

VISA® CREDIT CARD AGREEMENT

In this agreement the words “you” and “your” mean each person who has signed the application for the card. “Card” means the MECU VISA® Platinum Credit Card, MECU VISA® Gold Credit Card or the MECU VISA® Classic Credit Card and any duplicates, renewals or substitutions we issue. “Account” means your VISA® Credit Card line of credit account with us. “Credit Union” means the Credit Union whose name appears on this agreement or anyone whom the Credit Union transfers this agreement. “We”, “us” and “ours” means Municipal Employees Credit Union of Baltimore, Incorporated (MECU).

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 any time. If you are over your credit limit, you must pay the amount you are over before payments will begin to restore your credit limit. We may, from time to time, either upon your request or at our option, increase or decrease your credit limit, and we will notify you if we do. 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 YOUR 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). (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 that you will not use your Card for any transaction that is illegal under applicable federal, state, or local law.

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 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 21 below also applies to your Account.

4. FINANCE CHARGES. APPLICATION OF PAYMENTS: Your payments will be applied by us in the following manner. (1) If your payment is large enough, we will apply it to pay your Total New Balance in full. If your payment is greater than your Total New Balance we will apply the excess first to pay new cash advances and next to pay new purchases occurring after the Closing Date shown on your

billing statement. If you make no new cash advances or purchases, the excess will be shown as a credit balance on your next billing statement for which you may, by written request get a refund; or (2) If your payment is less than the Total New Balance, we will apply the payment first to any unpaid FINANCE CHARGE, with the balance, if any, first to the entire cash advance balance and next to the entire purchase balance.

FINANCE CHARGE ON PURCHASES: The Periodic Rate used to compute the FINANCE CHARGE is .825% per month for the MECU Platinum card. The corresponding Platinum ANNUAL PERCENTAGE RATE is 9.90%. The Periodic Rate used to compute the FINANCE CHARGE is 1.077% per month for MECU Classic and Gold cards. The corresponding Classic and Gold ANNUAL PERCENTAGE RATE is 12.92%. A FINANCE CHARGE will be imposed on Credit Purchases only if you elect not to pay the entire New Balance shown on your monthly statement for the previous billing cycle within twenty five (25) days from the closing date of that statement. If you elect not to pay the entire New Balance shown on your previous monthly statement within that twenty five (25) day period a FINANCE CHARGE will be imposed on the unpaid average daily balance of such Credit Purchases from the previous statement closing date and on new Credit Purchases from the date of posting to your account during the current billing cycle and will continue to accrue until the closing date of the billing cycle preceding the date on which the entire New Balance is paid in full or until the date of payment if more than twenty five (25) days from the closing date.

The FINANCE CHARGE for a billing cycle is computed by applying the monthly Periodic Rate to the average daily balance of Credit Purchases, which is determined by dividing the sum of the daily balances during the billing cycle by the number of days in the cycle. Each daily balance of Credit Purchases is determined by adding to the outstanding unpaid balance of Credit Purchases at the beginning of the billing cycle any new Credit Purchases posted to your account and subtracting any payments as received and credits as posted to your account but excluding any unpaid FINANCE CHARGE.

FINANCE CHARGE ON CASH ADVANCES: The Periodic Rate used to compute the FINANCE CHARGE is .825% per month for the MECU Platinum card. The corresponding Platinum ANNUAL PERCENTAGE RATE is 9.90%. The Periodic Rate used to compute the FINANCE CHARGE is 1.077% per month for MECU Classic and Gold cards. The corresponding Classic and Gold ANNUAL PERCENTAGE RATE is 12.92%. A FINANCE CHARGE will be imposed on Cash Advances from the date made or from the first day of the billing cycle in which the Cash Advance is posted to your account, whichever is later, and will continue to accrue on the unpaid average daily balance of such Cash Advances until the date of the billing payment if paid during the same billing cycle, or until the clos-

ing date of the billing cycle preceding the date on which the entire New Balance is paid in full or until the date of payment if more than twenty five (25) days from the closing date. If the New Balance shown on your monthly statement for the prior billing cycle is paid in full within twenty five (25) days from the closing date of that statement, no FINANCE CHARGES will be imposed during the current billing cycle for Cash Advances posted to your account during previous billing cycles.

The FINANCE CHARGE for a billing cycle is computed by applying the monthly Periodic Rate to the average daily balance of Cash Advances, which is determined by dividing the sum of the daily balances by the number of days in the billing cycle. Each daily balance of Cash Advances is determined by adding to the outstanding unpaid balance of Cash Advances at the beginning of the billing cycle any new Cash Advances posted to your account, and subtracting any payments as received or credits as posted to you, but excluding any unpaid FINANCE CHARGES.

5. OTHER CHARGES. The following other charges (fees) will be added to your Account, as applicable:

a. Late Payment Fee: Payments which are received fifteen (15) days past due will be subject to a Late Payment Fee of \$24.00.

b. Return Check Fee: If a check or share draft used to make a payment on your account is returned unpaid, you will be charged a fee of \$15.00 for each item returned.

c. Effect of Default: If you are in default under this Cardholder Agreement, at our option we can require immediate payments of all amounts you owe under your account. If we refer your account to any attorney for collection, you will have to pay an attorney or collection fee of 15% of the amount owing, plus all court costs.

d. Foreign Transaction Fee: Refer to *Section 18*.

6. PAYMENTS. Each month you must pay at least the minimum payment shown on your statement by the date specified on the statement or no later than twenty-five (25) days from the statement closing date, whichever is later. If your statement says the payment is "Now Due," your payment is due no later than twenty-five (25) 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 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 for the MECU Platinum card is 2% of your Total New Balance for purchases and cash advances, or \$10.00, whichever is greater, plus the amount of any prior minimum payments that you have not made, and any amount you are over your credit limit. The minimum payment for MECU

Classic and Gold cards is 3% of your Total New Balance for purchases and cash advances, or \$10.00, whichever is greater, plus the amount of any prior minimum payments that you have not made, and any amount you are over your credit limit. The Credit Union also has the right to demand immediate payment of any amount by which you are over your credit limit. The current minimum payment will be rounded off to the next whole dollar.

7. PAYMENT ALLOCATION. Subject to applicable law, your payments may be applied to what you owe the Credit Union in any manner the Credit Union chooses.

8. SECURITY INTEREST. If you give the Credit Union a specific pledge of shares by signing a separate pledge of shares, your pledged shares will secure your 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 your Account if you should default. Collateral securing other loans you have with the Credit Union may also secure this loan, except that a dwelling will never be considered as security for this Account, notwithstanding anything to the contrary in any other agreement.

9. 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, that is, unable to pay your obligations when they become due. 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 any shares that were given as security for your Account may be applied towards what you owe.

10. LIABILITY FOR UNAUTHORIZED USE-LOST/STOLEN CARD NOTIFICATION. You agree to notify us immediately, orally or in writing at 7 East Redwood Street, Baltimore, MD 21202 or telephone (800) 449-7728 seven (7) days a

week, twenty-four (24) hours a day, of the loss, theft, or unauthorized use of your Credit Card. You may be liable for the unauthorized use of your Credit Card. You will not be liable for unauthorized use that occurs after you notify us of the loss, theft, or possible unauthorized use. You will have no liability for unauthorized purchases made with your credit card, unless you are grossly negligent in the handling of your card. In any case, your liability will not exceed \$50.

11. CHANGING OR TERMINATING YOUR ACCOUNT. The Credit Union may change the terms of this Agreement from time to time. Notice of any change will be given in accordance with applicable law.

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 by you (unless you are opting out of a change in terms) or by the Credit Union. If this is a joint Account, Section 21 of this Agreement also applies to termination of the Account.

12. CREDIT REPORTING. You authorize the credit union to investigate your credit standing when opening or reviewing your account. You authorize the credit union to disclose information regarding your account to credit bureaus and creditors who inquire about your credit standing. If your account is eligible for emergency cash and/or emergency card replacement services, and you request such services, you agree that we may provide personal information about you and your account that is necessary to provide you with the requested service(s).

We may report your performance under this Agreement to credit reporting agencies, including your failure to make minimum payments on time. If you request additional cards on your account for others, you understand that we may report account information in your name as well as in the names of those other people. We may also obtain follow-up credit reports on you (for example, when we review your account for a credit line increase). If you wish to know the names of the agencies we have contacted, writes us at the address listed on the billing statement. We will try to notify you by telephone or by mail of any legal process served on us in order to give you an opportunity to object to it, unless the law prohibits the notice.

If you think we reported erroneous information to a credit reporting agency, write

us at the address listed on the billing statement. We will promptly investigate the matter and if our investigation shows you are right, we will contact each credit-reporting agency to whom we reported and will request they correct the report. If we disagree with you after our investigation, we will tell you in writing or by telephone and instruct you how to submit a statement of your position to those agencies. Your statement will become a part of your credit record with them.

13. 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 or other electronic means 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 or more, it will be refunded upon your written request or automatically after six (6) months.

14. 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.

15. SPECIAL PROMOTIONS. From time to time, we may offer special promotions under which purchases of goods or services, balance transfers or cash access transactions may be billed to your account with special promotional terms. The Finance Charges, minimum payment, application of payments and other terms for special promotions may differ from the standard terms described in this Agreement and as may be shown on your Account Statement. The standard terms of the Agreement apply to any special promotion, except where changed by the special promotion. Except to the terms modified by the special promotion, standard terms will continue to apply to any and all transactions that are not subject to a special promotion. If you elect a special promotion, you agree to the terms of the promotion and understand that any unpaid balance related to the special promotion will be subject to the standard terms when the promotional period ends. We are not required to give you advance notice before resuming or starting to bill you according to the standard terms described in the Agreement.

16. CONVENIENCE CHECKS. Convenience checks may be used to purchase goods and services, to transfer balances from others, or to obtain funds up to the amount of your available cash advance limit unless that amount will cause the total balance to exceed your credit line. We will treat convenience checks as a cash advance and charge them against your cash advance limit. Each convenience check must be in the form we have issued and must be used according to any instructions we give you. Convenience checks may be used only by the person whose name is printed on them. Convenience checks may not be used to

pay any amount owed to us under this or any other Card Agreement that you have with us. We will not certify any convenience checks, nor will we return paid convenience checks.

17. TELEPHONE MONITORING AND REPORTING. From time to time we may monitor and record your telephone calls regarding your account with us to assure the quality of our service.

18. FOREIGN TRANSACTIONS. Purchases and cash advances made in foreign countries and foreign currencies will be billed to you in U.S. dollars. The exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by Visa from a range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives or the government-mandated rate in effect for the applicable central processing date.

A 1% International Fee will be assessed on all transactions where the Transaction Fee will be assessed on all transactions where the merchant country differs from the country of the card issuer. The converted transaction will be shown separately from the International Transaction Fee on your billing statement. This fee will be assessed on all international purchases, credit vouchers, and cash disbursements. The exchange rate for transactions in foreign currency will be a rate selected by VISA® from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate VISA® itself receives, or the government mandated rate in effect for the applicable central processing date plus the 1% International Transaction Fee.

Effective April 4, 2008, a fee of 0.8% will be assessed on international transactions conducted in U.S. dollars.

19. MERCHANT DISPUTES. The Credit Union is not responsible for the refusal of any merchant or financial institution to honor your Card. The Credit Union is subject to claims and defenses (other than tort claims) arising out of goods or services you purchase with the Card if you have made a good faith attempt but have been unable to obtain satisfaction from the merchant or service provider, and (a) your purchase was made in response to an advertisement the Credit Union sent or participated in sending to you; or (b) your purchase cost more than \$50 and was made in your state or within one hundred (100) miles of your home.

20. REFUSAL OF THE CARD. We are not responsible if a transaction on your account is not approved, either by us or by a third party, even if you have sufficient credit available. We may limit the number of transactions that may be approved in one day. If we detect unusual or suspicious activity on your account, we may temporarily suspend your credit privileges until we can verify the activity.

21. JOINT ACCOUNTS. If this is a Joint Account, each person on the Account

must sign the Agreement (by signing on the application). 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, in writing, terminate the Account and the termination will be effective as to all of you.

22. EFFECT OF AGREEMENT. This Agreement is the contract which 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.

23. NO WAIVER. The Credit Union can delay enforcing any of its rights any number of times without losing them.

24. STATEMENTS AND NOTICES. 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.

25. FINAL EXPRESSION. This Agreement and the LoanLiner Addendum are the final expression of the terms and conditions of this VISA[®] line of credit between you and the Credit Union. This written Agreement may not be contradicted by evidence of any alleged oral agreement.

26. GOVERNING LAW. This Cardholder Agreement and the granting of credit hereunder is made pursuant to the Maryland Credit Union Act and the Commercial Law Article, Title 12, Subtitle 9 and any applicable Federal Laws.

27. COPY RECEIVED. By signing, using or accepting the MECU VISA[®] Credit Card you acknowledge that you have received a copy of this Agreement.

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 the address listed on your bill. Write to us as soon as possible. We must hear from you no later than sixty (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 share draft account, you can stop the payment on any amount you think is wrong. To stop the payment your letter must reach us three (3) 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 thirty (30) days, unless we have corrected the error by then. Within ninety (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 an 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 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 ten (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. 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 (2) limitations on this right:

- (a) You must have made the purchase in your home state or, if not within your home state, within one hundred (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.