made in foreign countries and foreign currencies will be billed to you in U.S. Dollars.

13. PLAN MERCHANT DISPUTES

We are not responsible for the refusal of any merchant or financial institution to honor our Card.

14. SECURITY INTEREST

You pledge, as security for what you owe, all present and future shares in all your individual and joint Credit Union accounts. The Credit Union has the right to apply all your present and future shares toward the amount you owe if you are in default. Shares in an Individual Retirement Account are not subject to any right to offset or to your pledge of shares. If you have other loans with the Credit Union or take out other loans with us in the future, collateral securing those loans will also secure your obligations under this agreement.

15. EFFECT OF AGREEMENT

This agreement is the contract that applies to all transactions on your account even though the sales receipt, cash advance or credit slips you sign or receive may contain different terms. We may amend this Agreement from time to time by sending you the advance written notice required by law. Your use of the card thereafter will indicate your agreement to the amendments. To the extent the law permits, and we indicate in our notice, amendments will apply to your existing account balance as well as to future transactions. You acknowledge receipt of a copy of this agreement.

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 send 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 authorize 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 3 business days before the automatic payment is scheduled to occur.

**YOUR RIGHTS AND 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 the amount in 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 did not 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 to us within 10 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. Also, 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 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:

*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.

*The purchase price must have been more than \$50.00.

Annual percentage rate for purchases	9.90%
Annual percentage rate for cash advances	10.90%
Grace period for payment of purchases	You have 25 days from the statement closing date to repay Your balance before a finance charge on purchases will be imposed
Grace period for repayment of cash advances	You have no grace period in which to repay your balance for cash advances before finance charge will be imposed
Method of computing balances or purchases	Average daily balance method
Minimum Finance Charge	none
Other Fees	Late fee - \$20.00 Over the Limit fee - \$10.00 Copy merchant draft - \$5.00 Original merchant draft - \$10.00 Attorney's fee of 20% of the principal and interest due

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